

## 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:** Tuesday, February 18, 2020 at 12:30 p.m. at the Windsor Severance Fire Rescue Station No. 2, 9 Timber Ridge Parkway, Severance, 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  
Morgan Kidder - Assistant Vice-President/Secretary/Treasurer  
Darrell McAllister – Assistant Vice-President/Secretary/Treasurer  
Joseph Schumacher - Assistant Vice-President/Secretary/Treasurer

#### Also present were:

Cathy Fromm and Megan Holmberg, Fromm & Company LLC  
David S. O'Leary, Spencer Fane LLP  
Kimberly Reed of Ballard Spahr LLP (*via telephone*)  
Don Bieber of Klein Alvarado Veio P.C. (*via telephone*)  
Mike Sullivan of D.A. Davidson and Co. (*via telephone*)

#### **CALL TO ORDER:**

Mr. Buckendorf called the meeting to order at 12:03 p.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

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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 McAllister, seconded by Director Kidder, and unanimously carried, the Board approved the agenda as presented. Mr. O'Leary reported that the meeting notice and agenda had been posted to the district website at [www.frommco.us/client-ssmd.html](http://www.frommco.us/client-ssmd.html), at least 24 hours prior to the meeting, pursuant to Statute.

### **APPROVAL OF MINUTES:**

The Board reviewed the Minutes of the special meeting held on November 15, 2019. Upon motion duly made by Director McAllister, seconded by Director Schumacher, 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 \$13,936.94 and represented by check numbers 01030 - 01040. Ms. Fromm presented the current listing of claims in the amount of \$12,110.50 and represented by check numbers 01041 - 01045. Upon motion made by Director McAllister, seconded by Director Ziegler and unanimously carried, the Board approved the payables for ratification and current claims as presented, in the total amount of \$26,047.44.

### **DISTRICT MANAGER ITEMS:**

Discussion ensued regarding the current trash contract with RAM. Ms. Holmberg reported that Mr. Fromm had requested proposals from 2 other companies within the area, and RAM remained the most cost-effective, even with a January increase. Upon motion duly made by Director McAllister, seconded by Director Kidder, and unanimously carried, the Board approved the contract as presented.

### **LEGAL ITEMS:**

a. Improvement Acquisition & Capital Costs Certification for Public Improvements and Resolution to Reimburse Developer for Public Improvements. Mr. O'Leary presented the Resolution, certifications from the District engineer and proposed bill of sale and certificate of final completion. Discussion ensued. The Developer for the project had completed the public

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improvements in accordance with approved development plans of the Town and initial acceptance from the Town and other entities had been granted and provided as necessary. All claims had been paid and lien waivers obtained where required. Ms. Fromm and Mr. O'Leary responded to questions, noting the total amount of capital public improvements that have been requested for acquisition by the District and certified by the District Engineer totaled \$10,309,788.37. Upon motion duly made by Director McAllister, seconded by Director Schumacher and unanimously carried, the Boards of Directors approved the Resolution of the Boards to accept the dedication of capital improvements and agreed to reimburse the Developer in accordance with District funding and reimbursement agreements, as presented. The Board further directed that updates to the District capital promissory notes be completed to reflect the acceptance of improvements, any interest accruals and further updates upon closing of the 2020 Bonds.

b. Approval of Bond Resolutions and Agreements for District Nos. 2 - 4. Mr. O'Leary presented the Resolutions to the Board, explaining each and how they relate to the issuing District, District No. 4. Ms. Reed, bond counsel to the Districts, provided an overview on the Resolution Authorizing the Issuance of General Obligation Debt for District No. 4, noting 2019 A & B proposed Bonds, proposed interest, terms and conditions regarding the issuance of the 2020 Bonds, and the issuing amounts. Questions were asked and discussion ensued. Mr. Sullivan was present to respond to inquiries and Ms. Reed agreed to make requested revisions as requested of the Board with any necessary follow-up regarding the 2020 Bonds and proposed closing. Director Buckendorf was appointed as the Sale Delegate to finalize any additional changes and closing requirements and Ms. Fromm was appointed as the Responsible Person to contact regarding the issuance. Further discussion ensued regarding the Indentures of Trust, Pledge Agreements and the Bond Purchase Agreement and Mr. O'Leary and Ms. Reed provided the Board with the specifics of each and answered questions of the Board. Upon motion duly made by Director McAllister, seconded by Director Kidder and upon vote unanimously carried, the Board approved the Authorizing Resolutions and Agreements needed to issue the 2020 Bonds, pending final revisions and updates when pricing and final numbers were confirmed, and authorized such further action as necessary to close on the 2020 Bonds. The closing date is currently set for February 19, 2020 at 9:00 a.m.

**OTHER MATTERS:**

There were none.

**PUBLIC COMMENT:**

There were no public comments.

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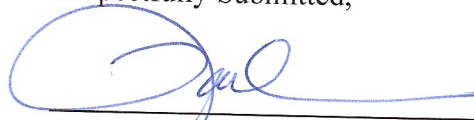
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**ADJOURNMENT:**

There being no further business to come before the Board and upon motion made my Director McAllister, seconded by Director Ziegler, and unanimously carried, the meeting was adjourned at 12:35 p.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