

## RECORD OF PROCEEDINGS

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### MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE SPRING VALLEY METROPOLITAN DISTRICT NO. 4 HELD NOVEMBER 17, 2022

A Regular Meeting of the Board of Directors of the Spring Valley Metropolitan District No. 4 (referred to hereafter as the “District”) was convened on Thursday, November 17, 2022 at 4:00 p.m. via Zoom video/telephone conference. The meeting was open to the public.

#### ATTENDANCE

#### Directors In Attendance Were:

James E. Marshall  
Shelley Marshall

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

#### Also In Attendance Were:

James Ruthven; Special District Management Services, Inc. (“SDMS”)

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

Eric Weaver and Cheri Curtis; Marchetti & Weaver, LLC

Wayne Ramey; Ramey Environmental Compliance, Inc.

Christopher (“CJ”) Kirst; Tahoe Consulting, LLC

#### PUBLIC COMMENTS

There were no public comments.

#### DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

**Disclosures of Potential Conflicts of Interest:** The Board discussed the requirements pursuant to the Colorado Revised Statutes to disclose any potential conflicts of interest or potential breaches of fiduciary duty to the Board of Directors and to the Secretary of State.

Mr. Ruthven noted that a quorum was present and requested members of the Board to disclose any potential conflicts of interest with regard to any matters scheduled for discussion at this meeting, and incorporated for the record those applicable disclosures made by the Board members prior to this meeting in accordance with the statute. Attorney Montague noted that Disclosure Statements have been filed for all directors. No additional conflicts were disclosed.

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### ADMINISTRATIVE MATTERS

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

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

**Meeting Location and Posting of Meeting Notices:** The Board entered into a discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the District's Board meeting.

Following discussion, upon motion duly made by Director J. Marshall, seconded by Director S. Marshall and, upon vote, unanimously carried, the Board determined the meeting would be held by video/telephonic means, and encouraged public participation via video or telephone. The Board further noted that notice of the time, date and location was duly posted and that no objections to the video/telephonic manner of the meeting, or any requests that the video/telephonic manner of the meeting be changed by taxpaying electors within the District boundaries, have been received.

**Minutes:** The Board reviewed the Minutes of the October 20, 2022 Regular Meeting.

Following discussion, upon motion duly made by Director S. Marshall, seconded by Director J. Marshall and, upon vote, unanimously carried, the Minutes of the October 20, 2022 Regular Meeting were approved.

**Resolution No. 2022-11-01; Resolution Establishing Regular Meeting Dates, Time and Location, and Designating Location for Posting of 24-Hour Notices:** Mr. Ruthven discussed with the Board Resolution No. 2022-11-01; Resolution Establishing Regular Meeting Dates, Time and Location, and Designating Location for Posting of 24-Hour Notices.

The Board determined to meet at 4:00 p.m. on the third Thursday of every month via Zoom video/telephone conference.

Following discussion, upon motion duly made by Director S. Marshall, seconded by Director J. Marshall and, upon vote, unanimously carried, the Board adopted Resolution No. 2022-11-01; Resolution Establishing Regular Meeting Dates, Time and Location, and Designating Location for Posting of 24-Hour Notices.

**§§32-1-809, C.R.S. Reporting Requirements, Mode of Eligible Elector Notification for 2023:** Mr. Ruthven discussed with the Board §32-1-809, C.R.S. reporting requirements and mode of eligible elector notification for 2023.

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

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post the Transparency Notice on the Special District Association's website and the District's website.

### **FINANCIAL MATTERS**

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

Fund	Period ending Oct. 31, 2022
General	\$ 1,686.52
Debt Service	\$ -0-
Capital	\$ -0-
Enterprise	\$ -0-
<b>Total Claims</b>	<b>\$ 1,686.52</b>

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

**Cost Verification Report No. 34:** The Board reviewed Cost Verification Report No. 34 dated November 9, 2022, prepared by Schedio Group, LLC, verifying costs associated with the design and construction of public improvements in the amount of \$38,176.73.

Following discussion, upon motion duly made by Director J. Marshall, seconded by Director S. Marshall and, upon vote, unanimously carried, the Board acknowledged Cost Verification Report No. 34 dated November 9, 2022, prepared by Schedio Group, LLC, verifying the costs associated with the design and construction of public improvements in the amount of \$38,176.73.

**Unaudited Financial Statements and Schedule of Cash Position:** Mr. Weaver reviewed with the Board the unaudited financial statements and the schedule of cash position for the period ending September 30, 2022.

Following discussion, upon motion duly made by Director J. Marshall, seconded by Director S. Marshall and, upon vote, unanimously carried, the Board accepted the unaudited financial statements and the schedule of cash position for the period ending September 30, 2022.

**2022 Audit:** The Board reviewed the proposal from FredrickZink & Associates to prepare the 2022 Audit.

Following discussion, upon motion duly made by Director J. Marshall, seconded by Director S. Marshall and, upon vote, unanimously carried, the Board approved the engagement of FredrickZink & Associates to prepare the 2022 Audit, for an amount not to exceed \$6,500.

