

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR 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 MAY 19, 2022

A Regular 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 Thursday, May 19, 2022 at 4:00 p.m. via conference call. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

James E. Marshall
Holly Robinson
Shelley Marshall

Following discussion, upon motion duly made by Director J. Marshall, seconded by Director Robinson and, upon vote, unanimously carried, the absence of Director Scott Marshall was excused.

Also In Attendance Were:

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

Erica Montague, Esq., and Craig Sorensen; McGeady Becher P.C.

Eric Weaver and Cheri Curtis; Marchetti & Weaver, LLC

Wayne Ramey; Ramey Environmental Compliance, Inc. (for a portion of the meeting)

Christopher ("CJ") Kirst; Tahoe Consulting, 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.

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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 Montague noted that Disclosure Statements have been filed for all directors. No additional conflicts were disclosed.

ADMINISTRATIVE MATTERS

Agenda: Mr. Solin distributed, for the Board's review and approval, a proposed agenda for the District's Regular Meeting.

Following discussion, upon motion duly made by Director J. Marshall, seconded by Director Robinson and, upon vote, unanimously carried, the agenda was approved, as presented.

Meeting Location and Posting of Meeting Notices: 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 Robinson and, upon vote, unanimously carried, the Board determined 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 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.

Minutes: The Board reviewed the Minutes of the April 21, 2022 Regular Meeting.

Following discussion, upon motion duly made by Director J. Marshall, seconded by Director Robinson and, upon vote, unanimously carried, the Minutes of the April 21, 2022 Regular Meeting were approved.

May 3, 2022 Election: Mr. Solin advised the Board that the May 3, 2022 election was cancelled, as allowed under Colorado law, by the Designated Election Official because there were not more candidates than positions available on the Board of Directors. It was noted that Directors Shelley Marshall and Robinson were each deemed elected to 3-year terms ending in May, 2025.

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

Following discussion, upon motion duly made by Director J. Marshall, seconded by Director Robinson and, upon vote, unanimously carried, the following slate of officers were appointed:

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President	James E. Marshall
Treasurer	Scott Marshall
Secretary	David Solin
Assistant Secretary	Holly D. Robinson
Assistant Secretary	Shelley Marshall

FINANCIAL MATTERS

Cost Verification Report No. 28: The Board reviewed Cost Verification Report No. 28 dated May 13, 2022, prepared by Schedio Group, LLC, verifying costs associated with the design and construction of public improvements in the amount of \$142,067.12, and verifying operations and maintenance costs in the amount of \$10,263.63, net of prior certification corrections of \$185,259.57.

Following discussion, upon motion duly made by Director J. Marshall, seconded by Director Robinson and, upon vote, unanimously carried, the Board approved Cost Verification Report No. 28 dated May 13, 2022, prepared by Schedio Group, LLC, verifying the costs associated with the design and construction of public improvements in the amount of \$142,067.12, and verifying operations and maintenance costs in the amount of \$10,263.63, net of prior certification corrections of \$185,259.57. The Board further acknowledged a Spring Valley Metropolitan District No. 2 requisition credit in the amount of \$41,082.01, and a Spring Valley Metropolitan District No. 6 requisition credit in the amount of \$2,110.44.

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

Fund	Period ending April 30, 2022
General	\$ 15,455.41
Debt Service	\$ -0-
Capital	\$ 600,868.62
Enterprise	\$ 62,311.19
Total Claims	\$ 375.00
	\$ 679,010.22

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

Unaudited Financial Statements: Mr. Weaver presented to the Board the unaudited financial statements and schedule of cash position for the period ending March 31, 2022.

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Following discussion, upon motion duly made by Director Shelley Marshall, seconded by Director J. Marshall and, upon vote, unanimously carried, the Board accepted the unaudited financial statements and the schedule of cash position for the period ending March 31, 2022.

LEGAL MATTERS

There were no legal matters to be discussed.

CAPITAL IMPROVEMENTS MATTERS

Report from Construction Committee: Mr. Kirst provided an update on the status of construction projects.

Adjustment to the Parameters of the Authority of the Construction Committee to Act: No adjustment to the parameters of the authority of the Construction Committee to act was required.

Construction Contract between Great Plains Structures, LLC and the District for the Spring Valley Metropolitan District No. 1 2.1 Million Gallon Water Tank Improvements: The Board entered into discussion regarding the award of the construction contract for the Spring Valley Metropolitan District No. 1 2.1 Million Gallon Water Tank Improvements, to Great Plains Structures, LLC, in the amount of \$2,979,000.00.

Following discussion, upon motion duly made by Director J. Marshall, seconded by Director Robinson and, upon vote, unanimously carried, the Board ratified approval of the award of the construction contract for the Spring Valley Metropolitan District No. 1 2.1 Million Gallon Water Tank Improvements to Great Plains Structures, LLC, in the amount of \$2,979,000.00. The Board further acknowledged the execution of the award and contract documents pursuant to the authorization of the Construction Committee.

Construction Contract between Three Sons Construction, LLC and the District for the Completion of Road Improvements, Wet Utilities and Curb and Gutter Work on Calusa Pines Road and River Highlands Drive: The Board entered into discussion regarding the award of the construction contract for the completion of road improvements, wet utilities and curb and gutter work on Calusa Pines Road and River Highlands Drive to Three Sons Construction, LLC, in the amount of \$2,534,625.32.

Following discussion, upon motion duly made by Director J. Marshall, seconded by Director Robinson and, upon vote, unanimously carried, the Board ratified approval of the award of the construction contract for the completion of road improvements, wet utilities and curb and gutter work on Calusa Pines Road and River Highlands Drive to Three Sons Construction, LLC, in the amount of \$2,534,625.32. The Board further acknowledged the execution of the award and

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contract documents pursuant to the authorization of the Construction Committee, subject to final legal counsel review.

OPERATIONS & MAINTENANCE

Monthly Activities Report for March and April 2022: Mr. Ramey discussed with the Board, the Ramey Environmental Compliance monthly activities report for March and April, 2022.

Change Order No. 2 from Andale Construction Inc. for Road Sealing in Filings 2 and 3: The Board entered into discussion regarding Change Order No. 2 from Andale Construction Inc. for road sealing in Filings 2 and 3, in the amount of \$103,591.00.

Following discussion, upon motion duly made by Director J. Marshall, seconded by Director Robinson and, upon vote, unanimously carried, the Board acknowledged the execution of Change Order No. 2 from Andale Construction Inc. for road sealing in Filings 2 and 3, in the amount of \$103,591.00, pursuant to the authorization of the Construction Committee.

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 by Director J. Marshall, seconded by Director Shelley Marshall, and upon vote, unanimously carried, the meeting was adjourned.

Respectfully submitted,

By 

Secretary for the Meeting