

MINUTES OF AN ORGANIZATIONAL MEETING OF THE
BOARDS OF DIRECTORS

OF

SPRING HILL METROPOLITAN DISTRICT NOS. 1-4

Held: Monday, June 13, 2022, via teleconference.

Attendance

The organizational meeting referenced above was called and held in accordance with the applicable statutes of the State of Colorado. The following Directors, having confirmed their qualifications to serve, were in attendance:

Sarah Hunsche
Corey Elliott
Christopher Elliott
Christian M. Janke

Also present were Megan J. Murphy, Esq., White Bear Ankele Tanaka & Waldron, District General Counsel and Gigi Pangindian, CliftonLarsonAllen, LLP, District Accountant.

Call to Order/Declaration of Quorum

Director Hunsche noted that a quorum of the Boards was present and called the meeting to order.

Joint Meeting

The Boards of Directors of the Districts have determined to hold joint meetings of the Districts and to prepare joint minutes of action taken by the Districts in such meetings. Unless otherwise noted herein, all official action reflected in these minutes is the action of each of the Districts. Where necessary, action taken by an individual District will be so reflected in these minutes.

Director Conflict of Interest Disclosures

Ms. Murphy advised the Boards that, pursuant to Colorado law, certain disclosures might be required prior to taking official action at the meeting. Ms. Murphy reported that disclosures for those directors that provided White Bear Ankele Tanaka & Waldron with notice of potential or existing conflicts of interest were filed with the Secretary of State's Office and the Boards at least 72 hours prior to the meeting, in accordance with Colorado law, and those disclosures were acknowledged by the Boards. Ms. Murphy inquired into whether members of the Boards had any additional disclosures of potential or existing conflicts of interest with regard to any matters scheduled for discussion at the meeting. No

additional disclosures were noted. The participation of the members present was necessary to obtain a quorum or to otherwise enable the Boards to act.

Approval of Agenda

Ms. Murphy reviewed the proposed agenda with the Boards. Following discussion, upon a motion duly made and seconded, the Boards unanimously approved the agenda.

Consider Appointment of Officers

The Boards engaged in general discussion regarding the Appointment of Officers. Following discussion, upon a motion duly made and seconded, the Boards unanimously appointed the following officer positions:

- Sarah Hunsche – President
- Corey Elliott – Secretary
- Christian M. Janke – Treasurer
- Christopher Elliott – Assistant Secretary

Public Comment

None.

Consent Agenda

Ms. Murphy reviewed the items on the consent agenda with the Boards. Ms. Murphy advised the Boards that any item may be removed from the consent agenda to the regular agenda upon the request of any director. Upon a motion duly made and seconded, the following items on the consent agenda were unanimously approved, acknowledged, ratified and adopted:

- Resolution Designating the District’s 24-Hour Posting Location;
- Public Records Request Policy;
- Resolutions Adopting the Colorado Special District Records Retention Schedule;
- Notice to Electors § 32-1-809, C.R.S.;
- Recording of Special District Public Disclosure Documents as required by § 32-1-104.8, C.R.S.;
- Electronic Signature Policy;
- Disclosure Notice Required by Service Plan; and
- Intergovernmental Agreement with the Town of Erie Regarding the Service Plan.

Insurance & Liability

Consider Adoption of Resolution Providing for the Defense and Indemnification of Directors and Employees of the Districts

Ms. Murphy presented the Resolution Providing for the Defense and Indemnification of Directors and Employees of the Districts to the Boards. Following discussion, upon a motion duly made and seconded, the Boards unanimously adopted the Resolution Providing for the Defense and Indemnification of Directors and Employees of the Districts.

Discuss Director Liability Issues and Memorandum Re: Crime Coverage, Fidelity Bonds and Designated Agent Endorsements

The Boards reviewed the memorandum. No action taken.

Discuss Insurance Requirements (public official's liability, general liability, workers' compensation, comprehensive crime) and Consider Adoption of Resolution Approving an IGA with the Colorado Special Districts Property and Liability Pool and Authorize Membership in the Special District Association

The Boards engaged in discussion regarding general liability and property schedule and limits. Following discussion, upon a motion duly made and seconded, the Boards unanimously directed legal counsel to bind property and liability coverage, with no excess liability insurance, approved the Resolution Approving an IGA with the Colorado Special Districts Property and Liability Pool, and authorized membership in the Special District Association.

Consider Approval of Agency Services Agreement with T. Charles Wilson Insurance Services

The Boards engaged in discussion regarding the Agency Services Agreement with T. Charles Wilson Insurance Services. Following discussion, upon a motion duly made and seconded, the Boards determined not to engage an insurance broker at this time.

Discuss BMO Worker's Compensation Coverage and Consider Authorizing Filing of Exclusion of

The Boards engaged in discussion regarding BMO Worker's Compensation Coverage proposals. Following discussion, upon a motion duly made and seconded, the Boards unanimously approved BMO Worker's Compensation Coverage.

