

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE SPRING VALLEY METROPOLITAN DISTRICT NO. 1 AND THE BOARD OF DIRECTORS OF THE SPRING VALLEY METROPOLITAN DISTRICT NO. 1 WATER AND SEWER ACTIVITY ENTERPRISE HELD JANUARY 28, 2020

A special meeting of the Board of Directors of the Spring Valley Metropolitan District No. 1 (referred to hereafter as the "District") and the Board of Directors of the Spring Valley Metropolitan District No. 1 Water and Sewer Activity Enterprise (referred to hereafter as the "Enterprise", referred to hereafter collectively as the "Board"), was convened on Tuesday, the 28th day of January, 2020, at 3:00 P.M., at Colorado Escrow and Title, 10851 South Crossroads Dr., Suite B, Parker, Colorado. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

James E. Marshall (via speakerphone)
Scott Marshall
Christopher ("CJ") Kirst
Holly Robinson

Also In Attendance Were:

Lisa Johnson; Special District Management Services, Inc. ("SDMS")

Christopher Brummitt, Esq.; McGeady Becher P.C.

Wayne Ramey; Ramey Environmental Compliance, Inc.

PUBLIC COMMENTS

There were no public comments at this time.

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 of Directors and to the Secretary of State.

Ms. Johnson 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. Attorney Brummitt noted that Disclosure Statements have been filed for all directors. No additional conflicts were disclosed.

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ADMINISTRATIVE MATTERS

Agenda: Ms. Johnson 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 Kirst, seconded by Director S. Marshall and, upon vote, unanimously carried, the Agenda was approved, as amended to include additional matters under Agenda Item VI.

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 Kirst, seconded by Director S. Marshall and, upon vote, unanimously carried, the Board determined that because there was not a suitable or convenient location within the District's boundaries to conduct this meeting, the meeting would be conducted at the above-stated time, date and 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 taxing electors within its boundaries.

Designation of 24-hour Posting Location: Upon motion duly made by Director Kirst, seconded by Director S. Marshall and, upon vote, unanimously carried, the Board determined that notices of meetings of the District Board required pursuant to Section 24-6-402(2)(c), C.R.S., shall be posted on the District's website at <https://www.colorado.gov/springvalley1md>.

Minutes: The Board reviewed the Minutes of the November 21, 2019 special meeting, December 2, 2019 special meeting, and the December 16, 2019 special meeting.

Following discussion, upon motion duly made by Director S. Marshall, seconded by Director Kirst and, upon vote, unanimously carried, the Minutes of the November 21, 2019 special meeting, December 2, 2019 special meeting, and the December 16, 2019 special meeting were approved, as presented.

FINANCIAL MATTERS

Claims: The Board considered ratifying the approval of the payment of claims as follows:

Fund	Period ending Dec. 23, 2019	Period ending Jan. 22, 2020
General	\$ 16,409.87	\$ 83,349.75
Debt Service	\$ -0-	\$ -0-
Capital	\$ 78,853.75	\$ 24,525.59
Enterprise	\$ 111,944.10	\$ 32,208.04
Total Claims	\$ 206,937.72	\$ 140,083.38

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Following discussion, upon motion duly made by Director Robinson, seconded by Director Kirst and, upon vote, unanimously carried, the Board ratified approval of the payment of claims, as presented.

LEGAL MATTERS

Amended and Restated Rules and Regulations with Design Standards: The Board discussed revisions to the Rules and Regulations. Attorney Brummitt will revise the Rules and Regulations per the discussion and present them for approval at the next Board meeting.

OPERATION AND MAINTENANCE/ CAPITAL IMPROVEMENTS MATTERS

Monthly Activity Reports: The Board reviewed the monthly activity reports prepared by Ramey Environmental Compliance, Inc. from November 2019 through December 2019.

Service Agreement with Jehn Water Consultants, Inc.: Following discussion, upon motion duly made by Director S. Marshall, seconded by Director Robinson and, upon vote, unanimously carried, the Board ratified approval of a Service Agreement with Jehn Water Consultants, Inc.

