

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE SPRING VALLEY METROPOLITAN DISTRICT NO. 2 HELD FEBRUARY 11, 2021

A Special Meeting of the Board of Directors of the Spring Valley Metropolitan District No. 2 (referred to hereafter as the "District") was convened on Thursday, February 11, 2021 at 3:00 p.m. Due to concerns regarding the spread of the coronavirus (COVID-19) and the benefits to the control of the spread of the virus by limiting in-person contact, the District Board meeting was held by conference call. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

James E. Marshall
Scott Marshall
Christopher ("CJ") Kirst
Holly D. Robinson
Shelley Marshall

Also In Attendance Were:

David Solin; Special District Management Services, Inc. ("SDMS")

MaryAnn McGeady, Esq., Christopher Brummitt, Esq., and Craig Sorensen;
McGeady Becher P.C.

Eric Weaver and Cheri Curtis; Marchetti & Weaver LLC

PUBLIC COMMENTS

There were no public comments.

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.

Mr. Solin 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:** Mr. Solin 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 J. Marshall, seconded by Director Kirst and, upon vote, unanimously carried, the agenda was approved, as presented.

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 J. Marshall, seconded by Director Kirst and, upon vote, unanimously carried, the Board determined that, due to concerns regarding the spread of the coronavirus (COVID-19) and the benefits to the control of the spread of the virus by limiting in-person contact, the meeting would be held by telephonic means, and encouraged public participation via telephone. The Board further noted that notice of the time, date and location was duly posted and that that no objections to the telephonic manner of the meeting, or any requests that the telephonic manner of the meeting be changed by taxpaying electors within the District boundaries, have been received.

Designation of 24-hour Posting Location: Upon motion duly made by Director J. Marshall, seconded by Director Kirst 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 within the boundaries of the District as least 24 hours prior to each meeting at the following location: On the mailbox kiosk at Oakwood Street and South Augusta Loop, Elizabeth, Colorado 80107.

Minutes: The Board reviewed the Minutes of the October 27, 2020 Special Meeting.

Following discussion, upon motion duly made by Director J. Marshall, seconded by Director Shelley Marshall and, upon vote, unanimously carried, the Minutes of the October 27, 2020 Special Meeting were approved, as presented.

McGeady Becher P.C. Document Retention Policy: Attorney McGeady presented to the Board an update to the McGeady Becher P.C. Document Retention Policy.

Following discussion, upon motion duly made by Director Shelley Marshall, seconded by Director J. Marshall and, upon vote, unanimously carried, the Board approved the update and directed a copy of the approved, updated McGeady Becher P.C. Document Retention Policy be attached to the Minutes. Accordingly, a copy of the updated McGeady Becher P.C. Document Retention Policy is attached hereto, and incorporated herein by reference.

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FINANCIAL MATTERS

Claims: The Board considered ratifying the approval of the payment of claims for the period ending February 11, 2021 as follows:

Fund	Period ending Feb. 11, 2021
General	\$ 135,087.69
Debt Service	\$ 485,063.62
Capital	\$ -0-
Enterprise	\$ -0-
Total Claims	\$ 620,196.31

Following review, upon motion duly made by Director J. Marshall, seconded by Director Scott Marshall and, upon vote, unanimously carried, the Board ratified approval of the payment of claims for the period ending February 11, 2021, as presented.

Unaudited Financial Statements: The Board discussed the unaudited financial statements and schedule of cash position for the period ending December 31, 2020.

Following discussion, upon motion duly made by Director J. Marshall, seconded by Director Robinson and, upon vote, unanimously carried, the Board accepted the unaudited financial statements and the schedule of cash position for the period ending December 31, 2020.

LEGAL MATTERS

Resolution No. 2021-02-01, Resolution Regarding Ongoing Tax Compliance Policies and Procedures: The Board reviewed a Resolution No. 2021-02-01, Resolution Regarding Ongoing Tax Compliance Policies and Procedures.

Following discussion, upon motion duly made by Director J. Marshall, seconded by Director Shelley Marshall and, upon vote, unanimously carried, the Board adopted Resolution No. 2021-02-01, Resolution Regarding Ongoing Tax Compliance Policies and Procedures.

