

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF SOUTH SLOAN'S LAKE METROPOLITAN DISTRICT NO. 1 ("District")

Held: Friday, August 7, 2020, 10:30 a.m.

Due to concerns regarding the spread of the Coronavirus (COVID-19), the meeting was held telephonically without any individuals attending in person.

ATTENDANCE

A Special Meeting of the Board of Directors of the South Sloan's Lake Metropolitan District No. 1, City and County of Denver, Colorado ("Board"), 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:

Cameron R. Bertron, President
Carl Koelbel, Treasurer
Sarah Laverty, Assistant Secretary

Also present were:

AJ Beckman, District Manager, Public Alliance LLC
Jon Hoistad, Esq., McGeady Becher P.C.
Margaret Henderson, CliftonLarsonAllen LLP
Alyssa Ferreira, CliftonLarsonAllen LLP
Collin Koranda, Ranger Engineering, LLC
Beth Ellertson, South Sloan's Lake Metropolitan District No. 2, Director

ADMINISTRATIVE MATTERS

Disclosure of Potential Conflicts of Interest: Attorney Hoistad noted a quorum was present and 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 Board were requested 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 members prior to this meeting in accordance with statute. It was noted by Attorney Hoistad that disclosures of potential conflicts of interest were filed with the Secretary of State by the statutory deadline.

Agenda: The Board reviewed the Agenda for the meeting and following discussion, upon motion duly made by Director Laverty, seconded by Director Koelbel and, upon vote, unanimously carried, the Board approved the Agenda as presented.

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

District's Board meeting. Following discussion, upon motion duly made by Director Lavery, seconded by Director Koelbel and, upon vote, unanimously carried, the Board determined that due to concerns regarding the spread of the Coronavirus (COVID-19), the meeting was held telephonically without any individuals attending in person. The Board further noted that notice of this telephonic meeting was posted within the boundaries of the District and the Board has not received any objections to the location or any requests that the meeting place be changed by taxpaying electors within the boundaries of the District.

Public Comment: There was no public comment.

Consent Agenda: The Board considered the following items:

- Approval of May 15, 2020 Special Meeting Minutes.
- Ratify Change Order No. 3 to the Service Agreement for Landscaping and Snow Removal between South Sloan's Lake Metropolitan District No. 1 (the "District") and Environmental Designs Inc. ("EDI") (the "EDI Agreement") to remove and replace 40 trees, replace sod, install native grass and install planter groundcover in the amount of \$67,947.99.
- Ratify Change Order No. 4 to the EDI Agreement between the District and Environmental Designs Inc. to install sod on Stuart Street in the amount of \$1,017.95.
- Review and ratify Change Order No. 5 to the EDI Agreement between the District and Environmental Designs Inc. for streetscape improvements on Blocks 4, 5 and 6 in the amount of \$68,613.80.
- Ratify Change Order No. 1 to the Service Agreement for Concrete Repair Services ("the Agreement") between the District and Guizar Concrete Construction LLC ("Guizar") (the "Guizar Agreement") to relocate planters, replace bike rack, install Skate Stoppers, and repair a metal rail on PLD for an amount not to exceed \$1,550.00.
- Ratify Change Order No. 2 to the Guizar Agreement to remove and replace pavers at Conejos and Raleigh and excavate to expose the irrigation system in the amount of \$2,300.00.
- Ratify Change Order No. 3 to the Guizar Agreement to increase the scope of Change Order No. 2 to remove and replace pavers at Conejos and Raleigh and excavate to expose irrigation system in the amount of \$5,344.00.
- Ratify Change Order No. 1 to the Service Agreement for Electric Outlet Repair to restore power to pole lights at 16th Street and Raleigh Street in the amount of \$816.00.

Following discussion, upon motion duly made by Director Lavery, seconded by Director Koelbel and, upon vote, unanimously carried, the Board approved and / or ratified the items above listed on the Consent Agenda.

FINANCIAL MATTERS

Payment of Claims: Ms. Henderson presented a statement of claims for the Board's review and consideration.

Following review, upon motion duly made by Director Laverty, seconded by Director Koelbel and, upon vote, unanimously carried, the Board ratified approval of the payment of claims as presented.

