

RECORD OF PROCEEDINGS

**MINUTES OF A SPECIAL MEETING OF
THE BOARD OF DIRECTORS OF THE PRAIRIE CENTER
METROPOLITAN DISTRICT NO. 7 (the "District")
HELD
AUGUST 7, 2018**

A special meeting of the Board of Directors of the Prairie Center Metropolitan District No. 7 (referred to hereafter as "Board") was convened on Tuesday, the 7th day of August, 2018, at 4:00 P.M., at the Kacey Building, 1201 Auraria Parkway, Denver, Colorado. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Michael Tamblyn
Mark A. Waggoner

Also In Attendance Were:

Ann E. Finn; Special District Management Services, Inc.

Paula Williams, Esq.; McGeady Becher P.C.

Thuy Dam; CliftonLarsonAllen LLP

Rick Rome; Redland Consulting Group Inc.

Brad Grimes; Brinkmann Constructors (via speakerphone for a portion of the meeting)

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

Disclosures of Potential Conflicts of Interest: The Board discussed the requirements pursuant to the Colorado Revised Statutes to disclose any potential conflicts of interest or potential breaches of fiduciary duty to the Board and to the Secretary of State. Attorney Williams noted that a quorum was present and requested members of the Board to disclose any potential conflicts of interest with regard to any matters scheduled for discussion at this meeting, and incorporated for the record those applicable disclosures made by the Board members prior to this meeting in accordance with the statute. It was further noted by Attorney Williams that all Directors' Disclosure Statements have been filed and no additional conflicts were disclosed.

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ADMINISTRATIVE MATTERS

Agenda: Ms. Finn distributed for the Board's review and approval a proposed Agenda for the District's special meeting.

Following discussion, upon motion duly made by Director Tamblyn, seconded by Director Waggoner and, upon vote, unanimously carried, the Agenda was approved, as amended.

Approval of Meeting Location: The Board entered into a discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the District's Board meeting. Following discussion, upon motion duly made by Director Tamblyn, seconded by Director Waggoner and, upon vote, unanimously carried, the Board determined to conduct the meeting within 20 miles of its boundaries at the above stated location. The Board further noted that notice of the time, date and location was duly posted and that they have not received any objections to the location or any requests that the meeting place be changed by taxpaying electors within its boundaries.

May 8, 2018 Regular Election: Ms. Finn noted for the Board that the May 8, 2018 election was cancelled, as allowed under Colorado law, by the Designated Election Official because there were no more candidates than positions available on the Board of Directors. Director Tamblyn was deemed elected to a 4-year term ending May 2022.

Appointment of Officers: The Board entered into discussion regarding the appointment of officers.

Following discussion, upon motion duly made by Director Tamblyn seconded by Director Waggoner and, upon vote, unanimously carried, the following slate of officers was appointed:

President
Treasurer
Secretary

Michael Tamblyn
Mark Waggoner
Ann E. Finn

CONSENT AGENDA

The Board considered the following actions:

- Approve Minutes of the April 4, 2018 special meeting.
- Ratify approval of payment of claims for the period beginning April 1, 2018 through July 31, 2018 totaling \$1,787,764.12.

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Following review, upon motion duly made by Director Tamblyn, seconded by Director Waggoner and, upon vote, unanimously carried, the Board approved and/or ratified approval of, as appropriate, the above actions.

FINANCIAL MATTERS

Unaudited Financial Statements: Ms. Dam presented and reviewed the unaudited financial statements for the period ending June 30, 2018.

Following review and discussion, upon motion duly made by Director Waggoner, seconded by Director Tamblyn and, upon vote, unanimously carried, the unaudited financial statements for the period ending June 30, 2018 were accepted, as presented.

2017 Budget Amendment Hearing: The President opened the public hearing to consider the Resolution to Amend the 2017 Budget and discuss related issues.

It was noted that publication of Notice stating that the Board would consider adoption of a Resolution to Amend the 2017 Budget and the date, time and place of the public hearing was made in a newspaper having general circulation within the District. No written objections were received prior to this public hearing. There were no comments from the public in attendance and the public hearing was closed.

Following review and discussion, Director Tamblyn moved to adopt Resolution No. 2018-08-01 to Amend the 2017 Budget, Director Waggoner seconded the motion and, upon vote, unanimously carried, the Board adopted Resolution No. 2018-08-01 to Amend the 2017 Budget. A copy of the adopted Resolution is attached hereto and incorporated herein by this reference.

Preparation of 2019 Budget: The Board discussed the preparation of the 2019 Budget.

