

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE SPRING VALLEY METROPOLITAN DISTRICT NO. 2 HELD SEPTEMBER 16, 2020

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 Wednesday, September 16, 2020 at 12:00 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. There was one person present at the physical location at Hurts Donut Company, 12311 Pine Bluffs Way, Unit 103, Parker, Colorado 80134. 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”) (at the physical location)

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

Eric Weaver and Cheri Curtis; Marchetti & Weaver LLC

Tiffany Leichman, Esq.; Sherman & Howard L.L.C.

Brooke Hutchens; D.A. Davidson & Co.

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 amended.

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. There was one person at the physical meeting location as posted. 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.

Conducting Meetings Telephonically: Attorney McGeady discussed with the Board procedures and requirements for conducting telephonic meetings.

Minutes: The Board reviewed the Minutes of the April 28, 2020 Special Meeting.

Following discussion, upon motion duly made by Director Shelley Marshall, seconded by Director J. Marshall and, upon vote, unanimously carried, the Minutes of the April 28, 2020 Special Meeting were approved.

Status of May 5, 2020 Regular Election for Directors: Mr. Solin discussed with the Board the May 5, 2020 Regular Election for Directors, noting the election was cancelled pursuant to statute because there were not more candidates than seats available. It was noted that James Marshall, Scott Marshall and Christopher Kirst were each deemed elected to 3-year terms ending in May 2023, and that Shelley Marshall was deemed elected to a 2-year term ending in May 2022.

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

Following discussion, upon motion duly made by Director Kirst, seconded by Director Robinson and, upon vote, unanimously carried, the following slate of officers was appointed:

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President	James E. Marshall
Treasurer	Scott Marshall
Secretary	David Solin
Assistant Secretary	Christopher (“C.J.”) Kirst
Assistant Secretary	Holly D. Robinson
Assistant Secretary	Shelley Marshall

**PUBLIC
COMMENTS**

There were no public comments.

**FINANCIAL
MATTERS**

Claims: The Board considered ratifying the approval of the payment of claims through the period ending September 10, 2020, as follows:

General Fund	\$ 39,119.93
Debt Service Fund	<u>450,000.00</u>
Total Claims:	<u>\$ 489,119.93</u>

Following review and discussion, upon motion duly made by Director Shelley Marshall, seconded by Director J. Marshall and, upon vote, unanimously carried, the Board ratified approval of the payment of the claims for the period ending September 10, 2020.

Unaudited Financial Statements: Mr. Weaver presented to the Board the unaudited financial statements and schedule of cash position for the period ending July 31, 2020.

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 July 31, 2020.

District Accountant: The Board reviewed the engagement of Marchetti & Weaver LLC as District Accountant.

Following review and 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 engagement of Marchetti & Weaver LLC as District.

2019 Budget Amendment Hearing: The President opened the public hearing to consider the Resolution to Amend the 2019 Budget and discuss related issues.

It was noted that publication of Notice stating that the Board would consider adoption of a Resolution to Amend the 2019 Budget and the date, time and place of the public hearing was made in a newspaper having general circulation within the

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District. No written objections were received prior to this public hearing. No public comments were received, and the public hearing was closed.

Following review and discussion, Director J. Marshall moved to adopt the Resolution to Amend 2019 Budget, Director Robinson seconded the motion and, upon vote, unanimously carried, the Board adopted the Resolution to Amend the 2019 Budget. A copy of the adopted Resolution is attached hereto and incorporated herein by this reference.

2020 Budget Amendment Hearing: The President opened the public hearing to consider the Resolution to Amend the 2020 Budget and discuss related issues.

It was noted that publication of Notice stating that the Board would consider adoption of a Resolution to Amend the 2020 Budget and the date, time and place of the public hearing was made in a newspaper having general circulation within the District. No written objections were received prior to this public hearing. No public comments were received, and the public hearing was closed.

Following review and discussion, Director Kirst moved to adopt the Resolution to Amend 2020 Budget, Director J. Marshall seconded the motion and, upon vote, unanimously carried, the Board adopted the Resolution to Amend the 2020 Budget. A copy of the adopted Resolution is attached hereto and incorporated herein by this reference.

2019 Audit: The Board discussed the 2019 Audit and Representations Letter.

Following review and discussion, upon motion duly made by Director Shelley Marshall, seconded by Director Scott Marshall, and, upon vote, unanimously carried, the Board approved the 2019 Audit and authorized execution of the Representations Letter, subject to final review and approval by Director J. Marshall.

LEGAL MATTERS **Independent Professional Engineer's Review of Costs Incurred and Verification of Costs Associated with the Design and Construction of Public Improvements Provided by Schedio Group LLC, dated August 29, 2020:** The Board deferred discussion.

Intergovernmental Agreement Regarding Assignment of Revenues between Spring Valley Metropolitan District No. 1 and Spring Valley Metropolitan District No. 2: The Board reviewed the Intergovernmental Agreement Regarding Assignment of Revenues between Spring Valley Metropolitan District No. 1 and Spring Valley Metropolitan District No. 2.

Following review and discussion, upon motion duly made by Director J. Marshall, seconded by Director Kirst, and, upon vote, unanimously carried, the Board approved the Intergovernmental Agreement Regarding Assignment of Revenues

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between Spring Valley Metropolitan District No. 1 and Spring Valley Metropolitan District No. 2.

First Amendment to Termination of District No. 2 MG Land Facilities Funding and Acquisition Agreement dated November 21, 2019 between Spring Valley Metropolitan District No. 2 and MG Land Investments, LLC:

The Board reviewed the First Amendment to Termination of District No. 2 MG Land Facilities Funding and Acquisition Agreement dated November 21, 2019 between Spring Valley Metropolitan District No. 2 and MG Land Investments, LLC.

Following discussion, upon motion duly made by Director J. Marshall, seconded by Director Robinson, and, upon vote, unanimously carried, the Board approved the First Amendment to Termination of District No. 2 MG Land Facilities Funding and Acquisition Agreement dated November 21, 2019 between Spring Valley Metropolitan District No. 2 and MG Land Investments, LLC.

First Amendment to the First Amended and Restated Facilities Funding, Construction, and Operation Agreement, dated November 21, 2019, by and between Spring Valley Metropolitan District No. 1, Spring Valley Metropolitan District No. 2, Spring Valley Metropolitan District No. 3, and Spring Valley Metropolitan District No. 4:

The Board reviewed the First Amendment to the First Amended and Restated Facilities Funding, Construction, and Operation Agreement, dated November 21, 2019, by and between Spring Valley Metropolitan District No. 1, Spring Valley Metropolitan District No. 2, Spring Valley Metropolitan District No. 3, and Spring Valley Metropolitan District No. 4.

Following discussion, upon motion duly made by Director J. Marshall, seconded by Director Kirst, and, upon vote, unanimously carried, the Board approved the First Amendment to the First Amended and Restated Facilities Funding, Construction, and Operation Agreement, dated November 21, 2019, by and between Spring Valley Metropolitan District No. 1, Spring Valley Metropolitan District No. 2, Spring Valley Metropolitan District No. 3, and Spring Valley Metropolitan District No. 4.

First Amendment to Agreement of Acknowledgement of Satisfaction of Obligations of District No. 2 Related to Funding of Construction of Public Improvements and Acknowledgement of Ongoing Obligations of District Nos. 1, 3, and 4 Related to the Funding of Construction of Public Improvements dated November 21, 2019, by and between Spring Valley Metropolitan District No. 1, Spring Valley Metropolitan District No. 2, Spring Valley Metropolitan District No. 3, and Spring Valley Metropolitan District No. 4:

The Board reviewed the First Amendment to Agreement of Acknowledgement of Satisfaction of Obligations of District No. 2 Related to Funding of Construction of Public Improvements and Acknowledgement of Ongoing Obligations of District

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Nos. 1, 3, and 4 Related to the Funding of Construction of Public Improvements dated November 21, 2019, by and between Spring Valley Metropolitan District No. 1, Spring Valley Metropolitan District No. 2, Spring Valley Metropolitan District No. 3, and Spring Valley Metropolitan District No. 4.

Following discussion, upon motion duly made by Director Shelley Marshall, seconded by Director Robinson, and, upon vote, unanimously carried, the Board approved the First Amendment to Agreement of Acknowledgement of Satisfaction of Obligations of District No. 2 Related to Funding of Construction of Public Improvements and Acknowledgement of Ongoing Obligations of District Nos. 1, 3, and 4 Related to the Funding of Construction of Public Improvements dated November 21, 2019, by and between Spring Valley Metropolitan District No. 1, Spring Valley Metropolitan District No. 2, Spring Valley Metropolitan District No. 3, and Spring Valley Metropolitan District No. 4.

Resolution No. 2020-09-01, Joint Resolution of Spring Valley Metropolitan District No. 1 and Spring Valley Metropolitan District No. 2 Authorizing Collection of Capital Component of Tap Fees for Repayment of Bonds: The Board reviewed Resolution No. 2020-09-01, Joint Resolution of Spring Valley Metropolitan District No. 1 and Spring Valley Metropolitan District No. 2 Authorizing Collection of Capital Component of Tap Fees for Repayment of Bonds.

Following discussion, upon motion duly made by Director J. Marshall, seconded by Director Kirst, and, upon vote, unanimously carried, the Board adopted Resolution No. 2020-09-01, Joint Resolution of Spring Valley Metropolitan District No. 1 and Spring Valley Metropolitan District No. 2 Authorizing Collection of Capital Component of Tap Fees for Repayment of Bonds.

Resolution No. 2020-09-02, Spring Valley Metropolitan District No. 1 Resolution to Confirm Schedule of Fees and Charges and, Without Changing Total Fees Due, Designating in Spring Valley Metropolitan District No. 2 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. 2020-09-02, Spring Valley Metropolitan District No. 1 Resolution to Confirm Schedule of Fees and Charges and, Without Changing Total Fees Due, Designating in Spring Valley Metropolitan District No. 2 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 Kirst, and, upon vote, unanimously carried, the Board acknowledged the adoption by Spring Valley Metropolitan District No. 1 Resolution No. 2020-09-02; Spring Valley Metropolitan District No. 1 Resolution to Confirm Schedule of Fees and Charges and, Without Changing Total Fees Due, Designating in Spring Valley Metropolitan District No. 2 the Capital Component of the Tap Fee to \$16,200 and the O&M Component of the Tap Fee to be \$0.

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Tax-Exempt Loan (“2020A Loan”) in the Approximate Principal Amount of \$12,850,000, for the Purpose of Refunding Certain Outstanding Obligations of the District, making a Deposit to a Project Fund, and Funding a Reserve Fund and Costs Required by the 2020A Loan: The Board discussed the District’s proposed Tax-Exempt Loan (“2020A Loan”) in the approximate principal amount of \$12,850,000, for the purpose of refunding certain outstanding obligations of the District, making a deposit to a Project Fund, and funding a reserve fund and costs required by the 2020A Loan.

Fixed Rate Interest Lock and Indemnity Agreement between Spring Valley Metropolitan District No. 2 and U.S. Bank, n.a. Related to the \$12,850,000 2020A Loan: The Board reviewed the Fixed Rate Interest Lock and Indemnity Agreement between Spring Valley Metropolitan District No. 2 and U.S. Bank, n.a. related to the \$12,850,000 2020A Loan.

Following discussion, upon motion duly made by Director Shelley Marshall, seconded by Director Robinson, and, upon vote, unanimously carried, the Board approved the Fixed Rate Interest Lock and Indemnity Agreement between Spring Valley Metropolitan District No. 2 and U.S. Bank, n.a. related to the \$12,850,000 2020A Loan.

Engagement of Piper Sandler & Co.: The Board reviewed the engagement of Piper Sandler & Co. as Municipal Advisor.

Following review and discussion, upon motion duly made by Director Shelley Marshall, seconded by Director Robinson, and, upon vote, unanimously carried, the Board ratified approval of the engagement of Piper Sandler & Co. as Municipal Advisor.

Engagement of D.A. Davidson & Co.: The Board reviewed the engagement of D.A. Davidson & Co. as Placement Agent.

Following review and discussion, upon motion duly made by Director Shelley Marshall, seconded by Director Robinson, and, upon vote, unanimously carried, the Board ratified approval of the engagement of D.A. Davidson & Co. as Placement Agent.

Engagement of Sherman & Howard L.L.C.: The Board reviewed the engagement of Sherman & Howard L.L.C. as Bond Counsel.

Following review and discussion, upon motion duly made by Director Shelley Marshall, seconded by Director Robinson, and, upon vote, unanimously carried, the Board ratified approval of the engagement of Sherman & Howard L.L.C. as Bond Counsel.

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Engagement of MetroStudy: The Board reviewed the engagement of MetroStudy for preparation of a Market Study.

Following review and discussion, upon motion duly made by Director Shelley Marshall, seconded by Director Robinson, and, upon vote, unanimously carried, the Board ratified approval of the engagement of MetroStudy for preparation of a Market Study.

Resolution authorizing the District's Tax-Exempt Loan ("2020A Loan") in the Approximate Principal Amount of \$12,850,000, for the Purpose of Refunding Certain Outstanding Obligations of the District, Making a Deposit to a Project Fund, and Funding a Reserve Fund and Costs required by the 2020A Loan: Attorney Leichman reviewed with the Board the Resolution authorizing the District's Tax-Exempt Loan ("2020A Loan") in the Approximate Principal Amount of \$12,850,000, for the Purpose of Refunding Certain Outstanding Obligations of the District, Making a Deposit to a Project Fund, and Funding a Reserve Fund and Costs required by the 2020A Loan.

Following discussion, upon motion duly made by Director Shelley Marshall, seconded by Director Robinson, and, upon vote, unanimously carried, the Board adopted the Resolution authorizing the District's Tax-Exempt Loan ("2020A Loan") in the Approximate Principal Amount of \$12,850,000, for the Purpose of Refunding Certain Outstanding Obligations of the District, Making a Deposit to a Project Fund, and Funding a Reserve Fund and Costs required by the 2020A Loan.

Resolution No. 2020-09-03, Resolution of the Board of Directors of Spring Valley Metropolitan District No. 2 Regarding Continuing Disclosure Reporting Policies and Procedures: The Board reviewed Resolution No. 2020-09-03, Resolution of the Board of Directors of Spring Valley Metropolitan District No. 2 Regarding Continuing Disclosure Reporting Policies and Procedures.

Following discussion, upon motion duly made by Director Shelley Marshall, seconded by Director Robinson, and, upon vote, unanimously carried, the Board adopted Resolution No. 2020-09-03, Resolution of the Board of Directors of Spring Valley Metropolitan District No. 2 Regarding Continuing Disclosure Reporting Policies and Procedures.

OTHER BUSINESS There was no other business.

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**CONTINUATION
OF MEETING**

Upon motion duly made by Director J. Marshall, seconded by Director Shelley Marshall and upon vote, unanimously carried, the meeting was continued to Monday, September 21, 2020 at 4:30 p.m.

Respectfully submitted,

By: 
Secretary for the Meeting

TITLE	Spring Valley Nos. 1-4, Approved 2020 Minutes
FILE NAME	09.21.2020 Special- SPVMD2.pdf and 8 others
DOCUMENT ID	38390de90780b59d363f292b512a05bf921cacd7
AUDIT TRAIL DATE FORMAT	MM / DD / YYYY
STATUS	● Completed

Document History



SENT

04 / 12 / 2021

17:21:44 UTC

Sent for signature to David Solin (dsolin@sdmsi.com) from apadilla@sdmsi.com
IP: 50.78.200.153



VIEWED

04 / 12 / 2021

21:48:01 UTC

Viewed by David Solin (dsolin@sdmsi.com)
IP: 50.78.200.153



SIGNED

04 / 12 / 2021

21:48:25 UTC

Signed by David Solin (dsolin@sdmsi.com)
IP: 50.78.200.153



COMPLETED

04 / 12 / 2021

21:48:25 UTC

The document has been completed.

RESOLUTION TO AMEND 2019 BUDGET
SPRING VALLEY METROPOLITAN DISTRICT NO. 2

WHEREAS, the Board of Directors of the Spring Valley Metropolitan District No. 2 adopted a budget and appropriated funds for the fiscal year 2019 as follows:

General Fund:	\$	149,320
Debt Service Fund	\$	1,120,571

WHEREAS, the necessity has arisen for additional expenditures in the General Fund requiring the unanticipated expenditure of funds in excess of those appropriated for the fiscal year 2019; and

WHEREAS, the expenditure of such funds is a contingency which could not have been reasonably foreseen at the time of adoption of the budget; and

WHEREAS, funds are available for such expenditures in the General Fund from Specific Ownership Taxes.

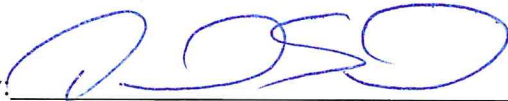
NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Spring Valley Metropolitan District No. 2 shall and hereby does amend the adopted Budget for the fiscal year 2019 and adopts a supplemental budget and appropriation for the General for the fiscal year 2019, as follows:

General Fund:	\$	153,167
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BE IT FURTHER RESOLVED, that such sums are hereby appropriated from the revenues of the District to the proper funds for the purposes stated.

DATED this 16th day of September, 2020.