Intermountain Rural Electric Association (“IREA”) Contract: Following discussion, upon motion duly made by Director Kirst, seconded by Director S. Marshall and, upon vote, unanimously carried, the Board ratified approval of a contract with IREA for Delbert Road Power Line Relocations.

Agreements with Property Owners that Support IREA power pole relocations. Francis Gay, Ha Minh Tran, and Donald and Susan Grayson: Following discussion, upon motion duly made by Director Kirst, seconded by Director Robinson and, upon vote, unanimously carried, the Board ratified approval of the agreements with Francis Gay, Ha Minh Tran, and Donald and Susan Grayson who support the IREA power pole relocations.

Proposal from H&M Earthworx for Road Improvements at the Wastewater Treatment Plant (“WWTP”): The Board discussed the Proposal from H&M Earthworx for Road Improvements at the Wastewater Treatment Plant (“WWTP”) in the amount of \$2,085.00.

Following discussion, upon motion duly made by Director Kirst, seconded by Director S. Marshall and, upon vote, unanimously carried, the Board ratified approval of the Proposal from H&M Earthworx for Road Improvements at the Wastewater Treatment Plant (“WWTP”) in the amount of \$2,085.00.

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Task Order Nos. 3.1 and 3.2 with Aqua Engineering (“AQUA”) for Water & Wastewater On-Call Engineering Services and for Construction Manager at Risk (“CMAR”) Agreement Administration and Construction Phase Engineering Services: The Board discussed Task Order Nos. 3.1 and 3.2 with AQUA for Water & Wastewater On-Call Engineering Services and for CMAR Agreement Administration and Construction Phase Engineering Services.

Following discussion, upon motion duly made by Director Kirst, seconded by Director S. Marshall and, upon vote, unanimously carried, the Board approved Task Order Nos. 3.1 and 3.2 with AQUA for Water & Wastewater On-Call Engineering Services and for CMAR Agreement Administration and Construction Phase Engineering Services.

Status of Carbon Filtration and Water General Projects: Mr. Ramey provided an update on the Carbon Filtration and Water General Project.

Change Order No. 1 with Rocky Mountain Group for Construction Materials Testing during Construction and Observation Services: The Board reviewed Change Order No. 1 with Rocky Mountain Group for Construction Materials Testing during Construction and Observation Services in the amount of \$119,930.00.

Following discussion, upon motion duly made by Director Kirst, seconded by Director Robinson and, upon vote, unanimously carried, the Board approved Change Order No. 1 with Rocky Mountain Group for Construction Materials Testing during Construction and Observation Services in the amount of \$119,930.00 subject to final review by Legal Counsel.

Status of Process to Allow Treatment to Regulation 84 Standards: The Board discussed the status of the process to allow for wastewater treatment to Regulation 84 standards.

Road Assessment in Spring Valley Metropolitan District No. 2 (“SVMD2”) by Cesare, Inc.: Director Kirst gave an update on the status of the preparation of a road assessment in SVMD2 by Cesare, Inc.

Sewer Spill at WWTP: Mr. Ramey summarized the ORC actions related to a recent sewer spill at the WWTP.

WWTP Regulator: Mr. Ramey recommends the replacement of a WWTP Regulator for an amount not to exceed \$1,007.74.

Following discussion, upon motion duly made by Director Kirst, seconded by Director S. Marshall and, upon vote, unanimously carried, the Board approved the replacement of the WWTP Regulator for an amount not to exceed \$1,007.74.

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WWTP Pneumatic Valve: Mr. Ramey recommends the replacement of a WWTP Pneumatic Valve for an amount not to exceed \$3,338.96.

Following discussion, upon motion duly made by Director Kirst, seconded by Director S. Marshall and, upon vote, unanimously carried, the Board approved the replacement of the WWTP Pneumatic Valve for an amount not to exceed \$3,338.96.

OTHER BUSINESS

Other Business: The Board discussed ongoing matters related to County Road 178.

ADJOURNMENT

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

Respectfully submitted,

By 

Secretary for the Meeting