

## RECORD OF PROCEEDINGS

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### MINUTES OF THE REGULAR MEETING OF THE BOARDS OF DIRECTORS OF SOUTH VILLAGE METROPOLITAN DISTRICTS NOS. 1-2

**HELD**  
**October 24, 2022**

The Boards of Directors of the South Village Metropolitan Districts Nos. 1-2 held a regular meeting, open to the public, via Zoom at 3:00 p.m. on Monday, October 24, 2022.

ATTENDANCE:

Directors in Attendance:

Robert Quinette, Vice President  
Michael Blumenthal, Treasurer/Secretary

Also, in Attendance Were:

Alan Pogue, Esq.; Icenogle Seaver Pogue, P.C.  
Elaina Cobb, Shannon Randazzo, Amanda Castle, Kirsten Starman,  
Nicole Wing, and Wendy McFarland; Pinnacle Consulting Group,  
Inc.

ADMINISTRATIVE  
ITEMS

The Districts are meeting in a combined Board meeting. Unless otherwise noted, the matters set forth below shall be deemed to be the actions of the South Village Metropolitan District No. 1, with concurrence by South Village Metropolitan District Nos. 2. The meeting was called to order at 3:02 p.m. by Ms. Cobb, noting that a quorum was present.

Qualification of Board Members/Oaths of Office and Bonds/Disclosure of any potential Conflicts of Interest: Mr. Pogue 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.

Agenda: The Boards reviewed the agenda. Upon motion duly made by Director Quinette, seconded by Director Blumenthal, and upon vote, unanimously carried, it was

**RESOLVED** to approve the agenda, as presented.

Public Comment: The Boards opened the meeting to public comment. There were no comments made by members of the public and this portion of the meeting was closed.

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CONSENT  
AGENDA

August 29, 2022, Special Meeting Minutes: The August 29, 2022, Special Meeting Minutes were presented. Upon motion duly made by Director Quinette, seconded by Director Blumenthal, and upon vote, unanimously carried, it was

**RESOLVED** to approve the August 29, 2022, Special Meeting Minutes as presented.

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FINANCIAL ITEMS

Ratification of Payables: Ms. Castle stated there are no payables to ratify at this time due to invoices being directly paid by the development team.

Unaudited Financial Statements for the periods ending December 31, 2021, and June 30, 2022: Ms. Castle stated there were no unaudited financial statements to present at this time as the District has not opted in to creating a bank account with First Bank.

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2023 PROPOSED  
BUDGET  
HEARING

Ms. Castle opened the hearing on the 2023 Budget for public comment. Ms. Cobb reported that the notice of the hearing had been published in accordance with state budget law. There being no public input, the public hearing portion of the budget was closed. Ms. Castle reviewed the proposed 2023 Budgets with the Boards, which detailed estimated revenues and expenditures. The budgets by District and fund are as follows:

District Nos. 1 and 2:  
General Fund: \$66,060  
Capital Fund Expenditures: \$12,005,000.00

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LEGAL ITEMS

2023 Annual Administrative Matters Resolution: Mr. Pogue presented the 2023 Annual Administrative Matters Resolution to the Boards and answered questions. Upon motion duly made by Director Quinette, seconded by Director Blumenthal, and upon vote, unanimously carried, it was

**RESOLVED** to approve the 2023 Annual Administrative Matters Resolution.

2023 Meeting Resolution: Mr. Pogue presented the 2023 Meeting Resolution to the Boards and answered questions. Upon motion duly made by Director Quinette, seconded by Director Blumenthal, and upon vote, unanimously carried, it was

**RESOLVED** to approve the 2023 Meeting Resolution.

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2023 Election Resolution: Mr. Pogue presented the 2023 Election Resolution to the Boards and answered questions. Upon motion duly made by Director Quinette, seconded by Director Blumenthal, and upon vote, unanimously carried, it was

**RESOLVED** to approve the 2023 Election Resolution.

First Amendment to 2022 Funding and Reimbursement Agreement with South Village, LLC, and in connection therewith, the Refunding of the 2022 Note and Issuance of new Subordinate Note for operation advances: Mr. Pogue reviewed the First Amendment to 2022 Funding and Reimbursement Agreement with South Village, LLC, and in connection therewith, the Refunding of the 2022 Note and Issuance of new Subordinate Note for operation advances with the Boards and answered questions. Upon motion duly made by Director Quinette, seconded by Director Blumenthal, and upon vote, unanimously carried, it was

**RESOLVED** to approve the First Amendment to 2022 Funding and Reimbursement Agreement with South Village, LLC, and in connection therewith, the Refunding of the 2022 Note and Issuance of new Subordinate Note for operation advances.

First Amendment to Improvement Acquisition, Advance and Reimbursement Agreement with South Village, LLC, and in connection therewith the Refunding of the 2022 Note and Issuance of new Subordinate Note for capital advances: Mr. Pogue reviewed the First Amendment to Improvement Acquisition, Advance and Reimbursement Agreement with South Village, LLC, and in connection therewith the Refunding of the 2022 Note and Issuance of new Subordinate Note for capital advances with the Boards and answered questions. Upon motion duly made by Director Quinette, seconded by Director Blumenthal, and upon vote, unanimously carried, it was

**RESOLVED** to approve the First Amendment to Improvement Acquisition, Advance and Reimbursement Agreement with South Village, LLC, and in connection therewith the Refunding of the 2022 Note and Issuance of new Subordinate Note for capital advances.

DISTRICT  
MANAGER ITEMS

There were no District Manager Items brought before the Boards.

CAPITAL  
INFRASTRUCTURE  
ITEMS

There were no Capital Infrastructure Items brought before the Boards.

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OTHER ITEMS      Developer Update: Director Blumenthal reported they received the appraisals and a letter that was submitted to the city attorney is being circulated amongst other attorneys. A letter with attached appraisals will be sent out next week and the landowners will have approximately 30 days to respond.

Mr. Pogue recommended waiting for bond issuance until next year due to interest rates.

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EXECUTIVE      No executive session was held.  
SESSION      \_\_\_\_\_

ADJOURNMENT      There being no further business to come before the Boards, upon motion duly made by Director Quinette, and seconded by Director Blumenthal, the meeting was adjourned 3:19 p.m.

Respectfully submitted,

*Kiyesia Conaway*  
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For Nicole Wing  
Recording Secretary for the Meeting