SPRING VALLEY METROPOLITAN DISTRICT
NO. 2

By: 
Secretary

SPRING VALLEY METROPOLITAN DISTRICT NO. 2

STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -
GENERAL FUND

For the Year Ended December 31, 2019

	Original <u>Budget</u>	Final <u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUES				
Property taxes	\$ 125,651	\$ 125,651	\$ 123,997	\$ (1,654)
Specific ownership taxes	18,848	22,695	26,336	3,641
Miscellaneous income	2,000	2,000	13	(1,987)
Facility fees	<u>2,821</u>	<u>2,821</u>	<u>2,821</u>	<u>-</u>
Total Revenues	<u>149,320</u>	<u>153,167</u>	<u>153,167</u>	<u>-</u>
EXPENDITURES				
Miscellaneous expenses	300	300	-	300
Treasurer's fees	3,770	3,770	3,699	71
Transfer to District No. 1	145,241	149,088	149,468	(380)
Emergency reserve	<u>9</u>	<u>9</u>	<u>-</u>	<u>9</u>
Total Expenditures	<u>149,320</u>	<u>153,167</u>	<u>153,167</u>	<u>-</u>
NET CHANGES IN FUND BALANCE	-	-	-	-
FUND BALANCE:				
BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The notes to the financial statements are an integral part of these statements.

RESOLUTION TO AMEND 2020 BUDGET
SPRING VALLEY METROPOLITAN DISTRICT NO. 2

WHEREAS, the Board of Directors of the Spring Valley Metropolitan District No. 2 adopted a budget and appropriated funds for the fiscal year 2020 as follows:

General Fund:	\$	181,325
Debt Service Fund	\$	1,125,115

WHEREAS, the necessity has arisen for additional expenditures in the Debt Service Fund requiring the unanticipated expenditure of funds in excess of those appropriated for the fiscal year 2020; and

WHEREAS, the expenditure of such funds is a contingency which could not have been reasonably foreseen at the time of adoption of the budget; and

WHEREAS, funds are available for such expenditures in the Debt Service Fund from the bond proceeds.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Spring Valley Metropolitan District No. 2 shall and hereby does amend the adopted Budget for the fiscal year 2020 and adopts a supplemental budget and appropriation for the Debt Service Fund for the fiscal year 2020, as follows:

Debt Service Fund	\$	13,687,334
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BE IT FURTHER RESOLVED, that such sums are hereby appropriated from the revenues of the District to the proper funds for the purposes stated.

DATED this 16th day of September, 2020.

SPRING VALLEY METROPOLITAN DISTRICT
NO. 2

By: 
Secretary

2019 Prelim Actual	2020 Adopted Budget	2020 Amended Budget	2020 Forecast	YTD Thru 07/31/20 Actual	YTD Thru 07/31/20 Budget	Variance Favorable (Unfavor)
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Spring Valley Metropolitan District No. 2
 Statement of Revenues, Expenditures, & Changes In Fund Balance
 Modified Accrual Basis For the Period Indicated

Print Date: 09/10/20

	2019 Prelim Actual	2020 Adopted Budget	2020 Amended Budget	2020 Forecast	YTD Thru 07/31/20 Actual	YTD Thru 07/31/20 Budget	Variance Favorable (Unfavor)
PROPERTY TAXES							
Assessed Valuation	11,501,260	14,007,840	14,007,840	13,893,920			
Mill Levy Breakdown:							
Mill Levy - General Fund	10.925	11.132	11.132	11.132			
Mill Levy - Debt	54.626	55.664	55.664	55.664			
Total Mills Levied	65.551	66.796	66.796	66.796			
Property Tax Revenue - Operations	125,651	155,935	155,935	154,667			
Property Tax Revenue - Debt	628,268	779,732	779,732	773,391			
Total Taxes Levied	753,919	935,668	935,668	928,058			
COMBINED FUNDS							
REVENUE							
Property Taxes	743,834	935,668	935,668	928,058	911,768	935,668	(23,899)
Specific Ownership Taxes	157,985	140,350	140,350	157,769	73,386	70,175	3,211
Tap & Facilities Fees	74,950	-	60,450	52,950	-	-	-
Interest & Other Income	26,705	2,500	14,500	9,500	5,317	1,458	3,859
TOTAL REVENUE	1,003,474	1,078,518	1,150,968	1,148,277	990,471	1,007,301	(16,830)
EXPENDITURES							
Administration	153,168	156,325	181,325	136,524	20,501	104,806	84,305
Operations	-	25,000	-	-	-	14,583	14,583
Debt Service	924,441	897,192	11,695,374	11,686,048	476,578	465,310	(11,268)
TOTAL EXPENDITURES	1,077,609	1,078,518	11,876,699	11,822,572	497,079	584,699	87,620
REVENUE OVER / (UNDER) EXP	(74,135)	0	(10,725,731)	(10,674,295)	493,392	422,602	70,790
OTHER SOURCES / (USES)							
Bond Proceeds	-	-	12,850,000	12,850,000	-	-	-
Transfer to District #1- Capital	-	-	(1,500,000)	(1,500,000)	-	-	-
Bond Cost of Issuance	-	-	(491,961)	(491,961)	(46,711)	-	(46,711)
TOTAL OTHER SOURCES / (USES)	-	-	10,858,039	10,858,039	(46,711)	-	(46,711)
CHANGE IN FUND BALANCE	(74,135)	0	132,308	183,745	446,682	422,602	24,079
BEGINNING FUND BALANCE	114,328	-	40,192	40,193	40,193	-	40,193
ENDING FUND BALANCE	40,193	0	172,500	223,937	486,874	422,602	64,272
COMPONENTS OF FUND BALANCE	=	=	=	=	=	=	=
Nonspendable	-	-	-	-	-	-	-
TABOR Emergency Reserve	-	-	-	5,639	5,639	-	5,639
Restricted- Debt Service	40,192	0	172,500	172,500	338,991	373,194	(34,203)
Unassigned/ Other	0	(0)	(0)	45,798	142,244	49,408	92,836
TOTAL ENDING FUND BALANCE	40,193	0	172,500	223,937	486,874	422,602	64,272
	=	=	=	=	=	=	=

Spring Valley Metropolitan District No. 2
 Statement of Revenues, Expenditures, & Changes In Fund Balance
 Modified Accrual Basis For the Period Indicated

Print Date: 09/10/20

	2019 Prelim Actual	2020 Adopted Budget	2020 Amended Budget	2020 Forecast	YTD Thru 07/31/20 Actual	YTD Thru 07/31/20 Budget	Variance Favorable (Unfavor)	
GENERAL FUND								
REVENUE								
1-4100	Property Taxes	123,997	155,935	155,935	154,667	151,952	155,935	(3,983)
1-4150	Specific Ownership Taxes	26,336	23,390	23,390	26,293	12,230	11,695	535
1-4410	Interest Income	13	-	-	5,000	4,201	-	4,201
1-4600	Facility Fees	2,821	-	-	-	-	-	-
	Other Income		2,000	2,000	2,000		1,167	(1,167)
	TOTAL REVENUE	153,168	181,325	181,325	187,960	168,384	168,797	(413)
EXPENDITURES								
Administration								
1-5100	Accounting	-	10,000	10,000	15,000	6,162	5,833	(329)
1-5110	Audit	-	-	-	5,000	84	-	(84)
1-5340	Election	-	25,000	25,000	800	798	25,000	24,202
1-5350	Insurance	-	3,000	3,000	3,000	-	3,000	3,000
1-5450	Legal	-	25,000	25,000	15,000	3,852	14,583	10,732
1-5300	Management	-	20,000	20,000	15,000	4,646	11,667	7,021
1-5600	Miscellaneous	-	300	300	750	423	175	(248)
1-5700	Treasurer's Fees	3,699	4,678	4,678	4,640	4,535	4,678	143
1-6900	Transfer to District #1	149,469	-	77,334	77,334	-	-	-
	Emergency Reserve		3,249	3,249	-		1,895	1,895
	Contingency		65,098	12,764	-		37,974	37,974
	Total Administration	153,168	156,325	181,325	136,524	20,501	104,806	84,305
Operations								
1-6510	Road Maintenance		20,000	-	-		11,667	11,667
1-6520	Stormwater Maintenance		5,000	-	-		2,917	2,917
	Total Operations	-	25,000	-	-	-	14,583	14,583
	TOTAL EXPENDITURES	153,168	181,325	181,325	136,524	20,501	119,389	98,888
	REVENUE OVER / (UNDER) EXP	(0)	(0)	(0)	51,437	147,883	49,408	98,475
OTHER SOURCES / (USES)								
	Transfer to Debt Service Fund		-	-	-		-	-
	TOTAL OTHER SOURCES / (USES)	-	-	-	-	-	-	-
	CHANGE IN FUND BALANCE	(0)	(0)	(0)	51,437	147,883	49,408	98,475
1-3000	BEGINNING FUND BALANCE	0	-	-	0	0	-	0
	ENDING FUND BALANCE	0	(0)	(0)	51,437	147,883	49,408	98,475
	=	=	=	=	=	=	=	=

Spring Valley Metropolitan District No. 2
Statement of Revenues, Expenditures, & Changes In Fund Balance
Modified Accrual Basis For the Period Indicated

Print Date: 09/10/20

	2019 Prelim Actual	2020 Adopted Budget	2020 Amended Budget	2020 Forecast	YTD Thru 07/31/20 Actual	YTD Thru 07/31/20 Budget	Variance Favorable (Unfavor)	
DEBT SERVICE FUND								
REVENUE								
2-4100	Property Taxes	619,837	779,732	779,732	773,391	759,816	779,732	(19,916)
2-4150	Specific Ownership Taxes	131,649	116,960	116,960	131,476	61,155	58,480	2,675
2-4600	Facilities Fees	16,929	-	11,850	11,850	-	-	-
2-4500	Tap Fees	55,200	-	48,600	41,100	-	-	-
2-4410	Interest Income	26,691	500	12,500	2,500	1,116	292	824
TOTAL REVENUE		850,306	897,192	969,642	960,317	822,088	838,504	(16,416)
EXPENDITURES								
2-7300	Bond Principal- Series 2004	-	-	-	-	-	-	-
2-7200	Bond Interest- Series 2004	479,622	579,200	6,023,297	6,023,297	238,750	289,600	50,850
2-7310	Bond Principal- Series 2005	-	-	-	-	-	-	-
2-7210	Bond Interest- Series 2005	159,653	192,800	2,010,631	2,010,631	79,473	96,400	16,927
2-7315	Bond Principal- Series 2007	-	-	-	-	-	-	-
2-7215	Bond Interest- Series 2007	264,725	319,688	2,966,031	2,966,031	131,777	159,844	28,067
	Bond Principal- Series 2007 Subordinate	-	-	-	-	-	-	-
	Bond Interest- Series 2007 Subordinate	-	-	350,000	350,000	-	-	-
	Bond Principal- Series 2020	-	-	175,000	175,000	-	-	-
	Bond Interest- Series 2020	-	-	52,300	52,300	-	-	-
	Less Unpaid Interest	-	(227,923)	-	-	-	(113,962)	(113,962)
	Audit	-	5,000	-	-	-	5,000	5,000
2-7100	Paying Agent Fees	1,950	5,000	5,000	5,000	3,900	5,000	1,100
2-5600	Miscellaneous Expense	-	35	35	35	-	35	35
2-5700	Treasurer's Fees	18,491	23,392	23,392	23,202	22,678	23,392	714
	Contingency	-	-	89,688	80,553	-	-	-
TOTAL EXPENDITURES		924,441	897,192	11,695,374	11,686,048	476,578	465,310	(11,268)
REVENUE OVER / (UNDER) EXP		(74,135)	0	(10,725,731)	(10,725,731)	345,509	373,194	(27,685)
OTHER SOURCES / (USES)								
	Bond Proceeds	-	-	12,850,000	12,850,000	-	-	-
	Transfer to District #1- Capital	-	-	(1,500,000)	(1,500,000)	-	-	-
2-8000	Bond Issuance Costs	-	-	(491,961)	(491,961)	(46,711)	-	(46,711)
	Transfer From General Fund	-	-	-	-	-	-	-
TOTAL OTHER SOURCES / (USES)		-	-	10,858,039	10,858,039	(46,711)	-	(46,711)
CHANGE IN FUND BALANCE		(74,135)	0	132,308	132,308	298,799	373,194	(74,396)
2-3000	BEGINNING FUND BALANCE	114,327	-	40,192	40,192	40,192	-	40,192
ENDING FUND BALANCE		40,192	0	172,500	172,500	338,991	373,194	(34,203)
COMPONENTS OF FUND BALANCE		=	=	=	=	=	=	=
	Series 2020 Reserve Fund	-	-	172,500	172,500	-	-	-
	Suprlus Fund	-	-	0	0	-	-	-
				172,500	172,500			

TITLE	Spring Valley MD No. 2, Resolution to Amend the 2020 Budget
FILE NAME	Resolution to Amend 2020 Budget.pdf
DOCUMENT ID	7205fbfc37b05c0763a846e1c719297df6c05d5e
AUDIT TRAIL DATE FORMAT	MM / DD / YYYY
STATUS	● Completed

Document History



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RESOLUTION NO. 2020-09-01

**JOINT RESOLUTION OF
SPRING VALLEY METROPOLITAN DISTRICT NO. 1
AND
SPRING VALLEY METROPOLITAN DISTRICT NO. 2
AUTHORIZING COLLECTION OF CAPITAL COMPONENT OF TAP FEES FOR
REPAYMENT OF LOAN**

A. Spring Valley Metropolitan District No. 1 (“**District No. 1**”) and Spring Valley Metropolitan District No. 2 (“**District No. 2**”) (collectively, the “**Districts**”) are quasi-municipal corporations and political subdivisions of the State of Colorado located in Elbert County, State of Colorado; and

B. The Districts are authorized pursuant to Section 32-1-1001(1)(j)(I), C.R.S. to fix fees, rates and charges as appropriate and necessary to enable the Districts to pay expenses incurred in the provision of water and sewer improvements, facilities and services; and

C. The service area of District No. 1 is described in the legal description attached hereto as **Exhibit A-1**, and the boundaries of District No. 2 are described in the legal description attached hereto as **Exhibit A-2** (the “**District No. 2 Property**”). The District No. 2 Property is within the Service Area of District No. 1 and, accordingly, is subject to the Rules and Regulations and District No. 1 2020 Fee Resolution adopted by the Board of Directors of District No. 1, as more particularly described below; and

D. The purpose for which the Districts were formed is the design, acquisition, construction, installation, financing, and operation and maintenance of, *inter alia*, certain water and sanitation (including storm and sanitary sewer) facilities and services (“**Public Improvements**”), all in accordance with their respective Service Plans approved by the Elbert County Board of County Commissioners in 2004, as the same may be amended and/or modified from time to time; and

E. The Districts entered into a Facilities Funding, Construction and Operation Agreement dated July 19, 2007, as amended and restated by the First Amended and Restated Facilities Funding, Construction and Operation Agreement dated November 21, 2019, and as amended by a certain First Amendment to the Amended and Restated Facilities Funding, Construction and Operation Agreement, dated the same date as this Joint Resolution (together the “**FFCOA**”). Pursuant to the FFCOA District No. 1 is responsible for providing the design, acquisition, construction, installation, and financing of the Public Improvements for the benefit of itself and District No. 2; and

F. Pursuant to their Service Plans and the FFCOA, the Districts are authorized to finance the Public Improvements that benefit, *inter alia*, the District No. 2 Property; and

G. District No. 2 will benefit from the Public Improvements; and

H. District No. 2 intends to enter a Loan Agreement to take on a Series 2020 Loan Agreement and Promissory Note to, in part, fund these Public Improvements (the “**District No. 2 Loan**”); and

I. Pursuant to the Rules and Regulations with Design Standards adopted by District No. 1 on January 19, 2006, as the same has been and may be amended or supplemented (“**Rules and Regulations**”), District No. 1 has established a fee and service charge rate; and

J. District No. 1 set the System Development Fee (herein, “**Tap Fee**”) for 2020 by that certain Resolution No. 2020-09-0_ adopted and effective as of September 16, 2020 (“**District No. 1 2020 Fee Resolution**”); and

K. Pursuant to Section 32-1-1001(1)(j), C.R.S., the District No. 1 2020 Fee Resolution set the Capital Component of the Tap Fee (“**Capital Component**”) at \$16,200 and the Operation and Maintenance Component of the Tap Fee at \$0 (“**O&M Component**”), for a total of \$16,200; and

L. These Tap Fees and Facilities Fees are due, as a one-time payment on each Lot at the time a permit is issued by Elbert County.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARDS OF DIRECTORS OF THE SPRING VALLEY METROPOLITAN DISTRICT NO. 1 AND SPRING VALLEY METROPOLITAN DISTRICT NO. 2, ELBERT COUNTY, COLORADO:

1. The Board of Directors of District No. 2 hereby finds, determines and declares that it is in the best interests of District No. 2, its inhabitants and taxpayers to exercise its power by imposing and collecting the Capital Component of the Tap Fee as set forth on the attached Schedule A from the District No. 2 Property, which Capital Component of the Tap Fee will be pledged by District No. 2 to the repayment of the District No. 2 Loan.

2. The Board of Directors of District No. 1 hereby finds and determines that notwithstanding the Rules and Regulations and the District No. 1 2020 Fee Resolution, the Capital Component of the Tap Fee payable with respect to District No. 2 Property shall be payable to District No. 2, and the payment by a Lot owner to District No. 2 of such Capital Component of the Tap Fee fully satisfies the Lot owner’s obligations for payment of the Capital Component of the Tap Fees under District No. 1’s Rules and Regulations (and entitles the Lot owner to the services of District No. 1 to be provided in connection therewith under District No. 1’s Rules and Regulations); provided, however, that District No. 1 reserves the right to impose and collect the Capital Component of the Tap Fees as necessary in accordance with the following paragraph, and the lien established by the Rules and Regulations and the District No. 1 2020 Fee Resolution with respect thereto shall not be deemed waived or released for any Lot until the full payment of such Capital Component of the Tap Fees due with respect to such Lot.