Following discussion, upon motion duly made by Director Waggoner, seconded by Director Tamblyn and, upon vote, unanimously carried, the Board appointed the District Accountant to prepare the 2019 Budget and determined to hold the public hearing to consider adoption of the 2019 Budget on December 5, 2018 at 4:00 p.m. at the regular meeting location.

LEGAL MATTERS

Rules and Regulations for Construction Activities: The Board deferred discussion.

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Master Service Agreement for Professional Design Services between the District and DTJ Design, Inc.: Attorney Williams discussed with the Board the Master Service Agreement for Professional Design Services between the District and DTJ Design, Inc.

Following discussion, upon motion duly made by Director Tamblyn, seconded by Director Waggoner and, upon vote, unanimously carried, the Board ratified approval of the Master Service Agreement for Professional Design Services between the District and DTJ Design, Inc.

Fee Collection Intergovernmental Agreement between Prairie Center Metropolitan District No. 3 and Prairie Center Metropolitan District No. 7: Attorney Williams reviewed with the Board a Fee Collection Intergovernmental Agreement between Prairie Center Metropolitan District No. 3 and Prairie Center Metropolitan District No. 7.

Following discussion, upon motion duly made by Director Tamblyn, seconded by Director Waggoner and, upon vote, unanimously carried, the Board approved the Fee Collection Intergovernmental Agreement between Prairie Center Metropolitan District No. 3 and Prairie Center Metropolitan District No. 7, subject to final review by Counsel.

CAPITAL MATTERS

Prairie Center Village I Phase IA and IB Improvements: Mr. Grimes reviewed pay applications and change orders with the Board.

Construction Contract with BEMAS Construction:

- a. Change Order No. A1 for deduction of (\$412,322.20).
- b. Change Order No. A2 for an increase of \$126,699.77.
- c. Change Order No. A3 for an increase of \$4,559.50.
- d. Change Order No. A4 for an increase of \$6,498.64.
- e. Change Order No. A5 for an increase of \$389,394.12.

Following discussion, upon motion duly made by Director Tamblyn, seconded by Director Waggoner and, upon vote, unanimously carried, the Board ratified approval of the above Change Orders.

Construction Contract with Scott Contracting:

- a. Change Order No. D-1 for increase of \$23,173.50.
- b. Change Order No. D-2 for a decrease of (\$76,100.53).

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Following discussion, upon motion duly made by Director Tamblyn, seconded by Director Waggoner and, upon vote, unanimously carried, the Board ratified approval of the above Change Orders.

Construction Contract with ESCO Construction Company:

- a. Change Order No. 1 for an increase of \$3,159.53.
- b. Change Order No. B-2 for a decrease of \$(5,933.80).

Following discussion, upon motion duly made by Director Tamblyn, seconded by Director Waggoner and, upon vote, unanimously carried, the Board ratified approval of the above Change Orders.

Construction Contract with Rocky Mountain Excavating:

- a. Change Order No. 1 for an increase of \$5,602.58.

Following discussion, upon motion duly made by Director Tamblyn, seconded by Director Waggoner and, upon vote, unanimously carried, the Board ratified approval of the above Change Orders.

Construction Contract with Colorado Designsapes, Inc.:

- a. Change Order No. 1 for an increase of \$14,837.90.

Following discussion, upon motion duly made by Director Tamblyn, seconded by Director Waggoner and, upon vote, unanimously carried, the Board ratified approval of the above Change Orders.

Construction Management Agreement with Brinkmann Constructors:

- a. Change Order No. 1 for deduction of (\$20,616.11).
- b. Change Order No. 2 for an increase of \$6,334.99.
- c. Change Order No. 3 for an increase of \$227.98.
- d. Change Order No. 4 for an increase of \$324.93.
- e. Change Order No. 5 for an increase of \$1,158.68.
- f. Change Order No. 6 for an increase of \$741.90.
- g. Change Order No. 7 for an increase of \$280.13.
- h. Change Order No. 8 for an increase of \$19,469.17.
- i. Change Order No. 9 for an increase of \$157.98.


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Following discussion, upon motion duly made by Director Tamblyn, seconded by Director Waggoner and, upon vote, unanimously carried, the Board ratified approval of the above Change Orders.

ADJOURNMENT

There being no further business to come before the Board at this time, upon motion duly made, seconded and, upon vote, unanimously carried, the meeting was adjourned.

Respectfully submitted,

By  _____
Secretary for the Meeting

THESE MINUTES APPROVED AS THE OFFICIAL AUGUST 7, 2018
MINUTES OF THE PRAIRIE CENTER METROPOLITAN DISTRICT NO. 7 BY
THE BOARD OF DIRECTORS SIGNING BELOW:



Mike Tamblyn



Mark A. Waggoner

