

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 JUNE 16, 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, June 16, 2022 at 4:00 p.m. via conference call. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

James E. Marshall
Shelley Marshall

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

Also In Attendance Were:

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

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

Eric Weaver (for a portion of the meeting) 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.

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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 McGeady 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 S. Marshall, seconded by Director J. Marshall 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 S. Marshall, seconded by Director J. Marshall 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 taxing electors within the District boundaries, have been received.

Resignation of Director: The resignation of Scott Marshall from the Board, effective as of May 31, 2022, was acknowledged.

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

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

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

Minutes: The Board reviewed the Minutes of the May 19, 2022 Regular Meeting.

Following discussion, upon motion duly made by Director J. Marshall, seconded by Director S. Marshall and, upon vote, unanimously carried, the Minutes of the May 19, 2022 Regular Meeting were approved.

FINANCIAL MATTERS

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

Fund	Period ending May 31, 2022	Special Check Great Plains	Special Check CDPHE & CORE
General	\$ 20,424.94	\$ -0-	\$ -0-
Debt Service	\$ -0-	\$ -0-	\$ -0-
Capital	\$ 141,567.12	\$ 905,782.00	\$ 2,358.00
Enterprise	\$ 46,726.00	\$ -0-	\$ -0-
Road Maint.	\$ -0-	\$ -0-	\$ -0-
Total Claims	\$ 208,718.06	\$ 905,782.00	\$ 2,358.00

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

Cost Verification Report No. 29: The Board reviewed Cost Verification Report No. 29 dated June 10, 2022, prepared by Schedio Group, LLC, verifying costs associated with the design and construction of public improvements in the amount of \$926,536.78.

Following discussion, upon motion duly made by Director J. Marshall, seconded by Director S. Marshall and, upon vote, unanimously carried, the Board approved Cost Verification Report No. 29 dated June 10, 2022, prepared by Schedio Group, LLC, verifying the costs associated with the design and construction of public improvements in the amount of \$926,536.78. The Board further acknowledged Spring Valley Metropolitan District No. 6 Requisition No. 5 in the amount of \$924,426.34 for verified costs.

2021 Audit: Mr. Weaver reviewed the draft 2021 Audit with the Board.

Following review and discussion, upon motion duly made by Director J. Marshall, seconded by Director S. Marshall and, upon vote, unanimously carried, the Board

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approved the 2021 Audit (subject to final legal review), and authorized Director J. Marshall to execute the Representations Letter.

Rate Increase Hearing in November 2022: Mr. Solin discussed with the Board the prospect of holding a rate increase hearing in November 2022. The Board noted that it would like information on rates imposed by other, similar districts for the purpose of determining updated rates to be imposed by the District.

LEGAL MATTERS

Intergovernmental Agreement Regarding Assignment of Revenues between Spring Valley Metropolitan District No. 1 and Spring Valley Metropolitan District No. 5: The Board reviewed the Intergovernmental Agreement Regarding Assignment of Revenues between Spring Valley Metropolitan District No. 1 and Spring Valley Metropolitan District No. 5.

Following review and discussion, upon motion duly made by Director J. Marshall, seconded by Director S. Marshall and, upon vote, unanimously carried, the Board approved the Intergovernmental Agreement Regarding Assignment of Revenues between Spring Valley Metropolitan District No. 1 and Spring Valley Metropolitan District No. 5.

Resolution No. 2022-06-01, Joint Resolution of Spring Valley Metropolitan District No. 1 and Spring Valley Metropolitan District No. 5 Confirming Schedule of Fees and Charges and, Without Changing Total Fees Due, Designating in Spring Valley Metropolitan District No. 5 the Capital Component of the Tap Fee to \$16,200 and the O&M Component of the Tap Fee to be \$0: The Board reviewed Resolution No. 2022-06-01, Joint Resolution of Spring Valley Metropolitan District No. 1 and Spring Valley Metropolitan District No. 5 Confirming Schedule of Fees and Charges and, Without Changing Total Fees Due, Designating in Spring Valley Metropolitan District No. 5 the Capital Component of the Tap Fee to \$16,200 and the O&M Component of the Tap Fee to be \$0.

Following review and discussion, upon motion duly made by Director J. Marshall, seconded by Director S. Marshall and, upon vote, unanimously carried, the Board adopted Resolution No. 2022-06-01, Joint Resolution of Spring Valley Metropolitan District No. 1 and Spring Valley Metropolitan District No. 5 Confirming Schedule of Fees and Charges and, Without Changing Total Fees Due, Designating in Spring Valley Metropolitan District No. 5 the Capital Component of the Tap Fee to \$16,200 and the O&M Component of the Tap Fee to be \$0.

Resolution No. 2022-06-02, Joint Resolution of Spring Valley Metropolitan District No. 1 and Spring Valley Metropolitan District No. 5 Authorizing Collection of Capital Component of Tap Fees for Repayment of Bonds: The Board reviewed Resolution No. 2022-06-02, Joint Resolution of Spring Valley

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Metropolitan District No. 1 and Spring Valley Metropolitan District No. 5 Authorizing Collection of Capital Component of Tap Fees for Repayment of Bonds. Following review and discussion, upon motion duly made by Director J. Marshall, seconded by Director S. Marshall and, upon vote, unanimously carried, the Board adopted Resolution No. 2022-06-02, Joint Resolution of Spring Valley Metropolitan District No. 1 and Spring Valley Metropolitan District No. 5 Authorizing Collection of Capital Component of Tap Fees for Repayment of Bonds.

Service Agreement for Utility Locate Services between the District and Diversified Underground, Inc.: The Board reviewed the Service Agreement for Utility Locate Services between the District and Diversified Underground, Inc.

Following review and discussion, upon motion duly made by Director S. Marshall, seconded by Director J. Marshall and, upon vote, unanimously carried, the Board approved the Service Agreement for Utility Locate Services between the District and Diversified Underground, Inc.

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.

OPERATIONS & MAINTENANCE

Monthly Activities Report for May 2022: Mr. Ramey discussed with the Board the Ramey Environmental Compliance monthly activities report for May 2022.

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

Respectfully submitted,

By 

Secretary for the Meeting