3. In the event that any portion of this Joint Resolution is determined to be unenforceable, or a Lot owner fails to pay to District No. 2 the Capital Component of the Tap Fees when due for District No. 2 Property, District No. 1 shall continue to have the authority to collect such Capital Component of the Tap Fees, and District No. 1 hereby agrees for the benefit of District No. 2 and the owners of the District No. 2 Loan, to collect and remit the same to

District No. 2 for application to payment on the District No. 2 Loan. The foregoing shall constitute a contractual obligation of District No. 1 made for the benefit of District No. 2, in exchange for the funding by District No. 2 of certain Public Improvements through the District No. 2 Loan and may be amended or waived only with the consent of District No. 2.

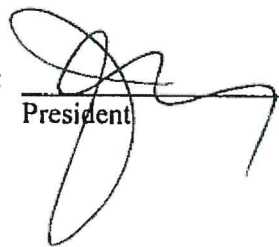
4. Any unpaid amount of Tap Fees when due shall constitute a statutory and perpetual lien against the applicable real property pursuant to Section 32-1-1001(1)(j)(I), C.R.S., such lien being a charge imposed for the provision of the services and facilities to the District No. 2 Property. The lien shall be perpetual in nature as defined by the laws of the State of Colorado on the property and shall run with the land. This Joint Resolution shall be recorded in the offices of the Clerk and Recorder of the County.

5. This Joint Resolution shall take effect immediately upon its adoption and approval.

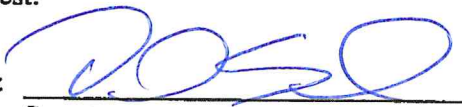
[SIGNATURE PAGE TO FOLLOW]

**[SIGNATURE PAGE TO RESOLUTION NO. 2020-09-01 JOINT RESOLUTION OF
SPRING VALLEY METROPOLITAN DISTRICT NO. 1 AND SPRING VALLEY
METROPOLITAN DISTRICT NO. 1 AUTHORIZING COLLECTION OF CAPITAL
COMPONENT OF TAP FEES FOR REPAYMENT OF LOAN]**

**SPRING VALLEY METROPOLITAN
DISTRICT NO. 1**, a quasi-municipal corporation
and political subdivision of the State of Colorado

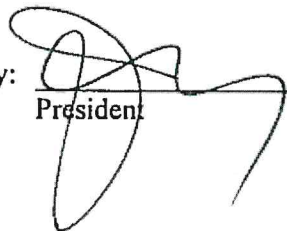
By: 

President

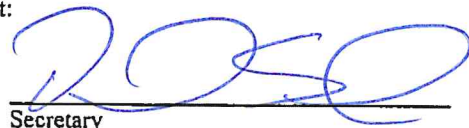
Attest:
By: 

Secretary

**SPRING VALLEY METROPOLITAN
DISTRICT NO. 2**, a quasi-municipal corporation
and political subdivision of the State of Colorado

By: 

President

Attest:
By: 

Secretary

EXHIBIT A-1

Legal Description District No. 1

A PARCEL OF LAND BEING THE NORTHERLY 560.00 FEET OF SECTION 30, TOWNSHIP 6 SOUTH, RANGE 64 WEST OF THE SIXTH PRINCIPAL MERIDIAN, COUNTY OF ELBERT, STATE OF COLORADO; SAID PARCEL OF LAND CONTAINING 61.322 ACRES, MORE OR LESS.

TOGETHER WITH

A PARCEL OF LAND BEING SECTION 32 AND 33 OF TOWNSHIP 6 SOUTH AND THE W1/2 OF SECTION 4, TOWNSHIP 7 SOUTH, RANGE 64 WEST OF THE SIXTH PRINCIPAL MERIDIAN, COUNTY OF ELBERT, STATE OF COLORADO; SAID PARCEL BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF SAID SECTION 33, A 3-1/4" ALUMINUM CAP L.S.#10377 IN PLACE, THE POINT OF BEGINNING; THENCE N 89°52'37" W ALONG THE SOUTHERLY LINE OF SAID SECTION 33 A DISTANCE OF 2619.44 FEET TO THE SOUTH QUARTER CORNER OF SAID SECTION 33, ALSO BEING THE NORTH QUARTER CORNER OF SECTION 4, A 2" ALUMINUM CAP L.S. #23032 IN PLACE; THENCE LEAVING SAID SOUTHERLY LINE S 00°34'31" W ALONG THE NORTH-SOUTH CENTERLINE OF SAID SECTION 4 A DISTANCE OF 5212.97 FEET TO THE SOUTH QUARTER CORNER OF SAID SECTION 4, A 3-1/4" ALUMINUM CAP L.S. #10377 IN PLACE; THENCE N 89°59'14" W ALONG THE SOUTHERLY LINE OF SAID SECTION 4 A DISTANCE OF 2598.61 FEET TO THE SOUTHWEST CORNER OF SAID SECTION 4, A 2-1/2" ALUMINUM CAP L.S. #10377 IN PLACE; THENCE N 00°25'06" E ALONG THE WESTERLY LINE OF SAID SECTION 4 A DISTANCE OF 2635.25 FEET TO THE WEST QUARTER CORNER OF SAID SECTION 4, A 3-1/4" ALUMINUM CAP L.S. #10377 IN PLACE; THENCE CONTINUING ALONG SAID WESTERLY LINE N 00°16'16" E A DISTANCE OF 2582.64 FEET TO THE NORTHWEST CORNER OF SAID SECTION 4, SAID POINT ALSO BEING THE SOUTHEAST CORNER OF SECTION 32, A 3-1/4" ALUMINUM CAP L.S. #10377 IN PLACE; THENCE N 89°37'37" W ALONG THE SOUTHERLY LINE OF SAID SECTION 32 A DISTANCE OF 2653.62 FEET TO THE SOUTH QUARTER CORNER OF SAID SECTION 32, A 2-1/2" ALUMINUM CAP L.S. #6935 IN PLACE; THENCE CONTINUING ALONG SAID SOUTHERLY LINE N 89°38'02" W A DISTANCE OF 2653.71 FEET TO THE SOUTHWEST CORNER OF SAID SECTION 32, A 2-1/2" ALUMINUM CAP L.S. #6935 IN PLACE; THENCE N 00°36'02" E ALONG THE WESTERLY LINE OF SAID SECTION 32 A DISTANCE OF 2640.65 FEET TO THE WEST QUARTER CORNER OF SAID SECTION 32, A 2-1/2" ALUMINUM CAP L.S. #7361 IN PLACE; THENCE CONTINUING ALONG THE WESTERLY LINE OF SAID SECTION 32 N 00°34'12" E A DISTANCE OF 2651.85 FEET TO THE NORTHWEST CORNER OF SAID SECTION 32, A 3-1/4" ALUMINUM CAP L.S. #6935 IN PLACE; THENCE S 89°35'41" E ALONG THE NORTHERLY LINE OF SAID SECTION 32 A DISTANCE OF 2648.37 FEET TO THE NORTH QUARTER CORNER OF SAID SECTION 32, A 3-1/4" ALUMINUM CAP L.S. #6935 IN PLACE; THENCE CONTINUING ALONG SAID NORTHERLY LINE S 89°36'48" E A DISTANCE OF 2650.24 FEET TO THE NORTHEAST CORNER OF SAID SECTION 32, A 2-1/2" ALUMINUM CAP L.S. #7361 IN PLACE; THENCE S 89°36'42" E ALONG THE NORTHERLY LINE OF SECTION 33 A DISTANCE OF 2634.04 FEET TO THE NORTH QUARTER CORNER OF SAID SECTION

33, A 2-1/2" ALUMINUM CAP L.S. #7361 IN PLACE; THENCE CONTINUING ALONG THE NORTHERLY LINE OF SAID SECTION 33 S 89°37'14" E A DISTANCE OF 2635.58 FEET TO THE NORTHEAST CORNER OF SAID SECTION 33, A 2-1/2" ALUMINUM CAP L.S. #7361 IN PLACE; THENCE S 00°49'33" W ALONG THE EASTERLY LINE OF SAID SECTION 33 A DISTANCE OF 2633.18 FEET TO THE EAST QUARTER CORNER OF SAID SECTION 33, A 2-1/2" ALUMINUM CAP L.S. #7361 IN PLACE; THENCE CONTINUING ALONG THE EASTERLY LINE OF SAID SECTION 33 S 00°49'31" W A DISTANCE OF 2633.20 FEET TO THE POINT OF BEGINNING; SAID PARCEL CONTAINING A GROSS ACREAGE OF 1592.880 ACRES, MORE OR LESS.

EXCEPTING FROM THE ABOVE DESCRIBED PARCEL THE SPRING VALLEY GOLF COURSE, AS SHOWN IN RECEPTION NO. 353734 OF THE ELBERT COUNTY CLERK AND RECORDER'S OFFICE; RESULTING IN A NET ACREAGE OF 527.705 ACRES LYING WESTERLY OF SAID GOLF COURSE AND 838.395 ACRES LYING EASTERLY OF SAID GOLF COURSE.

TOGETHER WITH

A PARCEL OF LAND BEING SECTION 30, TOWNSHIP 6 SOUTH, RANGE 64 WEST OF THE SIXTH PRINCIPAL MERIDIAN, COUNTY OF ELBERT, STATE OF COLORADO; SAID PARCEL BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF SECTION 30, A 3-1/4" ALUMINUM CAP L.S. NO. 6935 IN PLACE, THE POINT OF BEGINNING; THENCE S 89°57'46" W ALONG THE SOUTHERLY LINE OF SAID SECTION 30 A DISTANCE OF 2543.67 FEET TO THE SOUTH QUARTER CORNER OF SAID SECTION 30, A 2-1/2" ALUMINUM CAP L.S. #6935 IN PLACE; THENCE CONTINUING ALONG THE SOUTHERLY LINE OF SAID SECTION 30 S 89°57'54" W A DISTANCE OF 2222.09 FEET TO THE SOUTHWEST CORNER OF SAID SECTION 30, A 2-1/2" ALUMINUM CAP L.S. #6935 IN PLACE; THENCE N 00°38'15" E ALONG THE WESTERLY LINE OF SAID SECTION 30 A DISTANCE OF 2655.30 FEET TO THE WEST QUARTER CORNER OF SAID SECTION 30, A 2-1/2" ALUMINUM CAP L.S. #29052 IN PLACE; THENCE CONTINUING ALONG THE WESTERLY LINE OF SAID SECTION 30 N 00°38'23" E A DISTANCE OF 2655.19 FEET TO THE NORTHWEST CORNER OF SAID SECTION 30, A 2-1/2" ALUMINUM CAP L.S. #29052 IN PLACE; THENCE S 89°58'52" E ALONG THE NORTHERLY LINE OF SAID SECTION 30 A DISTANCE OF 2225.83 FEET TO THE NORTH QUARTER CORNER OF SAID SECTION 30, A 2-1/2" ALUMINUM CAP L.S. #29052 IN PLACE; THENCE CONTINUING ALONG THE NORTHERLY LINE OF SAID SECTION 30 S 89°58'43" E A DISTANCE OF 2544.02 FEET TO THE NORTHEAST CORNER OF SAID SECTION 30, A 1-1/2" ALUMINUM CAP FOUND IN PLACE AND REPLACED WITH A 3-1/4" ALUMINUM CAP L.S. #19598; THENCE S 00°36'20" W ALONG THE EASTERLY LINE OF SAID SECTION 30 A DISTANCE OF 2652.90 FEET TO THE EAST QUARTER CORNER OF SAID SECTION 30, A 3-1/4" ALUMINUM CAP L.S. #6935 IN PLACE; THENCE CONTINUING ALONG THE EASTERLY LINE OF SAID SECTION 30 S 00°45'41" W A DISTANCE OF 2652.96 FEET TO THE POINT OF BEGINNING; SAID PARCEL CONTAINING 581.187 ACRES, MORE OR LESS.

EXCEPTING FROM THE ABOVE DESCRIBED PROPERTY THE NORTHERLY 560.00 FEET THEREOF; SAID EXCEPTED PARCEL CONTAINING 61.322 ACRES, MORE OR

LESS, RESULTING IN A NET ACREAGE OF 519.865 ACRES, MORE OR LESS

TOGETHER WITH

A PARCEL OF LAND BEING THE SW1/4SE1/4 AND THE S1/2SE1/4SE1/4 OF SECTION 31, TOWNSHIP 6 SOUTH, RANGE 64 WEST OF THE SIXTH PRINCIPAL MERIDIAN, COUNTY OF ELBERT, STATE OF COLORADO; SAID PARCEL BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF SAID SECTION 31, A 2-1/2" ALUMINUM CAP L.S. # 6935 IN PLACE, THE POINT OF BEGINNING; THENCE N 89°55'54" W ALONG THE SOUTHERLY LINE OF SAID SECTION 31 A DISTANCE OF 2567.23 FEET TO THE SOUTH QUARTER CORNER OF SAID SECTION 31, A 2-1/2" ALUMINUM CAP L.S. # 6935 IN PLACE; THENCE LEAVING SAID SOUTHERLY LINE N 00°50'18" E ALONG THE NORTH-SOUTH CENTERLINE OF SAID SECTION 31 A DISTANCE OF 1320.65 FEET TO THE SOUTH-CENTER SIXTEENTH CORNER OF SAID SECTION 31, A 2-1/2" ALUMINUM CAP L.S. # 6935 IN PLACE; THENCE S 89°55'33" E ALONG THE NORTHERLY LINE OF THE SW1/4SE1/4 OF SAID SECTION 31 A DISTANCE OF 1280.88 FEET TO THE SOUTHEAST SIXTEENTH CORNER OF SAID SECTION 31, A 3-1/4" ALUMINUM CAP L.S. #19598 IN PLACE; THENCE S 00°43'10" W ALONG THE EASTERLY LINE OF SAID SW1/4SE1/4 A DISTANCE OF 660.24 FEET TO THE CENTER-SOUTH-SOUTHEAST SIXTYFORTH CORNER OF SAID SECTION 31, A 3-1/4" ALUMINUM CAP L.S. #19598 IN PLACE; THENCE S 89°55'44" E ALONG THE NORTHERLY LINE OF THE S1/2SE1/4SE1/4 OF SAID SECTION 31 A DISTANCE OF 1282.25 FEET TO THE SOUTH-SOUTH SIXTYFORTH CORNER OF SECTION 31 AND SECTION 32, A 3-1/4" ALUMINUM CAP L.S. #19598 IN PLACE; THENCE S 00°36'02" W ALONG THE EASTERLY LINE OF SAID SECTION 31 A DISTANCE OF 660.16 FEET TO THE POINT OF BEGINNING; SAID PARCEL CONTAINING 58.312 ACRES, MORE OR LESS.

EXHIBIT A-2

Legal Description District No. 2

SPRING VALLEY METROPOLITAN DISTRICT NO. 2
PROPERTY DESCRIPTION

A PARCEL OF LAND BEING SECTION 33, TOGETHER WITH A PARCEL OF LAND SITUATED IN SECTION 32 OF TOWNSHIP 6 SOUTH AND BEING THE W1/2 OF SECTION 4, TOWNSHIP 7 SOUTH, RANGE 64 WEST OF THE SIXTH PRINCIPAL MERIDIAN, COUNTY OF ELBERT, STATE OF COLORADO; SAID PARCEL BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF SAID SECTION 33, A 3-1/4" ALUMINUM CAP L.S.#10377 IN PLACE, THE POINT OF BEGINNING; THENCE N 89°52'37" W ALONG THE SOUTHERLY LINE OF SAID SECTION 33 A DISTANCE OF 2619.44 FEET TO THE SOUTH QUARTER CORNER OF SAID SECTION 33, ALSO BEING THE NORTH QUARTER CORNER OF SECTION 4, A 2" ALUMINUM CAP L.S. #23032 IN PLACE; THENCE LEAVING SAID SOUTHERLY LINE S 00°34'31" W ALONG THE NORTH-SOUTH CENTERLINE OF SAID SECTION 4 A DISTANCE OF 5212.97 FEET TO THE SOUTH QUARTER CORNER OF SAID SECTION 4, A 3-1/4" ALUMINUM CAP L.S. #10377 IN PLACE; THENCE N 89°59'14" W ALONG THE SOUTHERLY LINE OF SAID SECTION 4 A DISTANCE OF 2598.61 FEET TO THE SOUTHWEST CORNER OF SAID SECTION 4, A 2-1/2" ALUMINUM CAP L.S. #10377 IN PLACE; THENCE N 00°25'06" E ALONG THE WESTERLY LINE OF SAID SECTION 4 A DISTANCE OF 2635.25 FEET TO THE WEST QUARTER CORNER OF SAID SECTION 4, A 3-1/4" ALUMINUM CAP L.S. #10377 IN PLACE; THENCE CONTINUING ALONG SAID WESTERLY LINE N 00°16'16" E A DISTANCE OF 2582.64 FEET TO THE NORTHWEST CORNER OF SAID SECTION 4, SAID POINT ALSO BEING THE SOUTHEAST CORNER OF SECTION 32, A 3-1/4" ALUMINUM CAP L.S. #10377 IN PLACE; THENCE N 89°37'37" W ALONG THE SOUTHERLY LINE OF SAID SECTION 32 A DISTANCE OF 2653.62 FEET TO THE SOUTH QUARTER CORNER OF SAID SECTION 32, A 2-1/2" ALUMINUM CAP L.S. #6935 IN PLACE; THENCE CONTINUING ALONG SAID SOUTHERLY LINE N 89°38'02" W A DISTANCE OF 82.39 FEET TO A POINT ON THE WESTERLY RIGHT-OF-WAY COUNTY ROAD 17-21; THENCE LEAVING SAID SOUTHERLY LINE ALONG SAID RIGHT-OF-WAY THE FOLLOWING NINE (9) COURSES:

- 1.) N06°14'25"E A DISTANCE OF 670.27 FEET
- 2.) ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 2,450.00 FEET AND A CENTRAL ANGLE OF 12°38'51" A DISTANCE OF 540.82 FEET (CHORD BEARS N12°33'51"E 539.72 FEET)
- 3.) N18°53'16"E A DISTANCE OF 378.31 FEET
- 4.) ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 3,050.00 feet AND A CENTRAL ANGLE OF 04°53'18" A DISTANCE OF 260.21 FEET (CHORD BEARS N21°19'55"E 260.14 FEET)
- 5.) N23°25'34"E A DISTANCE OF 1,607.92 FEET
- 6.) ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 725.00 FEET AND A CENTRAL ANGLE OF 48°06'03" A DISTANCE OF 608.65 FEET (CHORD

BEARS N46°46'53"E 590.93 FEET)

7.) N70°49'54"E A DISTANCE OF 598.65 FEET

8.) ALONG THE ARC OF A CURVE TO THE LEFT HAVING A RADIUS OF 1,030.00 FEET AND A CENTRAL ANGLE OF 70°28'07" A DISTANCE OF 1,266.81 FEET (CHORD BEARS N35°35'51"E 1,188.46 FEET)

9.) N00°21'47"E A DISTANCE OF 436.03 FEET TO A POINT ON THE NORTHERLY LINE OF SAID SECTION 32; THENCE LEAVING SAID RIGHT-OF-WAY S 89°36'48" E ALONG SAID NORTHERLY LINE A DISTANCE OF 44.00 FEET TO THE NORTHEAST CORNER OF SAID SECTION 32, A 2-1/2" ALUMINUM CAP L.S. #7361 IN PLACE; THENCE S 89°36'42" E ALONG THE NORTHERLY LINE OF SECTION 33 A DISTANCE OF 2634.04 FEET TO THE NORTH QUARTER CORNER OF SAID SECTION 33, A 2-1/2" ALUMINUM CAP L.S. #7361 IN PLACE; THENCE CONTINUING ALONG THE NORTHERLY LINE OF SAID SECTION 33 S 89°37'14" E A DISTANCE OF 2635.58 FEET TO THE NORTHEAST CORNER OF SAID SECTION 33, A 2-1/2" ALUMINUM CAP L.S. #7361 IN PLACE; THENCE S 00°49'33" W ALONG THE EASTERLY LINE OF SAID SECTION 33 A DISTANCE OF 2633.18 FEET TO THE EAST QUARTER CORNER OF SAID SECTION 33, A 2-1/2" ALUMINUM CAP L.S. #7361 IN PLACE; THENCE CONTINUING ALONG THE EASTERLY LINE OF SAID SECTION 33 S 00°49'31" W A DISTANCE OF 2633.20 FEET TO THE POINT OF BEGINNING; SAID PARCEL CONTAINING A GROSS ACREAGE OF 1,149.591 ACRES, MORE OR LESS.

EXCEPTING FROM THE ABOVE DESCRIBED PARCEL THE SPRING VALLEY GOLF COURSE, AS SHOWN IN RECEPTION NO. 353734 OF THE ELBERT COUNTY CLERK AND RECORDER'S OFFICE; RESULTING IN A NET ACREAGE OF 84.416 ACRES LYING WESTERLY OF SAID GOLF COURSE AND 838.395 ACRES LYING EASTERLY OF SAID GOLF COURSE.

EXCEPTING FROM

A PARCEL OF LAND SITUATED IN SECTION 33, TOWNSHIP 6 SOUTH, RANGE 64 WEST OF THE SIXTH PRINCIPAL MERIDIAN, COUNTY OF ELBERT, STATE OF COLORADO, SAID PARCEL BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF SECTION 33, A 2 1/4" ALUMINUM CAP L.S. #7361 IN PLACE; THENCE S77°10'21"W, A DISTANCE OF 1,138.81 FEET TO THE POINT OF BEGINNING; THENCE S20°33'00"W A DISTANCE OF 98.35 FEET; THENCE S26°56'28"E A DISTANCE OF 404.85 FEET; THENCE S07°47'10"E A DISTANCE OF 633.65 FEET; THENCE S01°28'41"E A DISTANCE OF 820.62 FEET; THENCE S17°12'42"W A DISTANCE OF 501.85 FEET; THENCE S09°56'36"E A DISTANCE OF 927.93 FEET; THENCE S18°18'55"E A DISTANCE OF 747.54 FEET; THENCE S01°30'30"E A DISTANCE OF 208.07 FEET; THENCE S45°50'53"E A DISTANCE OF 206.30 FEET; THENCE ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 360.00 FEET AND A CENTRAL ANGLE OF 40°25'50" A DISTANCE OF 254.03 FEET (CHORD BEARS 64°22'02"W 248.79 FEET); THENCE N25°15'08"W A DISTANCE OF 265.24 FEET;

THENCE N82°39'48"W A DISTANCE OF 251.14 FEET; THENCE N39°32'12"W A DISTANCE OF 369.61 FEET; THENCE N12°00'16"W A DISTANCE OF 484.20 FEET; THENCE N09°56'36"W A DISTANCE OF 860.48 FEET; THENCE N75°11'25"W A DISTANCE OF 238.33 FEET; THENCE S83°35'23"W A DISTANCE OF 411.53 FEET; THENCE S32°04'44"W A DISTANCE OF 156.17 FEET; THENCE N16°10'37"W A DISTANCE OF 68.33 FEET; THENCE ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 605.00 FEET AND A CENTRAL ANGLE OF 19°11'09" A DISTANCE OF 202.59 FEET (CHORD BEARS N06°35'03"W 201.64 FEET); THENCE N03°00'32"E A DISTANCE OF 571.68 FEET; THENCE ALONG THE ARC OF A CURVE TO THE LEFT HAVING A RADIUS OF 845.00 FEET AND A CENTRAL ANGLE OF 04°12'08" A DISTANCE OF 61.97 FEET (CHORD BEARS N00°54'28"E 61.96 FEET); THENCE S79°57'09"E A DISTANCE OF 648.93 FEET; THENCE N69°15'27"E A DISTANCE OF 167.79 FEET; THENCE N17°35'05"E A DISTANCE OF 179.03 FEET; THENCE N01°10'03"W A DISTANCE OF 467.46 FEET; THENCE N19°38'37"W A DISTANCE OF 325.46 FEET; THENCE N01°59'58"E A DISTANCE OF 675.03 FEET; THENCE N39°24'35"W A DISTANCE OF 166.59 FEET; THENCE ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 400.00 FEET AND A CENTRAL ANGLE OF 19°23'30" A DISTANCE OF 135.38 FEET (CHORD BEARS N53°45'28"E 134.73 FEET); THENCE N63°27'12"E A DISTANCE OF 43.48 FEET; THENCE ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 420.00 FEET AND A CENTRAL ANGLE OF 49°35'39" A DISTANCE OF 363.55 FEET (CHORD BEARS N88°15'02"E 352.30 FEET), TO THE POINT OF BEGINNING. SAID PARCEL CONTAINS 67.782 ACRES, MORE OR LESS.

EXCEPTING

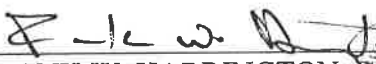
A PARCEL OF LAND SITUATED IN SECTION 33, TOWNSHIP 6 SOUTH, RANGE 64 WEST OF THE SIXTH PRINCIPAL MERIDIAN, COUNTY OF ELBERT, STATE OF COLORADO, SAID PARCEL BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF SECTION 33, A 2 1/4" ALUMINUM CAP L.S. #7361 IN PLACE; THENCE S64°49'28"W, A DISTANCE OF 4,455.40 FEET TO THE POINT OF BEGINNING; THENCE S57°02'21"E A DISTANCE OF 600.35 FEET; THENCE S84°04'52"E A DISTANCE OF 672.43 FEET; THENCE N87°41'15"E A DISTANCE OF 522.07 FEET; THENCE S03°00'32"W A DISTANCE OF 416.30 FEET; THENCE ALONG THE ARC OF A CURVE TO THE LEFT HAVING A RADIUS OF 675.00 FEET AND A CENTRAL ANGLE OF 11°31'16" A DISTANCE OF 135.73 FEET (CHORD BEARS S02°45'06"E 135.50 FEET); THENCE S87°41'15"W A DISTANCE OF 524.07 FEET; THENCE N84°04'52"W A DISTANCE OF 1048.51 FEET; THENCE N22°38'46"W A DISTANCE OF 132.99 FEET; THENCE N22°38'46"W A DISTANCE OF 435.56 FEET; THENCE N33°08'27"W A DISTANCE OF 361.44 FEET TO THE POINT OF BEGINNING. SAID PARCEL CONTAINING 20.749 ACRES, MORE OR LESS.

NET ACREAGE FOR SPRING VALLEY METROPOLITAN DISTRICT NO. 2 EQUALS
834.280 ACRES, MORE OR LESS.

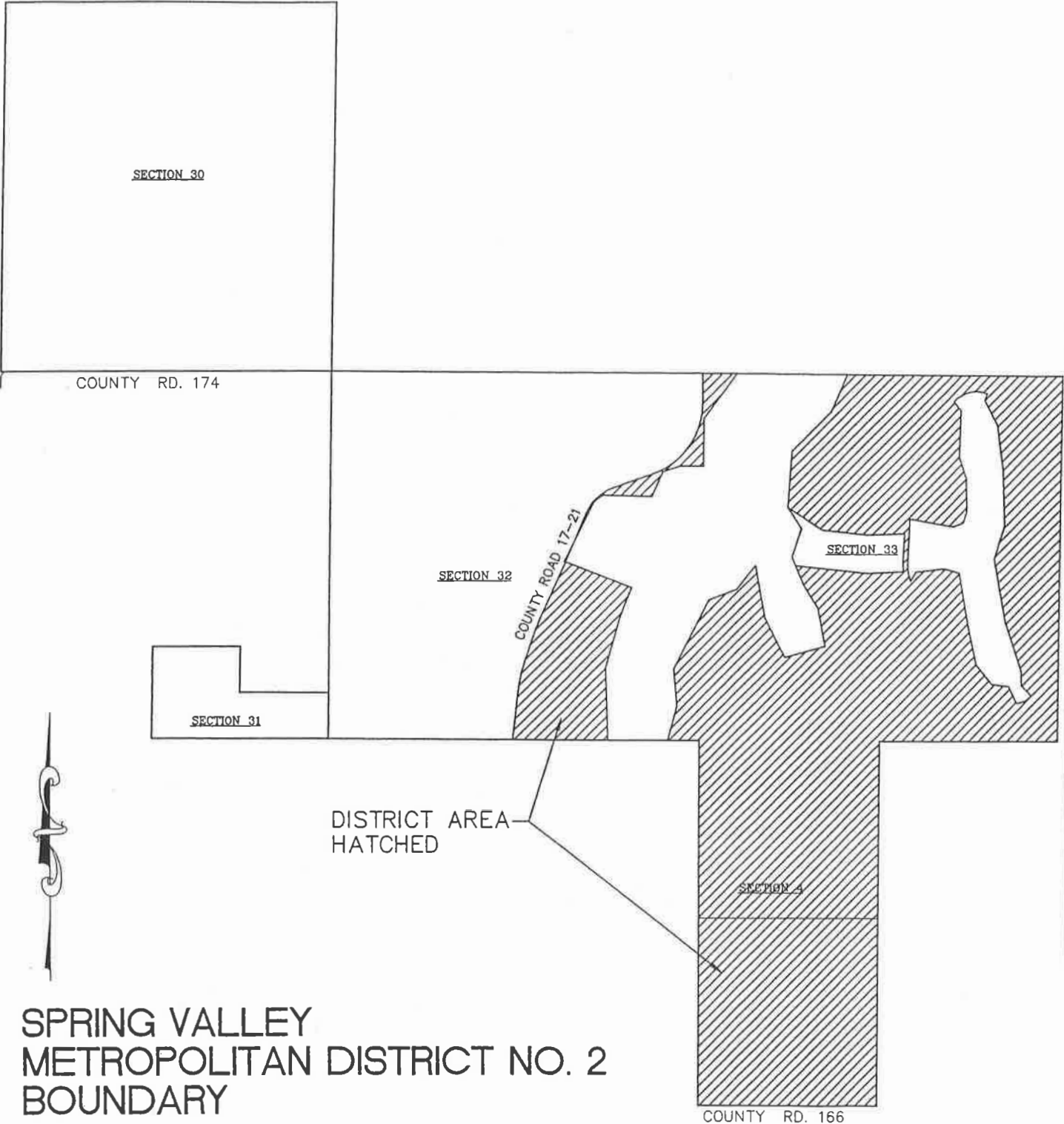
SURVEYOR'S STATEMENT

I, FRANK W. HARRINGTON, A PROFESSIONAL LAND SURVEYOR IN THE STATE OF
COLORADO, DO HEREBY STATE THAT THE ABOVE LEGAL DESCRIPTION WAS
PREPARED UNDER MY RESPONSIBLE CHARGE, AND ON THE BASIS OF MY
KNOWLEDGE, INFORMATION AND BELIEF, IS CORRECT.


FRANK W. HARRINGTON, P.L.S. #19598
FOR AND ON BEHALF OF HIGH COUNTRY ENGINEERING, INC.
14 INVERNESS DRIVE EAST, SUITE F-120
ENGLEWOOD, CO 80112



7/9/03
DATE



**SPRING VALLEY
METROPOLITAN DISTRICT NO. 2
BOUNDARY**



HIGH COUNTRY ENGINEERING, INC.
 14 INVERNESS DRIVE EAST, SUITE F-120
 ENGLEWOOD, COLORADO 80112
 PH (303) 925-0544 FX (303) 925-0547
 METRO-VICIN

**RUNNING CREEK
 INVESTMENTS, LLC**
 ELBERT COUNTY, CO
 SPRING VALLEY RANCH
 VICINITY MAP

SCALE 1"=2000'

DES. TEW	CK.	FILE NO.	SHEET 1
DR. TEW	DATE 5/25/03	98201.01	OF 1

RESOLUTION NO. 2020-09-02

**SPRING VALLEY METROPOLITAN DISTRICT NO. 1
RESOLUTION TO CONFIRM SCHEDULE OF FEES AND CHARGES AND,
WITHOUT CHANGING TOTAL FEES DUE, DESIGNATING IN SPRING VALLEY
METROPOLITAN DISTRICT NO. 2 THE CAPITAL COMPONENT OF THE TAP FEE
TO \$16,200 AND THE O&M COMPONENT OF THE TAP FEE TO BE \$0**

A. On January 19, 2006, the Board of Directors (the “**Board**”) of Spring Valley Metropolitan District No. 1 (the “**District**”) adopted Rules and Regulations with Design Standards (as amended from time to time, the “**Rules and Regulations**”) applicable to the construction, administration and operation of the District’s water, storm and sanitary sewage systems, which serve the District’s Service Area as legally described on **Exhibit A** attached hereto and incorporated herein by this reference (the “**Service Area**”).

B. Property within the boundaries of Spring Valley Metropolitan District No. 2 (“**District No. 2**”), Spring Valley Metropolitan District No. 3 (“**District No. 3**”), and Spring Valley Metropolitan District No. 4 (“**District No. 4**” and collectively with the District, District No. 2 and District No. 3, the “**Districts**”) is located within the District’s Service Area and is, therefore, subject to the Rules and Regulations.

C. District No. 2 is entering certain Series 2020 Loan Agreement and Promissory Note (“**District No. 2 Loan**”) to fund, *inter alia*, water and sewer improvements which will be dedicated to the District.

D. The District and District No. 2 have determined to designate 100% of the Tap Fee to be collected in District No. 2’s boundaries to be the Capital Component and to have District No. 2 pledge certain of the Tap Fees to be collected within the boundaries of District No. 2 to the repayment of the District No. 2 Loan.

E. The District is authorized pursuant to Section 32-1-1001(1)(j)(I), C.R.S. to fix fees and penalties for services or facilities provided by the District and pursuant to Section 32-1-1006(1)(g), C.R.S., to fix and from time to time to increase or decrease fees.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF SPRING VALLEY METROPOLITAN DISTRICT NO. 1 AS FOLLOWS:

1. The Board has determined and hereby does determine that it is in the best interests of the District, its inhabitants, and its service recipients to amend the Schedule as more specifically set forth in **Exhibit B** attached hereto and incorporated herein by this reference (the “**September 16, 2020 Schedule**”).

2. The Board hereby adopts the September 16, 2020 Schedule, which shall be effective as of and shall be deemed to be incorporated into the Rules and Regulations as **Appendix A** on September 16, 2020 (the “**Effective Date**”).

3. Upon the Effective Date, the September 16, 2020 Schedule shall amend, replace and supersede in its entirety the March 9, 2020 Schedule and the March 9, 2020 Schedule shall be of no force and effect thereafter.

4. Except as expressly amended herein with respect to the replacement of the March 9, 2020 Schedule with the September 16, 2020 Schedule, all other provisions, terms and conditions of the Rules and Regulations remain in full force and effect; provided, however, that in the event of any conflict between the Rules and Regulations and the September 16, 2020 Schedule, the September 16, 2020 Schedule shall control.