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**2022 Budget Amendment Hearing:** Director J. Marshall opened the public hearing to consider the amendment of the 2022 Budget and discuss related issues.

It was noted that publication of Notice stating that the Board would consider the amendment of the 2022 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 discussion, it was determined that no amendment to the 2022 Budget was required.

**2023 Budget Hearing:** Director J. Marshall opened the public hearing to consider the proposed 2023 Budget and discuss related issues.

It was noted that publication of Notice stating that the Board would consider adoption of the 2023 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 or at this public hearing. No public comments were received, and the public hearing was closed.

Mr. Weaver reviewed the estimated year-end 2022 revenues and expenditures and the proposed 2023 revenues and expenditures.

Following discussion, the Board considered the adoption of Resolution No. 2022-11-02 to Adopt the 2023 Budget and Appropriate Sums of Money and Resolution No. 2022-11-03 to Set Mill Levies (for the General Fund at 2.863 mills, the Debt Service Fund at 67.338 mills, and for Contractual Obligations at 8.589 mills, for a total of 78.790 mills). Upon motion duly made by Director S. Marshall, seconded by Director J. Marshall and, upon vote, unanimously carried, the Resolutions were adopted, as discussed, and execution of the Certification of Budget and Certification of Mill Levies was authorized, subject to receipt of final Certification of Assessed Valuation from the County on or before December 10, 2022. Mr. Ruthven was authorized to transmit the Certification of Budget to the Division of Local Government not later than January 30, 2023. Copies of the adopted Resolutions are attached to these Minutes and incorporated herein by this reference.

**Resolution Authorizing Adjustment of the District Mill Levy in Accordance with the Service Plan:** The Board reviewed Resolution No. 2022-11-04, Resolution Authorizing Adjustment of the District Mill Levy in Accordance with the Service Plan.

Following discussion, upon motion duly made by Director S. Marshall, seconded by Director J. Marshall and, upon vote, unanimously carried, the Board adopted Resolution No. 2022-11-04, Resolution Authorizing Adjustment of the District Mill Levy in Accordance with the Service Plan. A copy of the adopted Resolution is attached to these minutes and incorporated herein by this reference.

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**DLG-70 Mill Levy Certification Form**: The Board considered authorizing the District Accountant to prepare and sign the DLG-70 Mill Levy Certification form for certification to the Board of County Commissioners and other interested parties.

Following discussion, upon motion duly made by Director J. Marshall, seconded by Director S. Marshall and, upon vote, unanimously carried, the Board authorized the District Accountant to prepare and sign the DLG-70 Mill Levy Certification form for certification to the Board of County Commissioners and other interested parties.

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### **LEGAL MATTERS**

**May 2, 2023 Regular Directors' Election**: Attorney Montague discussed with the Board Resolution No. 2022-11-05, Resolution Calling a Regular Election for Directors on May 2, 2023, appointing the Designated Election Official ("DEO") and authorizing the DEO to perform all tasks required for the conduct of a mail ballot election.

Following discussion, upon motion duly made by Director J. Marshall, seconded by Director S. Marshall and, upon vote, unanimously carried, the Board adopted Resolution No. 2022-11-05, Resolution Calling a Regular Election for Directors on May 2, 2023, appointing the DEO and authorizing the DEO to perform all tasks required for the conduct of a mail ballot election. A copy of the adopted Resolution is attached hereto and incorporated herein by this reference.

**Second Amended and Restated 2020-2024 Operation Funding Agreement between the District and Spring Valley Land Investments, LLC**: The Board reviewed the Second Amended and Restated 2020-2024 Operation Funding Agreement between the District and Spring Valley Land Investments, LLC.

Following discussion, upon motion duly made by Director S. Marshall, seconded by Director J. Marshall and, upon vote, unanimously carried, the Board approved the Second Amended and Restated 2020-2024 Operation Funding Agreement between the District and Spring Valley Land Investments, LLC.

**First Amendment to Amended and Restated 2020-2025 Facilities Funding and Acquisition Agreement between the District and Spring Valley Land Investments, LLC**: The Board reviewed the First Amendment to Amended and Restated 2020-2025 Facilities Funding and Acquisition Agreement between the District and Spring Valley Land Investments, LLC.

Following discussion, upon motion duly made by Director J. Marshall, seconded by Director S. Marshall and, upon vote, unanimously carried, the Board approved the First Amendment to Amended and Restated 2020-2025 Facilities Funding and Acquisition Agreement between the District and Spring Valley Land Investments, LLC.

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**CAPITAL  
IMPROVEMENT  
MATTERS**

There were no capital improvement matters presented.  
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**OTHER BUSINESS**

There was no other business.  
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**ADJOURNMENT**

There being no further business to come before the Board at this time, upon motion duly made by Director J. Marshall, seconded by Director S. Marshall, and upon vote, unanimously carried, the meeting was adjourned.

Respectfully submitted,

By:  \_\_\_\_\_  
Secretary for the Meeting