

**MINUTES OF A REGULAR MEETING OF
THE BOARD OF DIRECTORS OF THE
SPRING VALLEY METROPOLITAN DISTRICT NO. 1
AND THE BOARD OF DIRECTORS OF THE
SPRING VALLEY METROPOLITAN DISTRICT NO. 1
WATER AND SEWER ACTIVITY ENTERPRISE
HELD MARCH 20, 2025**

A Regular Meeting of the Board of Directors (the “District Board”) of the Spring Valley Metropolitan District No. 1 (the “District”) and the Board of Directors of the Spring Valley Metropolitan District No. 1 Water and Sewer Activity Enterprise (the “Enterprise,” and collectively with the District Board, the “Board”), was convened on Thursday, March 20, 2025, at 4:00 p.m. by Zoom video/telephone conference. The meeting was open to the public.

ATTENDANCE

Directors Present:

James E. Marshall
Shelley Marshall
Leigh Lutz

Also Present:

AJ Beckman; Public Alliance, LLC

Suzanne Meintzer, Esq. and Craig Sorensen; McGeady Becher Cortese Williams P.C.

Eric Weaver and James Shultz; Marchetti & Weaver, LLC

Wayne Ramey, Mike Murphy and Dan Wolf; Ramey Environmental Compliance, Inc.

CJ Kirst, Tahoe Consulting, LLC

Wesley Morgan, Cyrena Finnegan, Amie Drucker, Josh Rigsbee, and Erik K.;
Members of the Public

**PUBLIC
COMMENTS**

There were no public comments.

**ADMINISTRATIVE
MATTERS**

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. Beckman 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

RECORD OF PROCEEDINGS

members prior to this meeting in accordance with the statute. Attorney Meintzer noted that Disclosure Statements have been filed for all directors. No additional conflicts were disclosed.

Agenda/Director Absence: Mr. Beckman 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 Lutz, seconded by Director J. Marshall and, upon vote, unanimously carried, the agenda was approved, as amended, and the absence of Director Holly Robinson was excused.

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

Following discussion, upon motion duly made by Director Lutz, seconded by Director J. 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.

CONSENT AGENDA

The Board removed the item relating to Engineer's Report and Verification of Costs No. 1 from the Consent Agenda and determined to consider the item during the Financial Matters portion of the meeting.

The Board then considered the following actions:

- Approve Minutes of February 20, 2025 Regular Meeting.
- Ratify approval of Change Order No. 10 to the Service Agreement between the District and MTech Mechanical Technologies Group, Inc. to repair the Aerovent Makeup Air Unit, in the amount of \$9,335.00.

Following discussion, upon motion duly made by Director J. Marshall, seconded by Director Lutz and, upon vote, unanimously carried, the Board approved the Consent Agenda.

FINANCIAL MATTERS

Claims: Mr. Weaver reviewed with the Board the payment of claims as follows:

RECORD OF PROCEEDINGS

Fund	Period ending March 20, 2025
General	\$ 281,984.23
Operation	\$ -0-
Road Fund	\$ -0-
Utility Capital	\$ -0-
Capital	\$ -0-
Total Claims	\$ 281,984.23

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

2024 Audit Status: Mr. Weaver informed the Board that the 2024 Audit will commence in approximately two weeks.

Cost Verification Report No. 62: The Board reviewed Cost Verification Report No. 62 dated March 15, 2025, prepared by Schedio Group LLC, verifying costs associated with the design and construction of public improvements in the amount of \$88,749.60.

Following discussion, upon motion duly made by Director S. Marshall, seconded by Director Lutz and, upon vote, unanimously carried, the Board approved Cost Verification Report No. 62 dated March 15, 2025, prepared by Schedio Group LLC, verifying the costs associated with the design and construction of public improvements in the amount of \$88,749.60. The Board further acknowledged Spring Valley Metropolitan District No. 6 Requisition No. 32 under the Series 2021(3) Bonds in the amount of \$88,749.60.

Engineer's Report and Verification of Costs No. 1: The Board reviewed Engineer's Report and Verification of Costs No. 1, dated January 28, 2025, revised March 19, 2025, prepared by Schedio Group, LLC, verifying costs associated with the design and construction of public improvements in Spring Valley Ranch, Filing 4 (the service area for Spring Valley Metropolitan District No. 3) in the amount of \$6,097,126.97, including \$1,795,834.90 in Regional Public Improvements ("Revised Report No. 1"). Mr. Weaver informed the Board that the correction of certain formula errors in the previous version of the report resulted in a reduction in the certified costs of approximately \$72,000.00, and that consequently the Board should ratify approval of the Revised Report No. 1.

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 Revised Report No. 1.

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LEGAL MATTERS

Water Service Agreement between the District and 3900 CR 174 LLC:

Attorney Meintzer explained that the District is pursuing the installation of a meter to serve the property owned by 3900 CR 174 LLC. Mr. Murphy reported to the Board the work is expected to begin on April 7, 2025 and will take one or two days for the installation to be complete. He will plan for the property to be served by a temporary water source while the installation is in process. Mr. Murphy will coordinate notice to the property owner with Mr. Beckman and Director J. Marshall.

May 6, 2025 Regular Directors' Election: Mr. Beckman informed the Board that the election was cancelled as permitted by statute, as there were not more candidates than seats available. It was noted that Shelley Marshall and Holly Robinson were deemed elected by acclamation to 4-year terms ending in May 2029, and Leigh Lutz to a 2-year term ending in May 2027. The vacant 2-year term to May 2027 was also confirmed.

Second Amendment to Development Agreement: Attorney Meintzer reviewed with the Board the Second Amendment to Development Agreement (Spring Valley Ranch Filing 5) between the District and Melody Homes, Inc. ("Second Amendment").

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

CAPITAL IMPROVEMENT MATTERS

Report from Construction Committee: Mr. Kirst provided an update on the status of construction projects. He noted that the new water tank is complete and has been filled. It will be necessary to install riprap at the drain valve to prevent erosion, and Mr. Kirst and Mr. Beckman will prepare a change order for this work. He further reported that the wastewater reuse pond is now complete.

Mr. Murphy informed the Board he had received a quote for the rebuild of Booster Pump 4, in the amount of \$3,875.00. Following discussion, upon motion duly made by Director J. Marshall, seconded by Director S. Marshall and, upon vote, unanimously carried, the Board authorized the necessary expenditure. Mr. Murphy will provide the scope of work to Mr. Beckman for preparation of a change order.

OPERATIONS & MAINTENANCE

Monthly Activities Report for February 2025: Mr. Murphy reviewed with the Board the Ramey Environmental Compliance monthly activities report for February 2025.

RECORD OF PROCEEDINGS

Manager's Report: Mr. Beckman reviewed the Manager's Report with the Board.


OTHER BUSINESS

There was no other business.

ADJOURNMENT

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

Respectfully submitted,

By  _____
27EBD9C9E2764CB8 Secretary for the Meeting