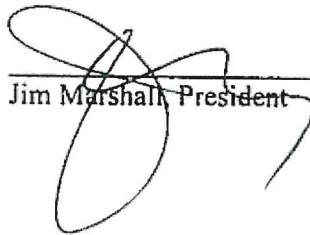
5. Any unpaid fees as set forth on the September 16, 2020 Schedule shall constitute a statutory and perpetual lien against the applicable real property pursuant to Section 32-1-1001(1)(j)(I), C.R.S., such lien being a charge imposed for the provision of the services and facilities to the Property. The lien shall be perpetual in nature as defined by the laws of the State of Colorado on the property and shall run with the land. This Resolution shall be recorded in the offices of the Clerk and Recorder of the County.

SIGNATURE PAGE FOLLOWS

[SIGNATURE PAGE TO RESOLUTION NO. 2020-09-02]

APPROVED AND ADOPTED THIS 16th day of September 2020.

**SPRING VALLEY METROPOLITAN
DISTRICT NO. 1**



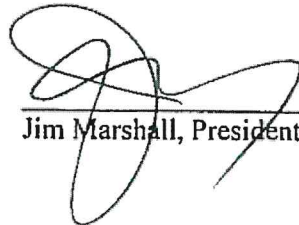
Jim Marshall, President

Attest:



Secretary

**SPRING VALLEY METROPOLITAN
DISTRICT NO. 4**



Jim Marshall, President

Attest:



Secretary

EXHIBIT A

DISTRICT NO. 1 SERVICE AREA

A PARCEL OF LAND BEING THE NORTHERLY 560.00 FEET OF SECTION 30, TOWNSHIP 6 SOUTH, RANGE 64 WEST OF THE SIXTH PRINCIPAL MERIDIAN, COUNTY OF ELBERT, STATE OF COLORADO; SAID PARCEL OF LAND CONTAINING 61.322 ACRES, MORE OR LESS.

TOGETHER WITH

A PARCEL OF LAND BEING SECTION 32 AND 33 OF TOWNSHIP 6 SOUTH AND THE W1/2 OF SECTION 4, TOWNSHIP 7 SOUTH, RANGE 64 WEST OF THE SIXTH PRINCIPAL MERIDIAN, COUNTY OF ELBERT, STATE OF COLORADO; SAID PARCEL BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF SAID SECTION 33, A 3-1/4" ALUMINUM CAP L.S.#10377 IN PLACE, THE POINT OF BEGINNING; THENCE N 89°52'37" W ALONG THE SOUTHERLY LINE OF SAID SECTION 33 A DISTANCE OF 2619.44 FEET TO THE SOUTH QUARTER CORNER OF SAID SECTION 33, ALSO BEING THE NORTH QUARTER CORNER OF SECTION 4, A 2" ALUMINUM CAP L.S. #23032 IN PLACE; THENCE LEAVING SAID SOUTHERLY LINE S 00°34'31" W ALONG THE NORTH-SOUTH CENTERLINE OF SAID SECTION 4 A DISTANCE OF 5212.97 FEET TO THE SOUTH QUARTER CORNER OF SAID SECTION 4, A 3-1/4" ALUMINUM CAP L.S. #10377 IN PLACE; THENCE N 89°59'14" W ALONG THE SOUTHERLY LINE OF SAID SECTION 4 A DISTANCE OF 2598.61 FEET TO THE SOUTHWEST CORNER OF SAID SECTION 4, A 2-1/2" ALUMINUM CAP L.S. #10377 IN PLACE; THENCE N 00°25'06" E ALONG THE WESTERLY LINE OF SAID SECTION 4 A DISTANCE OF 2635.25 FEET TO THE WEST QUARTER CORNER OF SAID SECTION 4, A 3-1/4" ALUMINUM CAP L.S. #10377 IN PLACE; THENCE CONTINUING ALONG SAID WESTERLY LINE N 00°16'16" E A DISTANCE OF 2582.64 FEET TO THE NORTHWEST CORNER OF SAID SECTION 4, SAID POINT ALSO BEING THE SOUTHEAST CORNER OF SECTION 32, A 3-1/4" ALUMINUM CAP L.S. #10377 IN PLACE; THENCE N 89°37'37" W ALONG THE SOUTHERLY LINE OF SAID SECTION 32 A DISTANCE OF 2653.62 FEET TO THE SOUTH QUARTER CORNER OF SAID SECTION 32, A 2-1/2" ALUMINUM CAP L.S. #6935 IN PLACE; THENCE CONTINUING ALONG SAID SOUTHERLY LINE N 89°38'02" W A DISTANCE OF 2653.71 FEET TO THE SOUTHWEST CORNER OF SAID SECTION 32, A 2-1/2" ALUMINUM CAP L.S. #6935 IN PLACE; THENCE N 00°36'02" E ALONG THE WESTERLY LINE OF SAID SECTION 32 A DISTANCE OF 2640.65 FEET TO THE WEST QUARTER CORNER OF SAID SECTION 32, A 2-1/2" ALUMINUM CAP L.S. #7361 IN PLACE; THENCE CONTINUING ALONG THE WESTERLY LINE OF SAID SECTION 32 N 00°34'12" E A DISTANCE OF 2651.85 FEET TO THE NORTHWEST CORNER OF SAID SECTION 32, A 3-1/4" ALUMINUM CAP L.S. #6935 IN PLACE; THENCE S 89°35'41" E ALONG THE NORTHERLY LINE OF SAID SECTION 32 A DISTANCE OF 2648.37 FEET TO THE NORTH QUARTER CORNER OF SAID SECTION 32, A 3-1/4" ALUMINUM CAP L.S. #6935 IN PLACE; THENCE CONTINUING ALONG SAID NORTHERLY LINE S 89°36'48" E A DISTANCE OF 2650.24 FEET TO THE NORTHEAST CORNER OF SAID SECTION 32, A 2-1/2" ALUMINUM CAP L.S. #7361 IN PLACE; THENCE S 89°36'42" E ALONG THE NORTHERLY LINE OF SECTION 33 A

DISTANCE OF 2634.04 FEET TO THE NORTH QUARTER CORNER OF SAID SECTION 33, A 2-1/2" ALUMINUM CAP L.S. #7361 IN PLACE; THENCE CONTINUING ALONG THE NORTHERLY LINE OF SAID SECTION 33 S 89°37'14" E A DISTANCE OF 2635.58 FEET TO THE NORTHEAST CORNER OF SAID SECTION 33, A 2-1/2" ALUMINUM CAP L.S. #7361 IN PLACE; THENCE S 00°49'33" W ALONG THE EASTERLY LINE OF SAID SECTION 33 A DISTANCE OF 2633.18 FEET TO THE EAST QUARTER CORNER OF SAID SECTION 33, A 2-1/2" ALUMINUM CAP L.S. #7361 IN PLACE; THENCE CONTINUING ALONG THE EASTERLY LINE OF SAID SECTION 33 S 00°49'31" W A DISTANCE OF 2633.20 FEET TO THE POINT OF BEGINNING; SAID PARCEL CONTAINING A GROSS ACREAGE OF 1592.880 ACRES, MORE OR LESS.

EXCEPTING FROM THE ABOVE DESCRIBED PARCEL THE SPRING VALLEY GOLF COURSE, AS SHOWN IN RECEPTION NO. 353734 OF THE ELBERT COUNTY CLERK AND RECORDER'S OFFICE; RESULTING IN A NET ACREAGE OF 527.705 ACRES LYING WESTERLY OF SAID GOLF COURSE AND 838.395 ACRES LYING EASTERLY OF SAID GOLF COURSE.

TOGETHER WITH

A PARCEL OF LAND BEING SECTION 30, TOWNSHIP 6 SOUTH, RANGE 64 WEST OF THE SIXTH PRINCIPAL MERIDIAN, COUNTY OF ELBERT, STATE OF COLORADO; SAID PARCEL BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF SECTION 30, A 3-1/4" ALUMINUM CAP L.S. NO. 6935 IN PLACE, THE POINT OF BEGINNING; THENCE S 89°57'46" W ALONG THE SOUTHERLY LINE OF SAID SECTION 30 A DISTANCE OF 2543.67 FEET TO THE SOUTH QUARTER CORNER OF SAID SECTION 30, A 2-1/2" ALUMINUM CAP L.S. #6935 IN PLACE; THENCE CONTINUING ALONG THE SOUTHERLY LINE OF SAID SECTION 30 S 89°57'54" W A DISTANCE OF 2222.09 FEET TO THE SOUTHWEST CORNER OF SAID SECTION 30, A 2-1/2" ALUMINUM CAP L.S. #6935 IN PLACE; THENCE N 00°38'15" E ALONG THE WESTERLY LINE OF SAID SECTION 30 A DISTANCE OF 2655.30 FEET TO THE WEST QUARTER CORNER OF SAID SECTION 30, A 2-1/2" ALUMINUM CAP L.S. #29052 IN PLACE; THENCE CONTINUING ALONG THE WESTERLY LINE OF SAID SECTION 30 N 00°38'23" E A DISTANCE OF 2655.19 FEET TO THE NORTHWEST CORNER OF SAID SECTION 30, A 2-1/2" ALUMINUM CAP L.S. #29052 IN PLACE; THENCE S 89°58'52" E ALONG THE NORTHERLY LINE OF SAID SECTION 30 A DISTANCE OF 2225.83 FEET TO THE NORTH QUARTER CORNER OF SAID SECTION 30, A 2-1/2" ALUMINUM CAP L.S. #29052 IN PLACE; THENCE CONTINUING ALONG THE NORTHERLY LINE OF SAID SECTION 30 S 89°58'43" E A DISTANCE OF 2544.02 FEET TO THE NORTHEAST CORNER OF SAID SECTION 30, A 1-1/2" ALUMINUM CAP FOUND IN PLACE AND REPLACED WITH A 3-1/4" ALUMINUM CAP L.S. #19598; THENCE S 00°36'20" W ALONG THE EASTERLY LINE OF SAID SECTION 30 A DISTANCE OF 2652.90 FEET TO THE EAST QUARTER CORNER OF SAID SECTION 30, A 3-1/4" ALUMINUM CAP L.S. #6935 IN PLACE; THENCE CONTINUING ALONG THE EASTERLY LINE OF SAID SECTION 30 S 00°45'41" W A DISTANCE OF 2652.96 FEET TO THE POINT OF BEGINNING; SAID PARCEL CONTAINING 581.187 ACRES, MORE OR LESS.

EXCEPTING FROM THE ABOVE DESCRIBED PROPERTY THE NORTHERLY 560.00 FEET THEREOF; SAID EXCEPTED PARCEL CONTAINING 61.322 ACRES, MORE OR LESS, RESULTING IN A NET ACREAGE OF 519.865 ACRES, MORE OR LESS

TOGETHER WITH

A PARCEL OF LAND BEING THE SW1/4SE1/4 AND THE S1/2SE1/4SE1/4 OF SECTION 31, TOWNSHIP 6 SOUTH, RANGE 64 WEST OF THE SIXTH PRINCIPAL MERIDIAN, COUNTY OF ELBERT, STATE OF COLORADO; SAID PARCEL BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF SAID SECTION 31, A 2-1/2" ALUMINUM CAP L.S. # 6935 IN PLACE, THE POINT OF BEGINNING; THENCE N 89°55'54" W ALONG THE SOUTHERLY LINE OF SAID SECTION 31 A DISTANCE OF 2567.23 FEET TO THE SOUTH QUARTER CORNER OF SAID SECTION 31, A 2-1/2" ALUMINUM CAP L.S. # 6935 IN PLACE; THENCE LEAVING SAID SOUTHERLY LINE N 00°50'18" E ALONG THE NORTH-SOUTH CENTERLINE OF SAID SECTION 31 A DISTANCE OF 1320.65 FEET TO THE SOUTH-CENTER SIXTEENTH CORNER OF SAID SECTION 31, A 2-1/2" ALUMINUM CAP L.S. # 6935 IN PLACE; THENCE S 89°55'33" E ALONG THE NORTHERLY LINE OF THE SW1/4SE1/4 OF SAID SECTION 31 A DISTANCE OF 1280.88 FEET TO THE SOUTHEAST SIXTEENTH CORNER OF SAID SECTION 31, A 3-1/4" ALUMINUM CAP L.S. #19598 IN PLACE; THENCE S 00°43'10" W ALONG THE EASTERLY LINE OF SAID SW1/4SE1/4 A DISTANCE OF 660.24 FEET TO THE CENTER-SOUTH-SOUTHEAST SIXTYFORTH CORNER OF SAID SECTION 31, A 3-1/4" ALUMINUM CAP L.S. #19598 IN PLACE; THENCE S 89°55'44" E ALONG THE NORTHERLY LINE OF THE S1/2SE1/4SE1/4 OF SAID SECTION 31 A DISTANCE OF 1282.25 FEET TO THE SOUTH-SOUTH SIXTYFORTH CORNER OF SECTION 31 AND SECTION 32, A 3-1/4" ALUMINUM CAP L.S. #19598 IN PLACE; THENCE S 00°36'02" W ALONG THE EASTERLY LINE OF SAID SECTION 31 A DISTANCE OF 660.16 FEET TO THE POINT OF BEGINNING; SAID PARCEL CONTAINING 58.312 ACRES, MORE OR LESS.

EXHIBIT B

**APPENDIX A
SCHEDULE OF FEES AND CHARGES
SPRING VALLEY METROPOLITAN DISTRICT NO. 1**

(Effective as of September 16, 2020)

INTRODUCTION. By Resolution No. 2020-09-__, the Board of Directors of Spring Valley Metropolitan District No. 1 (the “**District**”) adopted this Schedule of Fees and Charges, which replaces in its entirety **Appendix A** to the District’s Rules and Regulations. If there is any conflict between this Schedule of Fees and Charges and the Rules and Regulations, this Schedule of Fees and Charges shall control. This Schedule of Fees and Charges supersedes any previously adopted schedules or resolutions establishing fees, charges, rates and penalties for use of the District’s water and sewer system.

SYSTEM DEVELOPMENT FEE. The System Development Fee (aka “**Tap Fee**”) is a one-time fee payable with each application for service or change in service. The System Development Fee is used to pay for (i) capital improvements to the District’s water and sewer facilities and (ii) operation and maintenance of the facilities.

Table 1 System Development Fee Schedule – All Customers	
Single Family detached residence or equivalent with ¾” service line*	\$16,200 per Equivalent Residential Unit (“EQR”)
Fees for the following tap sizes will be calculated at the stated ERU values multiplied by the amount stated above.	
¾” Size	1 EQR
1” Size	2 EQRs
1 ½” Size	4 EQRs
2” Size	8 EQRs
3” Size	18 EQRs
4” Size	36 EQRs
Larger than 4” as determined by District	
* <u>Note:</u> In low pressure areas (having a static pressure less than 40 psi) designated by the District Engineer, the Manager may permit the use of a 1” tap at the same fee as for a ¾” line.	

An Equivalent Residential Unit shall mean a use which is an average amount of water necessary to serve, or wastewater generated from, a single family detached residential dwelling unit or equivalent with a ¾” water tap for such length of time as required by the jurisdiction exercising land use control. In the event a Customer applies for a change of use, credit shall be given for the amount of any previously paid System Development Fee.

The System Development Fee comprises the following components, except for lots contained within the boundary of District Nos. 2, 3, and 4, as set forth in **Exhibits I-III** attached to this Appendix:

Capital Component	\$9,200
O&M Component	<u>\$7,000</u>
Total	\$16,200

The System Development Fee comprises the following components for lots located within the boundary of District No. 2, as set forth in **Exhibit I** attached to this Appendix (“**District No. 2 Boundary**”):

Capital Component	\$16,200	
O&M Component	\$0	
Total	\$16,200	_____

The System Development Fee comprises the following components for lots located within the boundary of District No. 3, as set forth in **Exhibit II** attached to this Appendix (“**District No. 3 Boundary**”):

Capital Component	\$16,200
O&M Component	\$0
Total	\$16,200

The System Development Fee comprises the following components for lots located within the boundary of District No. 4, as set forth in **Exhibit III** attached to this Appendix (“**District No. 4 Boundary**”):

Capital Component	\$16,200
O&M Component	\$0
Total	\$16,200

WATER RESOURCE FEES. Any property owner, whose property is outside present boundaries of the Service Area of the District and desires to receive water service from the District is required to convey to the District adequate water rights to serve such property. If the property owner does not convey adequate water rights for such property, the owner must pay the District a Water Resource Fee in an amount equal to actual costs incurred by the District for acquisition of sufficient water rights to serve the property, including attorneys’ fees, engineering fees, court costs and all related expenses. The amount of any such fee shall be determined and payable upon (i) inclusion of the property into the District’s Service Area or (ii) by separate agreement.

TAPPING FEE. The Tapping Fee is for the District’s inspection of the physical tap and Customer’s Service Line, entering the tap location on the District’s as-built drawing set and other services related to the connection of a new tap. If repeat inspections are required because of unacceptable installation or improper scheduling, the District may charge additional fees based on hourly rates and expenses incurred.

Table 2 Tapping Fee Schedule – All Customers	
Water Service Line/Meter Size	Fee
¾ inch	\$70.00
1 inch	\$100.00
1 ½ inch	\$110.00
2 inch	\$125.00
3 inch and larger	\$150.00
Sewer Service Line	
4 inch	\$75.00
6 inch and larger	\$100.00

METER FEE. The Meter Fee shall be the actual cost of the meter, which shall be purchased from the District prior to the commencement of metered water service. For information regarding meter purchases, call the District Manager at (303) 987-0835.