Service Agreement for Snow Management between Spring Valley Metropolitan District No. 2 and PRI Snow, Inc.: The Board reviewed a Service Agreement for Snow Management between Spring Valley Metropolitan District No. 2 and PRI Snow, Inc.

Following discussion, upon motion duly made by Director J. Marshall, seconded by Director Robinson and, upon vote, unanimously carried, the Board approved and authorized the execution of the Service Agreement for Snow Management between Spring Valley Metropolitan District No. 2 and PRI Snow, Inc.

Long-Term Maintenance Items and Potential Revenue Sources: Attorney McGeady discussed with the Board the need for long-term maintenance for roads and water/sewer systems. She noted District No. 1 can utilize fee revenue not

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pledged to the Bonds for this purpose. It was recommended that District No. 1 establish operating reserves for sustaining existing facilities and improvements.

Imposition of Fees to Fund an Operating Reserve for Roads, Curbs and Gutters and Related Drainage: Attorney McGeady discussed with the Board the need for a pavement management system. Director J. Marshall suggested a road maintenance fee was needed to establish an operating reserve for maintenance of roads, curbs and gutters, and related drainage.

Engagement of Consultants for Analysis Related to Establishment of Fees to Fund an Operating Reserve for Roads, curbs and gutters and related drainage: The Board discussed the engagement of consultants for analysis related to establishment of fees to fund an operating reserve for roads, curbs and gutters and related drainage. It was noted that District No. 1 would engage the consultants for this purpose.

OTHER BUSINESS There was no other business.

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

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McGeady Becher P.C. Document Retention Policy

Types of Documents

In representing you we will or may take possession of, create, and/or keep various types of documents. These consist of documents you provide to us, documents which constitute the District's official public record, and internal documents we create to assist us in providing services to you.

Documents You Provide to Us

It is our policy to copy and return original documents you provide to us as soon as practicable. Exceptions to this policy are original documents which should be kept as part of the District's official public record, instances where we must have an original document to represent you, or cases where we have affirmatively agreed retain a document for safekeeping.

The District's Record

As a part our engagement, we will maintain the District's official public Record (the "**Record**"). The Record is a highly useful and detailed compilation of documents reflecting the official actions of the District and serves multiple functions. First, it collects those documents which the public is entitled to inspect and copy under various state and federal public records and freedom of information statutes. Second, it organizes the records of the District – such as its contracts, land and title records, and easements - in a manner which is useful in conducting the ongoing business of the District. Third, the Record helps expedite the District's annual audit process. Fourth, in the event you should change legal counsel or employ in-house counsel, the Record will enable that counsel to understand the status and assume representation of the District with maximum efficiency.

The Record includes the District's organizational documents, fully executed agreements which are still in effect, rules, regulations, resolutions adopted by the District, official minutes books, meeting notices, agendas, insurance policies, District maps, election records, bond documents, audit documents, and many more. A comprehensive list of documents comprising the Record is available from us at any time upon request.

Creating and maintaining the Record is an important and complex task, and you agree to pay our actual costs and hourly fees associated with doing this.

Supplemental Documents

All other documents created in course of representing you are referred to as Supplemental Documents. These include our notes, drafts, memoranda, worksheets, electronic communications, and other electronic documents stored in various media or file servers.

Documents We Retain

Except as provided in this Document Retention Policy or an amendment thereto, we will keep the Record and any original documents accepted by us for safekeeping so long as we represent you.

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Delivery of the Record

Once a matter is concluded or our has representation terminated, we deliver the original, printed Record, together with any original documents we have accepted for safekeeping, to you or the District's designee, provided our fees and costs have been paid in full. If you do not designate someone to receive these records, we will deliver them to a then-current officer or director of the District. If we are unable to deliver these documents because of your failure to designate a recipient, we may retain, destroy, or otherwise dispose of them in manner which assures their continued confidentiality within thirty (30) days following the conclusion of a matter or the termination of our representation.

We will also confidentially destroy the Record of any District in our possession if a final order of dissolution of the District is entered.

All other documents, including all Supplemental Documents, are routinely, periodically, confidentially, and permanently purged by us once they are no longer useful to us in providing services to you.