

RECORD OF PROCEEDINGS

MINUTES OF THE COORDINATED ORGANIZATIONAL MEETING OF SOUTH VILLAGE METROPOLITAN DISTRICT NOS. 1 & 2

HELD
January 31, 2022

The Boards of Directors of South Village Metropolitan District Nos. 1 & 2 held a coordinated organizational meeting, open to the public, at 3:00 p.m., Monday, January 31, 2022. Notice of the meeting was posted in one public place within the boundaries of the Districts. Due to the threat to health and safety posed by the COVID-19 pandemic, the meeting was held via Zoom.

ATTENDANCE

Directors in Attendance via Teleconference:

Robert Quinette
Amy Quinette
Eric Roth

Michael Blumethal was absent

Also in Attendance via Teleconference:

Alan Pogue, and Stacie Pacheco; Icenogle Seaver Pogue, P.C.

CALL MEETING TO ORDER

The meeting was called to order at 3:04 p.m. by Mr. Pogue, noting that a quorum was present. The Directors in attendance confirmed their qualifications to serve.

QUALIFICATION OF BOARD MEMBERS/ OATHS OF OFFICE AND BONDS/ CONFLICT OF INTEREST DISCLOSURE

Mr. Pogue discussed the process of qualifying Board members, affirmed that Oaths of Office had been administered and filed per Colorado law, and confirmed that Performance Bonds had been obtained for the Directors and Treasurer of each District, as required by law, and filed with the District Court and Division of Local Government.

Mr. Pogue further discussed the requirements of Colorado law to disclose any potential conflicts of interest or potential breaches of fiduciary duty of the Board of Directors to the Secretary of State. The members of the Boards were requested to disclose any potential conflicts of interest regarding 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 statute. It was noted by Mr. Pogue that disclosures of potential conflicts of interest were filed with the Secretary of State for all Directors.

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APPROVAL OF AGENDA

The Boards reviewed the agenda. Upon motion by Director Roth and seconded by Director A. Quinette, the Boards unanimously approved the agenda.

APPOINTMENT OF OFFICERS

Mr. Pogue discussed with the Board Members the duties of the Boards and selecting Officers for the Districts and the offices of President, Secretary and Treasurer. Upon motion duly made by Director Roth and seconded by Director A. Quinette, the Boards unanimously selected the Officers of each District and approved as follows:

President & Chairman: Robert Quinette
Treasurer: Michael Blumenthal
Secretary: Amy Quinette
Assistant Secretary: Eric Roth

INDEMNIFICATION RESOLUTION

Mr. Pogue reviewed the Resolution Providing for the Defense and Indemnification of Directors and Employees of the Districts. Upon motion duly made by Director Roth, seconded by Director A. Quinette, the Boards unanimously approved the Resolution Providing for the Defense and Indemnification of Directors and Employees of the Districts.

DIRECTOR FEES

Mr. Pogue reviewed and discussed payment of Director's fees. Upon motion duly made by Director Roth and seconded by Director A. Quinette, the Boards did not approve Director's Fees for meetings.

ORGANIZATIONAL MATTERS RESOLUTION

Mr. Pogue reviewed the Organizational Matters Resolution with the Boards. Upon motion duly made by Director Roth, seconded by Director A. Quinette, the Boards unanimously approved the Organizational Matters Resolution.

MEETING RESOLUTION

Mr. Pogue reviewed the Resolution Establishing Regular Meeting Dates, Times and Locations, and Designating Locations for Posting of 24-Hour Notices. Upon motion duly made by Director Roth, seconded by Director A. Quinette, the Boards unanimously approved the Resolution Establishing Regular Meeting Dates, Times and Locations, and Designating Locations for Posting of 24-Hour Notices noting regular Board meetings will be held virtually and will be scheduled for the last Monday of each month at 3:00 p.m.

ENGAGEMENT OF CONSULTANTS

The Boards considered the engagement District Legal Counsel. Upon motion duly made by Director Roth, seconded by Director A. Quinette the Boards unanimously approved engagement of District Legal Counsel: Icenogle Seaver Pogue, P.C. The Boards tabled the engagement of a District Manager and Accountant at this time.

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INSURANCE COVERAGE

Mr. Pogue discussed the insurance requirements with the Boards to obtain insurance coverage through the Colorado Special Districts Property and Liability Pool and join the Special District Association. Upon motion duly made by Director Roth and seconded by Director A. Quinette the Boards unanimously approved insurance coverage for Public Official's Liability, General Liability, Directors and Officers Liability, including Workers' Compensation, and membership to the Colorado Special District Association.

GOVERNMENTAL IMMUNITY MEMO

Mr. Pogue reviewed with the Boards the Governmental Immunity Memorandum.

RATIFICATION OF PAST ACTIONS

Following review and discussion and upon motion duly made by Director Roth and seconded by Director A. Quinette the Boards unanimously ratified past actions.

WEBSITE ESTABLISHMENT

The Boards gave direction to list the Districts on the Icenogle Seaver Pogue, P.C. websites for public viewing.

FINANCIAL ITEMS

Mr. Pogue discussed with the Boards the need to establish (1) Form SS-4 Application for Employer Identification Number; (2) Application for Sales Tax Exemption for Colorado Organizations; and (3) Application by Official Custodian for Assignment of PDPA Number for Public Funds Deposited in Banks. Following discussion, upon motion duly made by Director Roth, seconded by Director A. Quinette and unamiously approved the applications for (1) Form SS-4 Application for Employer Identification Number; (2) Application for Sales Tax Exemption for Colorado Organizations; and (3) Application by Official Custodian for Assignment of PDPA Number for Public Funds Deposited in Banks for each District.