INSPECTION FEES.

Table 3 Inspection Fees Schedule – All Customers	
	Fee
Service Line	\$150.00
Meter Installation/Inspection	\$150.00
Other Inspection	\$150.00
Re-Inspection	\$150.00
Sand and Grease Interceptor Inspection	\$150.00

MISCELLANEOUS FEES.

Table 4 Miscellaneous Fees and Charges Schedule – All Customers	
	Fee or Charge
Construction Water (for in-house, low-volume use)	\$50.00 per month
Hydrant Water Usage	\$10.00 per 1,000 gallons plus temporary meter deposit of \$1,500.00 per hydrant
Turn On/Turn Off of Water Service	\$150.00 per service
Transfer of Service (payable with any application for transfer of service from one Customer to another)	\$150.00
Penalty for Late Payments (assessed if Customer has not paid any fees or charges within 6 days after such payment is due)	\$15.00
Penalty for Violation of Rules (in addition to all other applicable penalties, charges and damages)	\$1,500.00 per incident
Unauthorized Connection Fee	2 x the then current System Development Fee
Penalty for Unauthorized Tampering with District System or Meters	\$2,000 per incident plus actual cost of damage, expense and loss
Foreclosure Fee (in addition to all engineering and attorneys' fees)	\$2,000.00 per incident
Formal Hearing Fee (in addition to all engineering and attorneys' fees)	\$250.00 per application

SERVICE CHARGES. Invoiced and payable monthly. For water service, Customers must pay a base rate, which is a flat rate based on meter size, plus a water usage charge, which is based on actual amount of water used.

Table 5 Residential Service Rate Structure		
Water Service Base Rate per Month	In District Service Area	Out of District Service Area
¾ inch	\$40.99	\$81.99
1 inch	\$70.34	\$143.48
1 ½ inch	\$163.99	\$327.96
2 inch	\$286.97	\$573.93
3 inch	\$655.91	\$1,311.83
Sewer Service Fee		
	In District Service Area	Out of District Service Area
¾ inch	\$54.45	\$108.90
1 inch	\$95.30	\$190.56
1 ½ inch	\$217.78	\$435.57
2 inch	\$381.13	\$762.26
3 inch	\$871.14	\$1,742.29
Water Usage Rates		
	All Users	
0 to 6,000 gallons	\$1.50/1,000 gallons	
6,001 to 12,000 gallons	\$2.25/1,000 gallons	
12,001 to 18,000 gallons	\$3.50/1,000 gallons	
18,001 to 24,000 gallons	\$4.25/1,000 gallons	
24,001 gallons and up	\$7.00/1,000 gallons	

Table 6 Commercial Service Rate Schedule (for interim irrigation of large-scale landscaping, including golf courses)		
Water Service Base Rate per Month	In District Service Area	Out of District Service Area
¾ inch	\$40.99	\$81.99
1 inch	\$70.34	\$143.48
1 ½ inch	\$163.99	\$327.96
2 inch	\$286.97	\$573.93
3 inch	\$655.91	\$1,311.83
Sewer Service Fee		
	In District Service Area	Out of District Service Area
¾ inch	\$54.45	\$108.90
1 inch	\$95.30	\$190.56
1 ½ inch	\$217.78	\$435.57
2 inch	\$381.13	\$762.26
3 inch	\$871.14	\$1,742.29

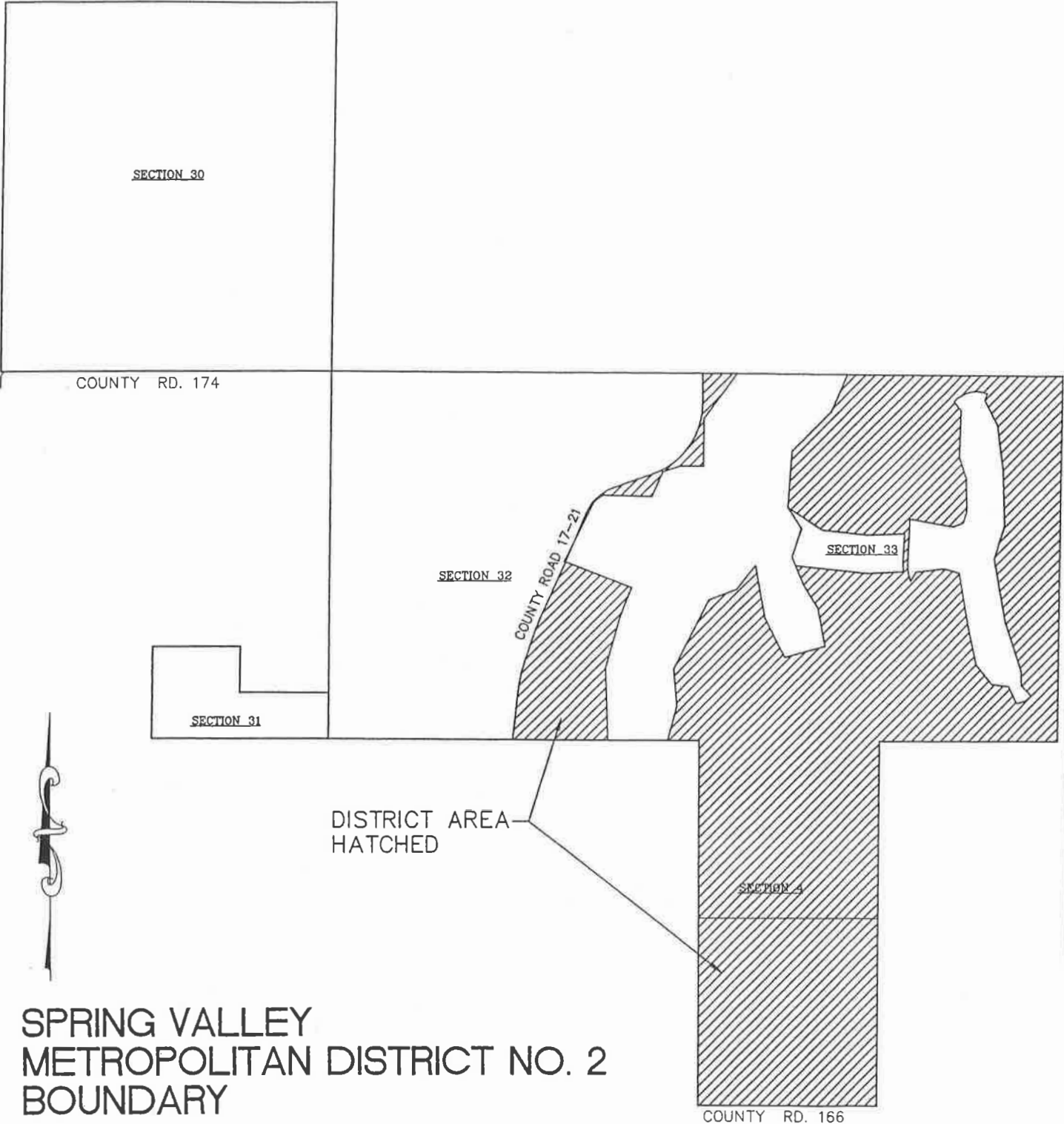
Water Usage Rates	All Users
0 to 6,000 gallons	\$1.50/1,000 gallons
6,001 to 12,000 gallons	\$2.25/1,000 gallons
12,001 to 18,000 gallons	\$3.50/1,000 gallons
18,001 to 24,000 gallons	\$4.25/1,000 gallons
24,001 gallons and up	\$7.00/1,000 gallons

Bulk Irrigation

Bulk rates shall be available in the sole discretion of the District for interim irrigation of landscaping areas of not less than 30 acres and only to the extent that (i) such use does not adversely affect the District’s ability to provide water service to residential customers and (ii) a written agreement between the District and the bulk user that sets forth the terms and conditions upon which water will be delivered for interim irrigation purposes including, but not limited to, a requirement that the District receive notice prior to commencement of irrigation activities, the maximum number of gallons to be delivered and the method by which such use will be measured. The Base Rate for all bulk irrigation users will be the same as the Base Rate for residential users in the District’s Service Area as shown on Table 5. The Water Usage Rate for bulk irrigation water is \$3.00/1,000 gallons.

EXHIBIT I

DISTRICT NO. 2'S BOUNDARY



**SPRING VALLEY
METROPOLITAN DISTRICT NO. 2
BOUNDARY**



HIGH COUNTRY ENGINEERING, INC.
 14 INVERNESS DRIVE EAST, SUITE F-120
 ENGLEWOOD, COLORADO 80112
 PH (303) 925-0544 FX (303) 925-0547
 METRO-VICIN

**RUNNING CREEK
 INVESTMENTS, LLC**
 ELBERT COUNTY, CO
 SPRING VALLEY RANCH
 VICINITY MAP

SCALE 1"=2000'

DES. TEW	CK.	FILE NO.	SHEET 1
DR. TEW	DATE 5/25/03	98201.01	OF 1

SPRING VALLEY METROPOLITAN DISTRICT NO. 2
PROPERTY DESCRIPTION

A PARCEL OF LAND BEING SECTION 33, TOGETHER WITH A PARCEL OF LAND SITUATED IN SECTION 32 OF TOWNSHIP 6 SOUTH AND BEING THE W1/2 OF SECTION 4, TOWNSHIP 7 SOUTH, RANGE 64 WEST OF THE SIXTH PRINCIPAL MERIDIAN, COUNTY OF ELBERT, STATE OF COLORADO; SAID PARCEL BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF SAID SECTION 33, A 3-1/4" ALUMINUM CAP L.S.#10377 IN PLACE, THE POINT OF BEGINNING; THENCE N 89°52'37" W ALONG THE SOUTHERLY LINE OF SAID SECTION 33 A DISTANCE OF 2619.44 FEET TO THE SOUTH QUARTER CORNER OF SAID SECTION 33, ALSO BEING THE NORTH QUARTER CORNER OF SECTION 4, A 2" ALUMINUM CAP L.S. #23032 IN PLACE; THENCE LEAVING SAID SOUTHERLY LINE S 00°34'31" W ALONG THE NORTH-SOUTH CENTERLINE OF SAID SECTION 4 A DISTANCE OF 5212.97 FEET TO THE SOUTH QUARTER CORNER OF SAID SECTION 4, A 3-1/4" ALUMINUM CAP L.S. #10377 IN PLACE; THENCE N 89°59'14" W ALONG THE SOUTHERLY LINE OF SAID SECTION 4 A DISTANCE OF 2598.61 FEET TO THE SOUTHWEST CORNER OF SAID SECTION 4, A 2-1/2" ALUMINUM CAP L.S. #10377 IN PLACE; THENCE N 00°25'06" E ALONG THE WESTERLY LINE OF SAID SECTION 4 A DISTANCE OF 2635.25 FEET TO THE WEST QUARTER CORNER OF SAID SECTION 4, A 3-1/4" ALUMINUM CAP L.S. #10377 IN PLACE; THENCE CONTINUING ALONG SAID WESTERLY LINE N 00°16'16" E A DISTANCE OF 2582.64 FEET TO THE NORTHWEST CORNER OF SAID SECTION 4, SAID POINT ALSO BEING THE SOUTHEAST CORNER OF SECTION 32, A 3-1/4" ALUMINUM CAP L.S. #10377 IN PLACE; THENCE N 89°37'37" W ALONG THE SOUTHERLY LINE OF SAID SECTION 32 A DISTANCE OF 2653.62 FEET TO THE SOUTH QUARTER CORNER OF SAID SECTION 32, A 2-1/2" ALUMINUM CAP L.S. #6935 IN PLACE; THENCE CONTINUING ALONG SAID SOUTHERLY LINE N 89°38'02" W A DISTANCE OF 82.39 FEET TO A POINT ON THE WESTERLY RIGHT-OF-WAY COUNTY ROAD 17-21; THENCE LEAVING SAID SOUTHERLY LINE ALONG SAID RIGHT-OF-WAY THE FOLLOWING NINE (9) COURSES:

- 1.) N06°14'25"E A DISTANCE OF 670.27 FEET
- 2.) ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 2,450.00 FEET AND A CENTRAL ANGLE OF 12°38'51" A DISTANCE OF 540.82 FEET (CHORD BEARS N12°33'51"E 539.72 FEET)
- 3.) N18°53'16"E A DISTANCE OF 378.31 FEET
- 4.) ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 3,050.00 feet AND A CENTRAL ANGLE OF 04°53'18" A DISTANCE OF 260.21 FEET (CHORD BEARS N21°19'55"E 260.14 FEET)
- 5.) N23°25'34"E A DISTANCE OF 1,607.92 FEET
- 6.) ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 725.00 FEET AND A CENTRAL ANGLE OF 48°06'03" A DISTANCE OF 608.65 FEET (CHORD

BEARS N46°46'53"E 590.93 FEET)

7.) N70°49'54"E A DISTANCE OF 598.65 FEET

8.) ALONG THE ARC OF A CURVE TO THE LEFT HAVING A RADIUS OF 1,030.00 FEET AND A CENTRAL ANGLE OF 70°28'07" A DISTANCE OF 1,266.81 FEET (CHORD BEARS N35°35'51"E 1,188.46 FEET)

9.) N00°21'47"E A DISTANCE OF 436.03 FEET TO A POINT ON THE NORTHERLY LINE OF SAID SECTION 32; THENCE LEAVING SAID RIGHT-OF-WAY S 89°36'48" E ALONG SAID NORTHERLY LINE A DISTANCE OF 44.00 FEET TO THE NORTHEAST CORNER OF SAID SECTION 32, A 2-1/2" ALUMINUM CAP L.S. #7361 IN PLACE; THENCE S 89°36'42" E ALONG THE NORTHERLY LINE OF SECTION 33 A DISTANCE OF 2634.04 FEET TO THE NORTH QUARTER CORNER OF SAID SECTION 33, A 2-1/2" ALUMINUM CAP L.S. #7361 IN PLACE; THENCE CONTINUING ALONG THE NORTHERLY LINE OF SAID SECTION 33 S 89°37'14" E A DISTANCE OF 2635.58 FEET TO THE NORTHEAST CORNER OF SAID SECTION 33, A 2-1/2" ALUMINUM CAP L.S. #7361 IN PLACE; THENCE S 00°49'33" W ALONG THE EASTERLY LINE OF SAID SECTION 33 A DISTANCE OF 2633.18 FEET TO THE EAST QUARTER CORNER OF SAID SECTION 33, A 2-1/2" ALUMINUM CAP L.S. #7361 IN PLACE; THENCE CONTINUING ALONG THE EASTERLY LINE OF SAID SECTION 33 S 00°49'31" W A DISTANCE OF 2633.20 FEET TO THE POINT OF BEGINNING; SAID PARCEL CONTAINING A GROSS ACREAGE OF 1,149.591 ACRES, MORE OR LESS.

EXCEPTING FROM THE ABOVE DESCRIBED PARCEL THE SPRING VALLEY GOLF COURSE, AS SHOWN IN RECEPTION NO. 353734 OF THE ELBERT COUNTY CLERK AND RECORDER'S OFFICE; RESULTING IN A NET ACREAGE OF 84.416 ACRES LYING WESTERLY OF SAID GOLF COURSE AND 838.395 ACRES LYING EASTERLY OF SAID GOLF COURSE.

EXCEPTING FROM

A PARCEL OF LAND SITUATED IN SECTION 33, TOWNSHIP 6 SOUTH, RANGE 64 WEST OF THE SIXTH PRINCIPAL MERIDIAN, COUNTY OF ELBERT, STATE OF COLORADO, SAID PARCEL BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF SECTION 33, A 2 1/4" ALUMINUM CAP L.S. #7361 IN PLACE; THENCE S77°10'21"W, A DISTANCE OF 1,138.81 FEET TO THE POINT OF BEGINNING; THENCE S20°33'00"W A DISTANCE OF 98.35 FEET; THENCE S26°56'28"E A DISTANCE OF 404.85 FEET; THENCE S07°47'10"E A DISTANCE OF 633.65 FEET; THENCE S01°28'41"E A DISTANCE OF 820.62 FEET; THENCE S17°12'42"W A DISTANCE OF 501.85 FEET; THENCE S09°56'36"E A DISTANCE OF 927.93 FEET; THENCE S18°18'55"E A DISTANCE OF 747.54 FEET; THENCE S01°30'30"E A DISTANCE OF 208.07 FEET; THENCE S45°50'53"E A DISTANCE OF 206.30 FEET; THENCE ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 360.00 FEET AND A CENTRAL ANGLE OF 40°25'50" A DISTANCE OF 254.03 FEET (CHORD BEARS 64°22'02"W 248.79 FEET); THENCE N25°15'08"W A DISTANCE OF 265.24 FEET;

THENCE N82°39'48"W A DISTANCE OF 251.14 FEET; THENCE N39°32'12"W A DISTANCE OF 369.61 FEET; THENCE N12°00'16"W A DISTANCE OF 484.20 FEET; THENCE N09°56'36"W A DISTANCE OF 860.48 FEET; THENCE N75°11'25"W A DISTANCE OF 238.33 FEET; THENCE S83°35'23"W A DISTANCE OF 411.53 FEET; THENCE S32°04'44"W A DISTANCE OF 156.17 FEET; THENCE N16°10'37"W A DISTANCE OF 68.33 FEET; THENCE ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 605.00 FEET AND A CENTRAL ANGLE OF 19°11'09" A DISTANCE OF 202.59 FEET (CHORD BEARS N06°35'03"W 201.64 FEET); THENCE N03°00'32"E A DISTANCE OF 571.68 FEET; THENCE ALONG THE ARC OF A CURVE TO THE LEFT HAVING A RADIUS OF 845.00 FEET AND A CENTRAL ANGLE OF 04°12'08" A DISTANCE OF 61.97 FEET (CHORD BEARS N00°54'28"E 61.96 FEET); THENCE S79°57'09"E A DISTANCE OF 648.93 FEET; THENCE N69°15'27"E A DISTANCE OF 167.79 FEET; THENCE N17°35'05"E A DISTANCE OF 179.03 FEET; THENCE N01°10'03"W A DISTANCE OF 467.46 FEET; THENCE N19°38'37"W A DISTANCE OF 325.46 FEET; THENCE N01°59'58"E A DISTANCE OF 675.03 FEET; THENCE N39°24'35"W A DISTANCE OF 166.59 FEET; THENCE ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 400.00 FEET AND A CENTRAL ANGLE OF 19°23'30" A DISTANCE OF 135.38 FEET (CHORD BEARS N53°45'28"E 134.73 FEET); THENCE N63°27'12"E A DISTANCE OF 43.48 FEET; THENCE ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 420.00 FEET AND A CENTRAL ANGLE OF 49°35'39" A DISTANCE OF 363.55 FEET (CHORD BEARS N88°15'02"E 352.30 FEET), TO THE POINT OF BEGINNING. SAID PARCEL CONTAINS 67.782 ACRES, MORE OR LESS.