June 30, 2020 Unaudited Financial Statements and Cash Position: Ms. Henderson reviewed the Unaudited Financial Statements for the period ending June 30, 2020 and Statement of Cash Position with the Board.

Following discussion, upon motion duly made by Director Laverty, seconded by Director Koelbel and, upon vote, unanimously carried, the Board accepted the Unaudited Financial Statements and Cash Position as presented.

LEGAL MATTERS

Cost Certification Report: The Board reviewed the Engineer's Report and Certification, Block 3, Chapel Plaza & Conejos Improvements dated July 23, 2020, prepared by Ranger Engineering, LLC regarding the acceptance of reimbursable costs of public improvements.

Following discussion, upon motion duly made by Director Laverty, seconded by Director Koelbel and, upon vote, unanimously carried, the Board accepted reimbursable costs in the amount of \$1,794,823.27.

Requisition No. 7: Attorney Hoistad reviewed with the Board the requisition for disbursement of Loan Proceeds to EFG-South Sloan's Lake 1, LLC (the "Developer") in the amount of \$1,794,823.27 for reimbursement of amounts advanced under that certain Facilities Funding and Acquisition Agreement between the District and the Developer dated May 20, 2014 with effective date of January 16, 2014 (the "FFAA").

Following discussion, upon motion duly made by Director Laverty, seconded by Director Koelbel and, upon vote, unanimously carried, the Board recommended approval of Requisition No. 7 to South Sloan's Lake Metropolitan District No. 2. in the amount of \$1,794,823.27.

Director Bertron noted that this will be the final reimbursement to the Developer under the FFAA. He then noted that the Developer has advanced approximately \$260,000 for operations which will not be pursued for reimbursement.

Mr. Koranda excused himself from the meeting at this time.

Director Koelbel asked if Directors Bertron and Laverty will remain on the Board now that the active development has slowed and is coming to an end. Director Bertron explained that they intend to transition off of the Board, however they will remain through their current Directors' terms and

transition more of the ongoing operational responsibilities to the District Manager.

Plaza Events Committee: Attorney Hoistad asked if the District is still interested in pursuing the establishment of the Plaza Events Committee. Director Laverty explained that due to COVID-19 the establishment of the committee has not been a high priority. She further explained that a farmers' market and the Denver Bazaar have been holding regular events in the Chapel Plaza and on Raleigh Street. Director Bertron noted that members of the Board have been approached by Little Man Ice Cream, with a request to host a "Social Scoop" event. The details are in process. Director Koelbel requested that the District include a 2021 budget line item for events. No action was taken.

Ms. Ellertson excused herself from the meeting at this time.

**OPERATIONS
MATTERS**

Landscaping Projects Status Report: Mr. Beckman reviewed the landscaping report with the Board. He explained that the budgeted amounts for the line items are rough estimates. As the pricing for the work becomes clearer, updates will be made. He further explained that the dollar amount shown as being available for operations is an estimate based on financial statements rather than the 2020 Budget. Director Koelbel requested that the District pursue a reserve study for future budgeting purposes. Mr. Beckman noted that he would seek proposals for review at the next Board meeting.

Tree and Sod Replacements: Mr. Beckman reported that the District will be replacing approximately 50 trees and a vast amount of sod primarily due to pet damage. The District's landscaping contractor EDI, Inc has started the project and is expected to complete the work in approximately 30 days.

Streetscaping Improvements, Blocks 4, 5, and 6: Mr. Beckman reported that the District will be updating the streetscapes on blocks 4, 5, and 6 at the same time as the tree and sod replacements. The improvements will reduce the overall sod area and are intended to provide a more pet traffic resilient streetscape.

**CONSTRUCTION /
DEVELOPMENT
MATTERS**

Director Bertron noted that all of the public improvements to be constructed by the Developer are nearly complete.

**BOARD MEMBER
ITEMS**

There were no Board member items.

OTHER ITEMS

There were no other items.

ADJOURNMENT

There was no other business to come before the Board and the meeting was adjourned.

The foregoing record constitutes a true and correct copy of the Minutes of the above referenced meeting.



~~President~~ Assistant Secretary

Assistant Secretary