

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 JULY 21, 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, July 21, 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 D. Robinson

Following discussion, upon motion duly made by Director J. Marshall, seconded by Director J. Robinson and, upon vote, unanimously carried, the absence of Director Shelley Marshall 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 and Cheri Curtis; Marchetti & Weaver, LLC

Mike Murphy; 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 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 Robinson, seconded by Director J. Marshall and, upon vote, unanimously carried, the agenda was approved, as amended.

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 Robinson, 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.

Minutes: The Board reviewed the Minutes of the June 16, 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 June 16, 2022 Regular Meeting were approved.

FINANCIAL MATTERS

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

Fund	Period ending June 30, 2022
General	\$ 10,717.93
Debt Service	\$ -0-
Capital	\$ 21,311.78
Enterprise	\$ 56,839.24
Road Maint.	\$ -0-
Total Claims	\$ 88,868.95

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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 payment of claims, as presented.

Cost Verification Report No. 30: The Board reviewed Cost Verification Report No. 30 dated July 13, 2022, and revised July 19, 2022, prepared by Schedio Group, LLC, verifying costs associated with the design and construction of public improvements in the amount of \$479,232.08.

Following discussion, upon motion duly made by Director Robinson, seconded by Director J. Marshall and, upon vote, unanimously carried, the Board approved Cost Verification Report No. 30 dated July 13, 2022, and revised July 19, 2022, prepared by Schedio Group, LLC, verifying the costs associated with the design and construction of public improvements in the amount of \$479,232.08. The Board further acknowledged Spring Valley Metropolitan District No. 2 Requisition No. 21 in the amount of \$327,309.06 (such amount net of remaining credit from prior requisitions), Spring Valley Metropolitan District No. 6 Requisition No. 6 under the Series 2021(3) Bonds in the amount of \$7,339.70, and Requisition No. 7 in the amount of \$110,841.01 for verified costs.

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

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 May 31, 2022.

LEGAL MATTERS

Letter Agreement re: Conveyance of Tracts to Spring Valley Metropolitan District No. 1 between Spring Valley Metropolitan District No. 1 and Spring Valley Land Investments II, LLC: The Board reviewed the Letter Agreement re: Conveyance of Tracts to Spring Valley Metropolitan District No. 1 between Spring Valley Metropolitan District No. 1 and Spring Valley Land Investments II, LLC.

Following discussion, upon motion duly made by Director J. Marshall, seconded by Director Robinson and, upon vote, unanimously carried, the Board approved the Letter Agreement re: Conveyance of Tracts to Spring Valley Metropolitan District No. 1 between Spring Valley Metropolitan District No. 1 and Spring Valley Land Investments II, LLC.

Special Warranty Deed Conveying Tracts to the District from Spring Valley Land Investments II, LLC: The Board discussed the Special Warranty Deed conveying tracts to the District from Spring Valley Land Investments II, LLC.

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Following discussion, upon motion duly made by Director J. Marshall, seconded by Director Robinson and, upon vote, unanimously carried, the Board accepted the Special Warranty Deed conveying tracts to the District from Spring Valley Land Investments II, LLC.

Letter Agreement re Conveyance of Tracts to Spring Valley Metropolitan District No. 1 between Spring Valley Metropolitan District No. 1 and Spring Valley Metropolitan District No. 3: The Board reviewed the Letter Agreement re Conveyance of Tracts to Spring Valley Metropolitan District No. 1 between Spring Valley Metropolitan District No. 1 and Spring Valley Metropolitan District No. 3.

Following discussion, upon motion duly made by Director J. Marshall, seconded by Director Robinson and, upon vote, unanimously carried, the Board approved the Letter Agreement re Conveyance of Tracts to Spring Valley Metropolitan District No. 1 between Spring Valley Metropolitan District No. 1 and Spring Valley Metropolitan District No. 3.

Quitclaim Deed Conveying Tracts to the District from Spring Valley Metropolitan District No. 3: The Board discussed the Quitclaim Deed conveying tracts to the District from Spring Valley Metropolitan District No. 3.

Following discussion, upon motion duly made by Director J. Marshall, seconded by Director Robinson and, upon vote, unanimously carried, the Board accepted the Quitclaim Deed conveying tracts to the District from Spring Valley Metropolitan District No. 3.

License Agreement [Century – Construction Trailers] between the District and Century at Spring Valley Ranch, LLC: The Board discussed the License Agreement [Century – Construction Trailers] between the District and Century at Spring Valley Ranch, LLC.

Following discussion, upon motion duly made by Director J. Marshall, seconded by Director Robinson and, upon vote, unanimously carried, the Board approved the License Agreement [Century – Construction Trailers] between the District and Century at Spring Valley Ranch, LLC.

CAPITAL IMPROVEMENTS MATTERS

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

Final Payment to Apex Pavement Solutions, LLC: The Board entered into discussion regarding the final payment to Apex Pavement Solutions, LLC for road repair work. Mr. Kirst informed the Board that this retainage payment is for work performed in 2021.

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Following discussion, upon motion duly made by Director J. Marshall, seconded by Director Robinson and, upon vote, unanimously carried, the Board authorized the final payment to Apex Pavement Solutions, LLC on August 8, 2022 for road repair work.

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 June 2022: Mr. Murphy discussed with the Board, the Ramey Environmental Compliance monthly activities report detailing the status of operations of the Water Treatment Plant and the Waste Water Treatment Plant for June 2022.

Proposal from Ramey Environmental Compliance for Work on the Control Panel: The Board reviewed the proposal from Ramey Environmental Compliance for work on the control panel in an amount not to exceed \$5,542.34.

Following discussion, upon motion duly made by Director J. Marshall, seconded by Director Robinson and, upon vote, unanimously carried, the Board approved the proposal from Ramey Environmental Compliance for work on the control panel, in an amount not to exceed \$5,542.34.


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