EXCEPTING

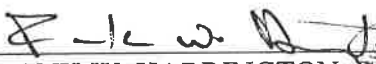
A PARCEL OF LAND SITUATED IN SECTION 33, TOWNSHIP 6 SOUTH, RANGE 64 WEST OF THE SIXTH PRINCIPAL MERIDIAN, COUNTY OF ELBERT, STATE OF COLORADO, SAID PARCEL BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF SECTION 33, A 2 1/4" ALUMINUM CAP L.S. #7361 IN PLACE; THENCE S64°49'28"W, A DISTANCE OF 4,455.40 FEET TO THE POINT OF BEGINNING; THENCE S57°02'21"E A DISTANCE OF 600.35 FEET; THENCE S84°04'52"E A DISTANCE OF 672.43 FEET; THENCE N87°41'15"E A DISTANCE OF 522.07 FEET; THENCE S03°00'32"W A DISTANCE OF 416.30 FEET; THENCE ALONG THE ARC OF A CURVE TO THE LEFT HAVING A RADIUS OF 675.00 FEET AND A CENTRAL ANGLE OF 11°31'16" A DISTANCE OF 135.73 FEET (CHORD BEARS S02°45'06"E 135.50 FEET); THENCE S87°41'15"W A DISTANCE OF 524.07 FEET; THENCE N84°04'52"W A DISTANCE OF 1048.51 FEET; THENCE N22°38'46"W A DISTANCE OF 132.99 FEET; THENCE N22°38'46"W A DISTANCE OF 435.56 FEET; THENCE N33°08'27"W A DISTANCE OF 361.44 FEET TO THE POINT OF BEGINNING. SAID PARCEL CONTAINING 20.749 ACRES, MORE OR LESS.

NET ACREAGE FOR SPRING VALLEY METROPOLITAN DISTRICT NO. 2 EQUALS
834.280 ACRES, MORE OR LESS.

SURVEYOR'S STATEMENT

I, FRANK W. HARRINGTON, A PROFESSIONAL LAND SURVEYOR IN THE STATE OF
COLORADO, DO HEREBY STATE THAT THE ABOVE LEGAL DESCRIPTION WAS
PREPARED UNDER MY RESPONSIBLE CHARGE, AND ON THE BASIS OF MY
KNOWLEDGE, INFORMATION AND BELIEF, IS CORRECT.


FRANK W. HARRINGTON, P.L.S. #19598
FOR AND ON BEHALF OF HIGH COUNTRY ENGINEERING, INC.
14 INVERNESS DRIVE EAST, SUITE F-120
ENGLEWOOD, CO 80112



7/9/03
DATE

EXHIBIT II

DISTRICT NO. 3'S BOUNDARY

SECTION 30

COUNTY RD. 174

SECTION 33

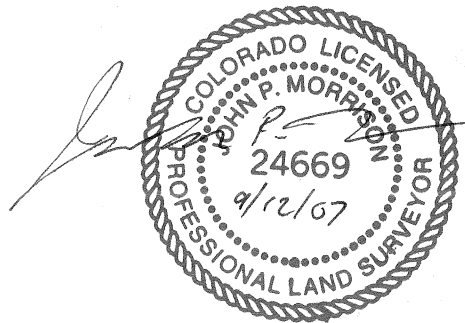
SECTION 32

SECTION 31

COUNTY ROAD 174

SECTION 4

COUNTY RD. 166



SPRING VALLEY METROPOLITAN DISTRICT NO. 3 BOUNDARY



HIGH COUNTRY ENGINEERING, INC.
14 INVERNESS DRIVE EAST, SUITE F-120
ENGLEWOOD, COLORADO 80112
PH (303) 925-0544 FX (303) 925-0547
METRO-VICIN rev

RUNNING CREEK INVESTMENTS, LLC
ELBERT COUNTY, CO
SPRING VALLEY RANCH VICINITY MAP

SCALE 1"=2000'

DES.	CK.	TEW	FILE NO.	SHEET
DR.	RCE	DATE 07/31/07	98201.01	1
			OF	1

METROPOLITAN DISTRICT NO. 3
PROPERTY DESCRIPTION

A parcel of land being the Southwest Quarter of the Southeast Quarter and the South Half of the Southeast Quarter and the South Half of the Southeast Quarter of the Southeast Quarter of Section 31, Township 6 South, Range 64 West of the Sixth Principal Meridian, County of Elbert, State of Colorado; said parcel being more particularly described as follows:

Commencing at the Southeast corner of said Section 31, a 2-1/2" aluminum cap L.S. # 6935 in place, the POINT OF BEGINNING;
Thence North 89°55'54" West along the southerly line of said Section 31 a distance of 2567.23 feet to the South Quarter corner of said Section 31, a 2-1/2" aluminum cap L.S. # 6935 in place;
Thence leaving said southerly line North 00°50'18" East along the north-south centerline of said Section 31 a distance of 1320.65 feet to the South-Center Sixteenth corner of said Section 31, a 2-1/2" aluminum cap L.S. # 6935 in place;
Thence South 89°55'33" East along the northerly line of the Southwest Quarter of the Southeast Quarter of said Section 31 a distance of 1280.88 feet to the Southeast Sixteenth corner of said Section 31, a 3-1/4" aluminum cap L.S. #19598 in place;
Thence South 00°43'10" West along the easterly line of said Southwest Quarter of the Southeast Quarter a distance of 660.24 feet to the Center-South-Southeast Sixty-fourth corner of said Section 31, a 3-1/4" aluminum cap L.S. #19598 in place;
Thence South 89°55'44" East along the northerly line of the South Half of the Southeast Quarter of the Southeast Quarter of said Section 31 a distance of 1282.25 feet to the South-South Sixty-fourth corner of Section 31 and Section 32, a 3-1/4" aluminum cap L.S. #19598 in place;
Thence South 00°36'02" West along the easterly line of said Section 31 a distance of 660.16 feet to the POINT OF BEGINNING; said parcel containing 58.312 acres, more or less.

TOGETHER WITH:

A parcel of land in Section 32, Township 6 South, Range 64 West of the Sixth Principal Meridian, County of Elbert, State of Colorado, being more particularly described as follows:

BEGINNING at the Southwest corner of said Section 32, a 2-1/2" aluminum cap L.S. #6935 in place;
Thence North 00°36'02" East along the westerly line of said Section 32 a distance of 2640.65 feet to the West Quarter corner of said Section 32, a 2-1/2" aluminum cap L.S. #7361 in place;
Thence continuing along the westerly line of said Section 32 North 00°34'15" East a distance of 2651.85 feet to the Northwest corner of said Section 32, a 3-1/4" aluminum cap L.S. #6935 in place;
Thence South 89°35'36" East along the northerly line of said Section 32 a distance of 2648.33 feet to the North Quarter corner of said Section 32, a 3-1/4" aluminum cap L.S. #6935 in place;

Thence continuing along said northerly line South 89°36'48" East a distance of 2606.23 feet to a point on the westerly right-of-way County Road 17-21;

Thence along said westerly right-of-way the following ten (10) courses:

1. South 00°21'47" West a distance of 436.03 feet;
2. along the arc of a curve to the right having a central angle of 70°28'07", a radius of 1,030.00 feet and an arc distance of 1,266.81 feet (chord bears South 35°35'51" West 1,188.46 feet);
3. South 70°49'54" West a distance of 598.65 feet;
4. along the arc of a curve to the left having a central angle of 48°06'03", a radius of 725.00 feet and an arc distance of 608.65 feet (chord bears South 46°46'53" West, 590.93 feet);
5. South 22°43'51" West a distance of 538.33 feet;
6. South 23°46'34" West a distance of 1,069.65 feet to a point of curvature;
7. along the arc of a curve to the left having a central angle of 04°53'18", a radius of 3,050.00 feet and an arc distance of 260.21 feet (chord bears South 21°19'55" West, 260.14 feet);
8. South 18°53'16" West a distance of 378.31 feet;
9. along the arc of a curve to the left having a central angle of 12°38'51", a radius of 2,450.00 feet and an arc distance of 540.82 feet (chord bears South 12°33'51" West, 539.72 feet);
10. South 06°14'25" West a distance of 670.27 feet to point on the southerly line of said Section 32;

Thence North 89°38'02" West along said southerly line a distance of 2571.32 feet to the POINT OF BEGINNING. Said parcel containing 443.409 acres, more or less.

EXCEPTING

A parcel of land situated in Section 32, Township 6 South, Range 64 West of the Sixth Principal Meridian, County of Elbert, State of Colorado, said parcel being more particularly described as follows:

COMMENCING at the North Quarter corner of said Section 32, a 3 1/4" aluminum cap L.S. #6935 in place;

Thence South 65°14'03" West a distance of 1,049.36 feet to the POINT OF BEGINNING;

Thence South 43°51'07" East a distance of 634.30 feet;

Thence South 34°52'56" East a distance of 523.58 feet;

Thence South 27°14'17" East a distance of 1,006.07 feet;

Thence South 62°39'47" East a distance of 184.27 feet;

Thence North 89°00'30" East a distance of 389.07 feet to a point on the northwesterly right-of-way of County Road 17-21;

Thence South 22°49'03" West along said right-of-way a distance of 258.70 feet;

Thence leaving said right-of-way North 67°16'09" West a distance of 400.34 feet;

Thence South 23°46'34" West a distance of 652.95 feet;

Thence South 67°16'09" East a distance of 400.34 feet to a point on the northwesterly right-of-way of County Road 17-21;

Thence South 23°37'02" West along said right-of-way a distance of 485.89 feet;

Thence leaving said right-of-way North 80°38'37" West a distance of 713.51 feet;

Thence South 69°35'19" West a distance of 227.61 feet;
Thence South 42°42'24" West a distance of 938.90 feet;
Thence South 57°48'22" West a distance of 383.17 feet;
Thence South 67°35'15" West a distance of 232.90 feet;
Thence South 07°25'37" West a distance of 151.84 feet;
Thence North 82°34'23" West a distance of 18.89 feet;
Thence along the arc of a curve to the right having a central angle of 31°00'37", a radius of 465.00 feet, and an arc length of 251.67 feet (chord bears North 67°04'04" West, 248.61 feet);

Thence North 51°33'46" West a distance of 290.86 feet;
Thence along the arc of a curve to the right having a central angle of 76°38'08", a radius of 265.00 feet and an arc length of 354.45 feet (chord bears North 13°14'42" West, 328.61 feet);

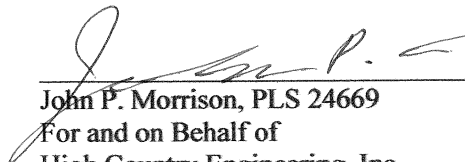
Thence North 25°04'22" East a distance of 221.66 feet;
Thence South 45°49'53" East a distance of 112.63 feet;
Thence North 73°50'38" East a distance of 631.14 feet;
Thence North 42°42'24" East a distance of 385.37 feet;
Thence North 00°02'55" West a distance of 361.07 feet;
Thence North 48°14'50" West a distance of 666.35 feet;
Thence North 72°08'40" West a distance of 233.25 feet;
Thence North 87°49'16" West a distance of 227.36 feet;
Thence North 00°15'56" East a distance of 594.78 feet;
Thence along the arc of a curve to the right having a central angle of 32°16'46", a radius of 365.00 feet and a distance of 205.63 feet (chord bears South 16°24'18" West 202.93 feet);

Thence South 31°46'19" East a distance of 244.53 feet;
Thence South 72°08'40" East a distance of 92.69 feet;
Thence North 32°26'09" East a distance of 230.46 feet;
Thence along a curve to the left having a central angle of 15°19'17", a radius of 430.00 feet and a distance of 114.99 feet (chord bears North 60°38'35" West, 114.64 feet);

Thence South 21°42'24" West a distance of 200.61 feet;
Thence South 72°08'40" East a distance of 275.08 feet;
Thence South 56°50'08" East a distance of 729.00 feet;
Thence North 87°30'10" East a distance of 576.72 feet;
Thence North 21°48'46" East a distance of 302.81 feet;
Thence North 27°14'17" West a distance of 755.58 feet;
Thence North 34°52'56" West a distance of 443.70 feet;
Thence North 43°51'07" West a distance of 667.11 feet;
Thence along the arc of a curve to the right having a central angle of 21°09'10", a radius of 565.00 feet and a distance of 208.59 feet (chord bears South 44°12'56" West, 207.41 feet);

Thence North 54°47'31" East a distance of 137.46 feet;
Thence along the arc of a curve to the right having a central angle of 16°13'51", a radius of 765.00 feet and a distance of 216.71 feet (chord bears North 62°54'26" East, 215.99 feet) to the POINT OF BEGINNING. Said parcel contains 106.288 acres, more or less.

Containing a total of 395.433 acres, more or less.



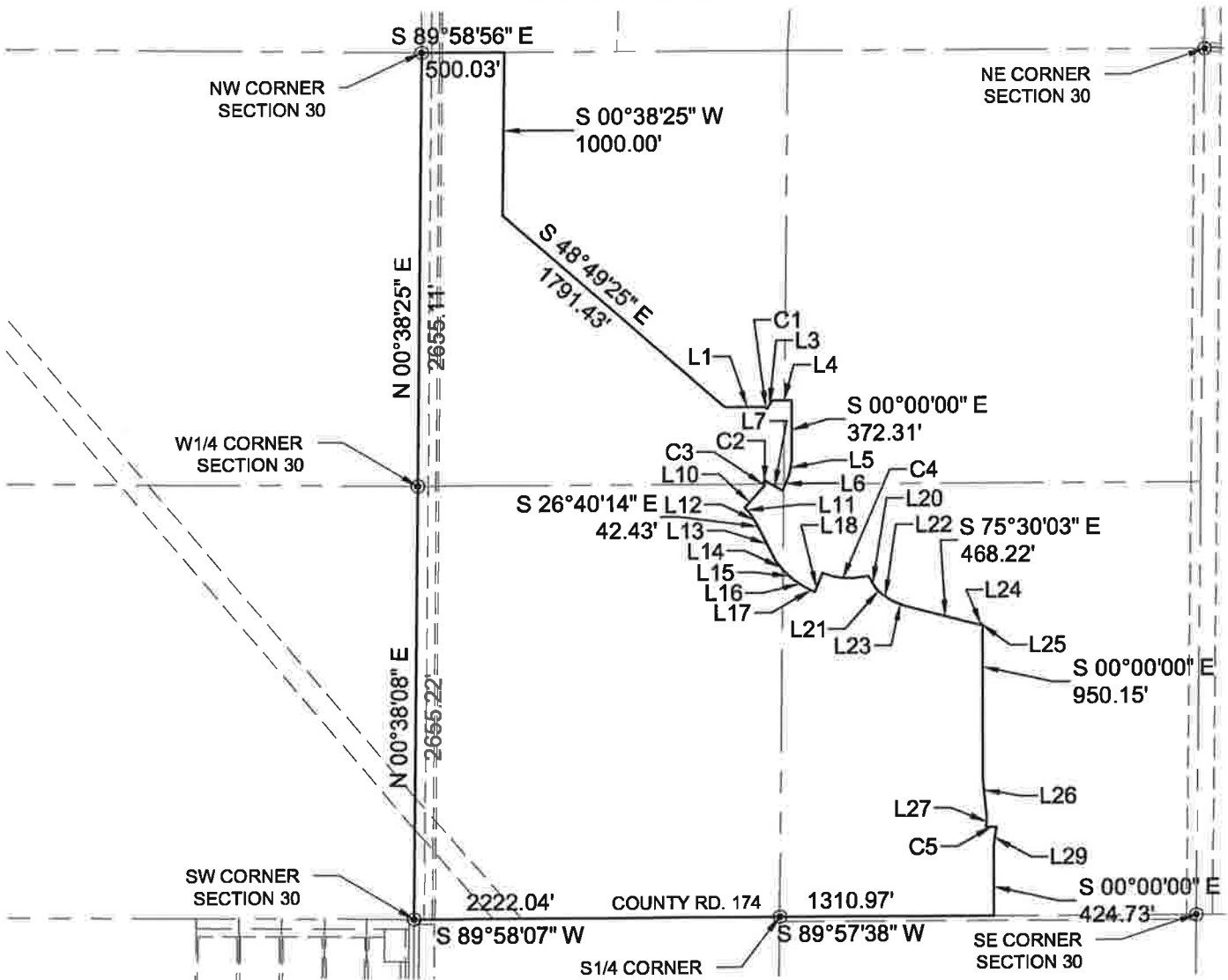
John P. Morrison, PLS 24669
For and on Behalf of
High Country Engineering, Inc.
14 Inverness Drive East, Suite F-120
Englewood, CO 80112