2021 PROPOSED BUDGET HEARING

Mr. Pogue opened the 2021 Budget Hearing for the Districts to the public. Mr. Pogue reported that notice of the budget hearing was posted in three places within the boundaries of the Districts on January 28, 2021 in accordance with state budget law. There being no public input, the public hearing portion of the budget hearing was closed. The Boards reviewed the 2021 budgets for the Districts:

District No. 1:
General Fund Expenditures \$0
Capital Fund Expenditures \$0
Mill levy is 0 mills

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District No. 2:
General Fund Expenditures \$0
Capital Fund Expenditures \$0
Mill levy is 0 mills

Upon discussion, a motion was duly made by Director Roth, seconded by Director A. Quinette, and upon unanimous vote the Boards approved the Resolutions to Adopt the 2021 Budgets.

2022 PROPOSED BUDGET HEARING

Mr. Pogue opened the 2022 Budget Hearing for the Districts to the public. Mr. Pogue reported that notice of the budget hearing was posted in three places within the boundaries of the Districts on January 28, 2021 in accordance with state budget law. There being no public input, the public hearing portion of the budget hearing was closed. The Boards reviewed the 2022 budgets for the Districts:

District No. 1:
General Fund Expenditures \$50,000
Capital Fund Expenditures \$0
Mill levy is 0 mills

District No. 2:
General Fund Expenditures \$0
Capital Fund Expenditures \$0
Mill levy is 0 mills

Upon discussion, a motion was duly made by Director Roth, seconded by Director A. Quinette, and upon unanimous vote the Boards approved the Resolutions to Adopt the 2022 Budgets.

DISTRICT CHECKING ACCOUNT

The Boards determined not to establish a checking account at this time.

RESOLUTION APPROVING PUBLIC RECORDS POLICY

Mr. Pogue reviewed the Resolution Regarding a Public Records Policy Regarding the Inspection, Retention and Disposal of Public Records, Appointing an Official Custodian, and Adopting Policies and Fees Schedule for the Handling of Records Requests Under the Colorado Open Records Act ("CORA"). Upon motion duly made by Director Roth, seconded by Director A. Quinette, the Boards unanimously approved the Resolution Regarding a Public Records Records Policy Regarding the Inspection, Retention and Disposal of Public Records, Appointing an Official Custodian, and Adopting Policies and Fees Schedule for the

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Handling of Records Requests Under the Colorado Open Records Act (“CORA”).

RESOLUTION
APPROVING DATA
PROTECTION
POLICY

Mr. Pogue presented the Resolution Adopting Procedures for Protecting and Destroying Customer Information Maintained by the Districts. Upon motion duly made by Director Roth, seconded by Director A. Quinette, the Boards unanimously approved the Resolution Approving a Data Protection Policy.

RESOLUTION
ESTABLISHING
DISTRICT
INVESTMENT
POLICY

Mr. Pogue reviewed the Resolution Establishing a District Investment Policy for the Districts. Upon motion duly made by Director Roth, seconded by Director A. Quinette, the Boards unanimously approved the Resolution Establishing a District Investment Policy.

MAY 2022
ELECTION
RESOLUTION

Mr. Pogue reviewed the May 2022 Election Resolution for the Districts. Upon motion duly made by Director Roth, seconded by Director A. Quinette, the Boards unanimously approved the Election Resolution

ITEMS FROM LEGAL
COUNSEL

Intergovernmental Agreement Concerning District Operations among South Village Metropolitan District Nos. 1 & 2.: Mr. Pogue reviewed the agreement with the Boards. Upon motion duly made by Director Roth and seconded by Director A. Quinette, the Boards unanimously approved the Intergovernmental Agreement concerning District Operations among South Village Metropolitan District Nos. 1 & 2.

Improvement Acquisition, Advance and Reimbursement Agreement between District No. 1 and South Village LLC for Funding Capital Improvements and the issuance of a Subordinate Note evidencing District No.1’s Obligation of South Village LLC: Mr. Pogue reviewed the agreement with the Boards. Upon motion duly made by Director Roth and seconded by Director A. Quinette, the Boards unanimously approved the Improvement Acquisition, Advance and Reimbursement Agreement between District No. 1 and South Village LLC for Funding Capital Improvements and the issuance of a Subordinate Note evidencing District No. 1’s Obligation of South Village LLC.

2022 Funding and Reimbursement Agreement between District No. 1 and South Village LLC for Funding Operations and Maintenance Expenses and the issuance of a Subordinate Promissory Note evidencing District No.1’s Obligation to South Village LLC: Mr. Pogue reviewed the agreement with the Board. Upon motion duly made by Director Roth and seconded by Director A. Quinette, the District No. 1 Board unanimously approved the 2022 Funding and Reimbursement Agreement between District No. 1 and

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South Village LLC for Funding Operations and Maintenance Expenses and the issuance of a Subordinate Promissory Note evidencing District No.1's Obligation to South Village LLC.

CAPITAL
INFRASTRUCTURE
ITEMS

The Board discussed the Capital Project Bid Process.

ADJOURNMENT

There being no further business to come before the Boards and upon motion and second, the meeting was adjourned at 4:15 p.m.

The foregoing constitutes a true and correct copy of the minutes of the above-referenced meeting.

Respectfully Submitted,



Alan D. Pogue, Secretary for the Meetings