

RECORD OF PROCEEDINGS

MINUTES OF THE COMBINED SPECIAL MEETING OF THE BOARDS OF DIRECTORS OF THE SEVERANCE SHORES METROPOLITAN DISTRICTS NOS. 1-4 TOWN OF SEVERANCE, WELD COUNTY, COLORADO

HELD: Monday, August 12, 2019 at 10:30 a.m. at Journey Homes, 7251 20th Street, L-200, Greeley, Colorado

ATTENDANCE:

A combined special meeting of the Boards of Directors (collectively, the "Board") of the Severance Shores Metropolitan District Nos. 1 - 4 (collectively, the "District") was called and held as shown above and in accordance with the applicable statutes of the State of Colorado, with the following directors present and acting:

In attendance were Directors:

Larry Buckendorf - President
Laira Ziegler – Secretary/Treasurer
Joseph Schumacher – Assistant Vice-President/Secretary/Treasurer
Morgan Kidder - Assistant Vice-President/Secretary/Treasurer
Darrell McAllister – Assistant Vice-President/Secretary/Treasurer

Also present were:

Cathy Fromm and Megan Holmberg; Fromm & Company LLC
David S. O'Leary of Spencer Fane LLP

CALL TO ORDER:

Mr. O'Leary called the meeting to order at 10:30 a.m., noted that a quorum of the Board was present and confirmed qualification of the Directors to serve on the Board.

DISCLOSURE OF POTENTIAL CONFLICT OF INTEREST:

Mr. O'Leary discussed the state law requirements for disclosure of potential conflicts of interest with the directors, noting that completed disclosure statements must be filed for each of the Directors with the Secretary of State and the Secretary of the District at least 72 hours prior to a meeting in which a potential conflict may arise. The Board noted that general disclosure statements had been filed on behalf of the members of the Board of Directors with the Office of the Colorado Secretary of State. Mr. O'Leary advised the Board that, pursuant to Colorado law, certain disclosures may be required prior to taking official action at the meeting. The Board reviewed the agenda for the meeting, following which they confirmed the contents of written disclosures previously made by the directors, stating the fact and summary nature of any matters, as required by Colorado law, to permit official action to be taken at the meeting.

APPROVAL OF THE AGENDA:

The Board reviewed the agenda. Upon motion duly made by Director Kidder, seconded by Director McAllister, and unanimously carried, the Board approved the agenda as presented. Mr. O'Leary reported that the meeting notice and agenda had been physically posted within the boundaries of the District pursuant to statute, noting that future postings would be posted to the district website at www.frommco.us/client-msmd.html, at least 24 hours prior to any meeting, pursuant to House Bill 19-1087.

APPROVAL OF MINUTES:

The Board reviewed the Minutes of the special meeting held on December 11, 2018. Upon motion duly made by Director Schumacher, seconded by Director McAllister, and unanimously carried, the Board approved the Minutes as presented.

FINANCIAL ITEMS:

a. Payment of Claims. Ms. Fromm presented the listing of claims to be ratified in the amount of \$13,412.91, represented by check numbers 01006 - 01018. Upon motion duly made by Director McAllister, seconded by Director Ziegler, and unanimously carried, the Board approved the payables for ratification as presented in the total amount of \$13,412.91.

b. Financial Statements. Ms. Fromm presented the financial statements dated June 30, 2019 to the Board. Upon motion duly made by Director McAllister, seconded by Director Ziegler, and unanimously carried, the Board accepted and approved the financial statements as presented.

c. 2018 Audit Exemption Applications. Ms. Fromm presented the 2018 audit exemptions to the Board for ratification. Upon motion duly made by Director Kidder, seconded by Director McAllister and unanimously carried, the Board ratified the 2018 audit exemption applications.

ATTORNEY ITEMS:

a. Resolution re Online Notice of Public Meetings. Mr. O'Leary presented the Resolution, noting that as of August 2nd, 2019 it is no longer required to physically post notices within the District and/or the County as previously required by statute. House Bill 19-1087 now permits the district to post the notice for public meetings on the District's website, at least 24 hours before the meeting is to begin. Upon motion duly made by Director McAllister, seconded by Director Ziegler and unanimously carried, the Board approved the Resolution as presented.

b. Community Rules, Guidelines & Restrictions. Mr. O'Leary requested that the Board consider ratification of the Community Rules, Guidelines and Restrictions. Upon motion duly made by Director McAllister, seconded by Director Ziegler and upon vote unanimously carried, the Board ratified the Rules, Guidelines and Restrictions as presented.

c. Schedule of Fines and Fees. Mr. O'Leary requested that the Board consider approval of Water Rules, Guidelines and Restrictions and a Schedule of Fees and Fines. Discussion ensued. Upon motion duly made by Director Kidder, seconded by Director McAllister and upon vote unanimously carried, the Board approved the Water Rules, Guidelines and Restrictions and Schedule of Fees and Fines.

MANAGEMENT ITEMS:

Ms. Holmberg requested that the Board ratify the contract with RAM for the mandatory, community trash service and responded to questions regarding same. Upon motion duly made by Director McAllister, seconded by Director Ziegler and upon vote unanimously carried, the Board ratified the contract with RAM.

DIRECTOR'S ITEMS:

Discussion ensued regarding a blanket easement for the non-potable water system. Mr. O'Leary responded to questions. Upon motion duly made, seconded and upon vote unanimously carried, the Board directed Mr. O'Leary to proceed with said easement, as noted in the recorded covenants.

PUBLIC COMMENT:

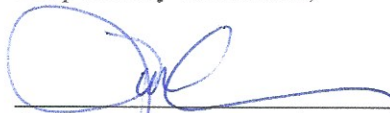
None.

ADJOURNMENT:

There being no further business to come before the Board and upon motion duly made, seconded and unanimously carried, the meeting was adjourned at 10:37 a.m.

The foregoing Minutes constitute a true and correct copy of the Minutes of the above-referenced combined meeting and were approved by the Boards of Directors of the Severance Shores Metropolitan District Nos. 1 - 4.

Respectfully Submitted,



Secretary for the Meeting