EXHIBIT III

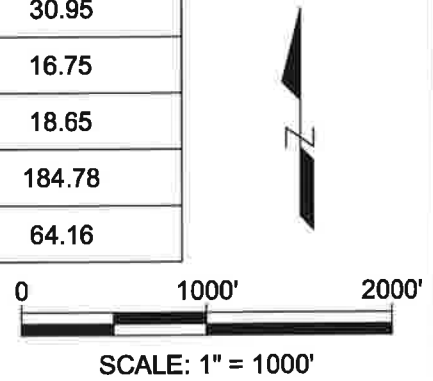
DISTRICT NO. 4'S BOUNDARY

LAYOUT



CURVE TABLE

CURVE #	ARC LENGTH	RADIUS	DELTA ANGLE	CHORD BEARING	CHORD LENGTH
C1	31.34	57.00	31°30'16"	S74°14'52"E	30.95
C2	16.75	280.00	3°25'40"	S32°52'48"W	16.75
C3	20.71	13.19	89°55'39"	S10°34'20"E	18.65
C4	186.23	430.00	24°48'51"	S79°05'02"E	184.78
C5	64.17	870.00	4°13'34"	S84°16'17"E	64.16



Project Number: 16006
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SPRING VALLEY METROPOLITAN DISTRICT NO. 4

Drawn By: CTP
Checked By: EF
Revisions: 5-8-19



2N Civil, LLC
6 Inverness Ct. E., Suite 125
Englewood, CO 80112
Phone 303-925-0544 Fax 303-925-0547
www.2NCivil.com

LEGAL DESCRIPTION

LINE TABLE		
LINE #	BEARING	DISTANCE
L1	N90°00'00"E	229.84
L3	N31°30'16"E	56.77
L4	N90°00'00"E	117.55
L5	S10°06'38"W	85.80
L6	S23°28'11"W	107.14
L7	N58°50'01"W	120.00
L10	S42°23'11"W	180.00
L11	S41°52'28"E	60.00
L12	S30°34'24"E	60.00
L13	S26°46'41"E	214.82

LINE TABLE		
LINE #	BEARING	DISTANCE
L14	S38°40'21"E	77.44
L15	S46°40'25"E	77.44
L16	S54°40'30"E	77.44
L17	S62°40'34"E	77.44
L18	N23°19'23"E	125.00
L20	S30°56'18"E	85.13
L21	S45°19'00"E	39.31
L22	S55°04'39"E	88.24
L23	S68°40'02"E	89.24
L24	N60°31'29"E	15.16

LINE TABLE		
LINE #	BEARING	DISTANCE
L25	S24°16'30"E	9.97
L26	S05°39'58"E	222.85
L27	S03°36'56"W	60.00
L29	S07°50'30"W	120.00

A PARCEL OF PROPERTY LOCATED IN SECTION 30, TOWNSHIP 6 SOUTH, RANGE 64 WEST OF THE SIXTH PRINCIPAL MERIDIAN, COUNTY OF ELBERT, STATE OF COLORADO; BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF SECTION 30 AND CONSIDERING THE NORTH LINE OF THE NORTHWEST 1/4 OF SAID SECTION 30 TO BEAR S 89°58'56" E WITH ALL BEARINGS CONTAINED HEREIN RELATIVE THERETO; THENCE S 89°58'56" E ALONG SAID NORTH LINE A DISTANCE OF 500.03 FEET; THENCE S 00°38'25" W A DISTANCE OF 1000.00 FEET; THENCE S 48°49'25" E A DISTANCE OF 1791.43 FEET; THENCE N 90°00'00" E A DISTANCE OF 229.84 FEET TO A POINT OF CURVE; THENCE ALONG THE ARC OF CURVE TO THE RIGHT HAVING A RADIUS OF 57.00 FEET, A LENGTH OF 31.34 FEET AND A DELTA ANGLE OF 31°30'16" (CHORD BEARS S 74°14'52" E, 30.95 FEET); THENCE N 31°30'16" E A DISTANCE OF 56.77; THENCE N 90°00'00" E A DISTANCE OF 117.55 FEET; THENCE S 00°00'00" E A DISTANCE OF 372.31; THENCE S 10°06'38" W A DISTANCE OF 85.80 FEET; THENCE S 23°28'11" W A DISTANCE OF 107.14 FEET; THENCE N 58°50'01" W A DISTANCE OF 120.00 FEET TO A POINT OF CURVE; THENCE ALONG THE ARC OF A NON-TANGENT CURVE TO THE LEFT HAVING A RADIUS OF 280.00 FEET, A LENGTH OF 16.75 FEET AND A DELTA ANGLE OF 3°25'40" (CHORD BEARS S 32°52'48" W, 16.75 FEET) TO A POINT OF REVERSE CURVE; THENCE ALONG THE ARC OF A CURVE TO THE LEFT HAVING A RADIUS OF 13.19 FEET, A LENGTH OF 20.71 FEET AND A DELTA ANGLE OF 89°55'39" (CHORD BEARS S 10°34'20" E, 18.65 FEET); THENCE S 42°23'11" W A DISTANCE OF 180.00 FEET; THENCE S 41°52'28" E A DISTANCE OF 60.00 FEET; THENCE S 30°34'24" E A DISTANCE OF 60.00 FEET; THENCE S 26°40'14" E A DISTANCE OF 42.43 FEET; THENCE S 26°46'41" E A DISTANCE OF 214.82 FEET; THENCE S 38°40'21" E A DISTANCE OF 77.44 FEET; THENCE S 46°40'25" E A DISTANCE OF 77.44 FEET; THENCE S 54°40'30" E A DISTANCE OF 77.44 FEET; THENCE S 62°40'34" E A DISTANCE OF 77.44 FEET; THENCE N 23°19'23" E A DISTANCE OF 125.00 FEET TO A POINT OF CURVE; THENCE ALONG THE ARC OF A NON-TANGENT CURVE TO THE RIGHT HAVING A RADIUS OF 430.00 FEET, A LENGTH OF 287.22 FEET AND A DELTA ANGLE 38°16'14" (CHORD BEARS S 85°48'44" E, 281.91 FEET); THENCE S 30°56'18" E A DISTANCE OF 85.13 FEET; THENCE S 45°19'00" E A DISTANCE OF 39.31 FEET; THENCE S 55°04'39" E A DISTANCE OF 88.24 FEET; THENCE S 68°40'02" E A DISTANCE OF 89.24 FEET; THENCE S 75°30'03" E A DISTANCE OF 468.22 FEET; THENCE N 60°31'29" E A DISTANCE OF 15.16 FEET; THENCE S 24°16'30" E A DISTANCE OF 9.97 FEET; THENCE S 00°00'00" E A DISTANCE OF 950.15 FEET; THENCE S 05°39'58" E A DISTANCE OF 222.85 FEET; THENCE S 03°36'56" W A DISTANCE OF 60.00 FEET TO A POINT OF CURVE; THENCE ALONG THE ARC OF A NON-TANGENT CURVE TO THE RIGHT HAVING A RADIUS OF 870 FEET, A LENGTH OF 64.17 FEET AND A DELTA ANGLE OF 4°13'34" (CHORD BEARS S 84°16'17" E, 64.16 FEET); THENCE S 07°50'30" W A DISTANCE OF 120.00 FEET; THENCE S 00°00'00" E A DISTANCE OF 424.73 FEET TO A POINT ON THE SOUTH LINE OF THE SOUTHEAST 1/4 OF SAID SECTION 30; THENCE S 89°57'38" W ALONG SAID SOUTHEAST 1/4 A DISTANCE OF 1310.97 FEET TO THE SOUTH 1/4 CORNER OF SAID SECTION 30; THENCE S 89°58'07" W ALONG THE SOUTHWEST 1/4 OF SAID SECTION 30 A DISTANCE OF 2222.04 FEET TO THE SOUTHWEST CORNER OF SAID SECTION 30; THENCE N 00°38'08" E ALONG THE WEST LINE OF THE SOUTHWEST 1/4 OF SAID SECTION 30 A DISTANCE OF 2655.22 FEET TO THE WEST 1/4 CORNER OF SAID SECTION 30; THENCE N 00°38'25" E ALONG THE WEST LINE OF THE NORTHWEST 1/4 OF SAID SECTION 30 A DISTANCE OF 2655.11 FEET TO THE NORTHWEST CORNER OF SAID SECTION 30 AND THE POINT OF BEGINNING.

PARCEL CONTAINS 11,267,229 SQUARE FEET, 258.66 ACRES MORE OR LESS.

NOTE: THIS EXHIBIT IS ONLY INTENDED TO DEPICT SUBJECT LEGAL DESCRIPTION AND DOES NOT REPRESENT A LAND SURVEY PLAT OR PIN SURVEY.

Project Number: 16006
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SPRING VALLEY METROPOLITAN DISTRICT NO. 4

2N Civil, LLC

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Drawn By: CTP
 Checked By: EF
 Revisions: 5-8-19



RESOLUTION NO. 2020-09-03

**RESOLUTION OF THE BOARD OF DIRECTORS OF
SPRING VALLEY METROPOLITAN DISTRICT NO. 2 REGARDING LOAN
REPORTING POLICIES AND PROCEDURES**

A. The Spring Valley Metropolitan District No. 2, Elbert County, Colorado (the “**District**”) has agreed to certain reporting requirements as a part of its Loan Agreement with U.S. National Bank Association, dated September 22, 2020 as more specifically set forth set forth in Exhibit A attached hereto (referred to collectively herein, whether one or more than one, the “**Continuing Reporting Undertaking**”).

B. The Board of Directors of the District (the “**Board**”) desires to adopt policies and procedures in an effort to ensure compliance by the District with its obligations set forth in the Continuing Reporting Undertaking (the “**Continuing Reporting Policy**”).

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SPRING VALLEY METROPOLITAN DISTRICT NO. 2, ELBERT COUNTY, COLORADO:

1. The Continuing Reporting Policy, as hereby approved, adopted and made a part of the public records of the District, shall be to impose the procedures set forth in Exhibit B attached hereto (the “**Compliance Procedures**”).

2. The Board hereby delegates the tasks and responsibilities set forth in the Compliance Procedures to the responsible parties as set forth therein.

3. The Continuing Reporting Policy is intended to supplement any previous post-issuance compliance procedures that may have been adopted by the District and any procedures evidenced in writing heretofore or hereafter issued, entered into or executed and delivered by the District or on its behalf.

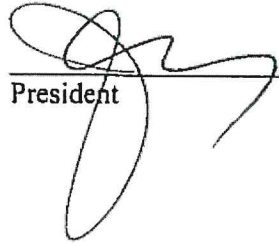
4. The Board may revise the Continuing Reporting Policy from time to time as the Board deems necessary or desirable to comply with federal and state securities laws or otherwise as the Board may determine in its sole discretion.

5. Prior to the engagement of the responsible parties listed in the Compliance Procedure, and other consultants as may applicable with respect to the Continuing Reporting Undertaking, such responsible parties and consultants shall be required to review and comply with the Continuing Reporting Policy, including, without limitation, the responsibilities set forth in the Compliance Procedures.

6. Within thirty (30) days, or earlier if necessary, of entering into any new continuing reporting undertaking and/or with respect to any changes or modifications to the Continuing Reporting Undertaking, the responsible parties and consultants shall meet with bond counsel to review the continuing reporting compliance requirements and develop a process for compliance with respect to such new and/or changed continuing reporting undertaking.

RESOLUTION APPROVED AND ADOPTED on September 16, 2020.

**SPRING VALLEY METROPOLITAN
DISTRICT NO. 2**

By:  _____
President

Attest:
By:  _____
Secretary

EXHIBIT A

Continuing Disclosure Undertaking

[Excerpted from Loan Agreement between Spring Valley Metropolitan District No. 2 and U.S. National Bank Association, dated September 22, 2020]

Section 5.07 Reporting Requirement

(a) The District shall notify the Bank promptly of all litigation or administrative proceedings, threatened or pending, against the District which would, if adversely determined, in District's reasonable opinion, have a material effect on the District's financial condition arising after the date hereof.

(b) The District shall provide the following to the Bank at the times and in the manner provided below:

(i) as soon as available, but not later than 270 days following each Fiscal Year, the District shall furnish to the Bank its audited financial statements prepared in accordance with generally accepted accounting principles consistently applied, in reasonable detail and certified by a firm of Certified Public Accountants selected by the District and satisfactory to the Bank, together with a certificate of an authorized representative of the District in substantially the form set forth in Exhibit C evidencing the District's continuing compliance with the covenants in this Article V and stating whether there exists on the date of such certificate any Default or Event of Default and, if any Default or Event of Default then exists, setting forth the details thereof and the actions which the District is taking or proposes to take with respect thereto, and the foregoing covenant shall apply notwithstanding any state law exemptions that may exist or any different time requirements for the completion of such audit under state law;

(ii) as soon as available, but in no event later than January 31 of each Fiscal Year, the District shall furnish to the Bank the District's annual budget prepared by a Certified Public Accountant for such Fiscal Year and, as soon as available, shall furnish a copy of any proposed amendments thereto, which budget shall include as separate line items all projected Pledged Revenue expected to be received in such Fiscal Year;

(iii) promptly upon certification of the Required Mill Levy by the District to the County each year but in no event later than January 31 of each Fiscal Year, the District shall furnish to the Bank a certificate of an authorized officer of the District setting forth the amount of such Required Mill Levy so certified;

(iv) as soon as available, but in no event later than September 30 of each year, the District shall furnish to the Bank the preliminary certified "actual value" and assessed valuation of all property subject to the Required Mill Levy (including taxable property within the District and excluded property subject to the Required Mill Levy) for such calendar year;

(v) as soon as available, but in no event later than December 31 of each year, the District shall furnish to the Bank the final certified assessed valuation of all property subject to the Required Mill Levy (including taxable property within the District and excluded property subject to the Required Mill Levy), as calculated, recorded and certified by the County assessor on or before December 10 of such calendar year; and

(vi) promptly upon request of the Bank, the District shall furnish to the Bank such other reports or information regarding the collateral securing the obligations of the District hereunder or the assets, financial condition, business or operations of the District, as the Bank may reasonably request.

(c) The District shall promptly notify the Bank of any Default or Event of Default of which the District has knowledge, setting forth the details of such Default or Event of Default and any action which the District proposes to take with respect thereto.

(d) The District shall immediately notify the Bank of any resignation of the Custodian.

(e) The District shall notify the Bank as soon as possible after the District acquires knowledge of the occurrence of any event which, in the reasonable judgment of the District, is likely to have a material adverse effect on the financial condition of the District or affect the ability of the District to perform its obligations under this Agreement or under any other Financing Documents.

EXHIBIT B

COMPLIANCE PROCEDURE

Spring Valley Metropolitan District No. 2, Elbert County, Colorado
 \$12,850,000 Series 2020 Loan

Subject to SEC Rule 15c2-12: NO

FINANCIAL DISCLOSURES	
Submittal Date to Lender	Required Documentation Prepared By:
Promptly Upon Occurrence	District shall notify Bank of all litigation or administrative proceedings, threatened or pending, against the District which would, if adversely determined, in District’s reasonable opinion, have a material effect on the District’s financial condition
	District shall notify the Bank as soon as practicable of any amendments to its annual budget
	District shall immediately notify Bank of any resignation of the Custodian
	District shall notify the Bank as soon as practicable of any event, which in the reasonable judgment of the District, is likely to have a material adverse effect on the financial condition of the District or affect the ability of the District to perform its obligations under this or any other agreement related to the Loan
No later than 270 days following each Fiscal Year (Sept. 30)	Audited financial statements prepared in accordance with general accounting principles, certified by a certified public accountant consistent with Exhibit C to Loan Agreement
	District shall provide the preliminary certified assessed valuation of all property subject to the Required Mill Levy
No later than December 31 of each Fiscal Year	District shall furnish to the Bank the final certified assessed valuation of all property subject to the Required Mill Levy
No later than January 31 of each Fiscal Year	District shall provide an annual budget prepared by a certified public accountant
	District shall provide certification of Required Mill Levy
At Bank’s Request (ongoing)	The District shall promptly provide: Such other reports or information regarding the collateral securing the obligations of the District or the assets, financial condition, business or operations of the District, as the Bank may reasonably request.

*If any submittal date falls on a day which is not a Business Day (as defined in **Exhibit A**, Continuing Disclosure Undertaking), the report will be provided to the Lender on the Next succeeding Business Days.

Procedure:

1. District Accountant will prepare first draft of the required documentation.

2. District Accountant will transmit drafts to McGeady Becher and the District Manager to review and provide comment ten (10) days prior to submittal date.

3. McGeady Becher and District Manager to transmit comments/revisions to report back to District Accountant five (5) days prior to submittal date.

4. District Accountant to submit report to Lender on applicable submittal date.

NOTICE OF MATERIAL EVENT		
Reporting / Submittal Deadlines	Responsible Party to Report Event of Default	Party Responsible to Notify Lender of Event of Default
District Manager shall cause a notice of an event of default to be provided to the Bank, in a timely manner	District Accountant, McGeady Becher, District Manager, or anyone who has actual knowledge of a material event	District Manager