Uncompensated Public
Officials

**Engagement of
Consultants**

Consider Approval of
Engagement Letter with
White Bear Ankele Tanaka
& Waldron for Legal
Services

Ms. Murphy presented the Engagement Letter with White Bear Ankele Tanaka & Waldron to the Boards. Ms. Murphy stated as she is not independent as to the engagement, the Boards are advised to have separate legal counsel review the engagement letters. The Boards declined to engage separate legal counsel to review the letters. Following discussion, upon a motion duly made and seconded, the Boards unanimously approved the engagement.

Consider Approval of
Engagement Letter with
CliftonLarsonAllen LLP for
Accounting Services

Ms. Pangindian presented the Engagement Letter with CliftonLarsonAllen, LLP. Following discussion, upon a motion duly made and seconded, the Boards unanimously approved the engagement with CliftonLarsonAllen, LLP for Accounting Services.

Consider Approval of
Contract with Heather Sosa
for Website Design

Ms. Murphy presented the Contract with Heather Sosa for Website Design Services. Following discussion, upon a motion duly made and seconded, the Boards unanimously approved the Contract with Heather Sosa for Website Design Services.

Legal Matters

Consider Adoption of 2022
Annual Administrative
Resolution

Ms. Murphy reviewed the 2022 Annual Administrative Resolution with the Boards. Following discussion, upon a motion duly made and seconded, the Boards unanimously approved the 2022 Annual Administrative Resolution.

Discussion Regarding
Operations and Maintenance
of Districts

The Boards engaged in discussion regarding the Operations and Maintenance of the Districts. Following discussion, it was determined that District No. 4 will be primarily responsible for operations and maintenance and District No. 3 will issue debt with the pledge of revenues from District Nos. 1 & 2.

Consider Approval of
Funding and
Reimbursement Agreement
with ME Erie LLC

Ms. Murphy presented the Funding and Reimbursement Agreement with ME Erie LLC to the Board of District No. 4. Following discussion, upon a motion duly made and seconded, the Board of District No. 4 unanimously approved the Funding and Reimbursement with ME Erie LLC subject to final review by Director Chris Elliott and legal counsel.

Discussion Regarding
Public Improvements
Acquisition and
Reimbursement Agreement
with ME Erie LLC

Deferred.

Financial Matters

Consider Approval of
Execution of (1) Form SS-4
Application for Federal
Employer Identification
Number; (2) Application for
Colorado Sales Tax
Exemption Number; and (3)
Application for Assignment
of PDPA Number

Ms. Murphy presented the Form SS-4 Application for Federal Employer Identification Number, Application for Colorado Sales Tax Exemption Number, and Application for Assignment Of PDPA Number (the “Applications”) to the Boards. Following discussion, upon a motion duly made and seconded, the Boards unanimously approved the Applications.

Discuss and Consider
Establishment of Bank
Account and Authorize
Signers on the Account
(with all checks requiring
two signatures)

The Boards engaged in general discussion regarding the establishment of bank accounts and authorizing signers on the accounts. Following discussion, upon a motion duly made and seconded, the Boards unanimously authorized establishing bank accounts at Fortis Bank and approved Directors Hunsche and Director Corey Elliott as authorized signers on the account.

Conduct Public Hearing on
2022 Budget (District No. 1)

Director Hunsche opened the public hearing on the proposed 2022 Budget. Ms. Murphy noted that the notice of public hearing was provided in accordance with Colorado law. No written objections have been received prior to the meeting. There being no public comment, the hearing was closed.

Consider Adoption of
Resolution Adopting 2022
Budget (District No. 1)

The Board of District No. 1 reviewed the 2022 Budget and Budget Resolution. Following discussion, upon a motion duly made and seconded, the Board of District No. 1 unanimously adopted the Resolution Adopting 2022 Budget and requested the 2022 Budget be modified to \$0 prior to filing.

Conduct Public Hearing on
2022 Budget (District No. 2)

Director Hunsche opened the public hearing on the proposed 2022 Budget. Ms. Murphy noted that the notice of public hearing was provided in accordance with Colorado law. No written objections have been received prior to the meeting. There being no public comment, the hearing was closed.

Consider Adoption of Resolution Adopting 2022 Budget (District No. 2)

The Board of District No. 2 reviewed the 2022 Budget and Budget Resolution. Following discussion, upon a motion duly made and seconded, the Board of District No. 2 unanimously adopted the Resolution Adopting 2022 Budget.

Conduct Public Hearing on 2022 Budget (District No. 3)

Director Hunsche opened the public hearing on the proposed 2022 Budget. Ms. Murphy noted that the notice of public hearing was provided in accordance with Colorado law. No written objections have been received prior to the meeting. There being no public comment, the hearing was closed.

Consider Adoption of Resolution Adopting 2022 Budget (District No. 3)

The Board of District No. 3 reviewed the 2022 Budget and Budget Resolution. Following discussion, upon a motion duly made and seconded, the Board of District No. 3 unanimously adopted the Resolution Adopting 2022 Budget.

Conduct Public Hearing on 2022 Budget (District No. 4)

Director Hunsche opened the public hearing on the proposed 2022 Budget. Ms. Murphy noted that the notice of public hearing was provided in accordance with Colorado law. No written objections have been received prior to the meeting. There being no public comment, the hearing was closed.

Consider Adoption of Resolution Adopting 2022 Budget (District No. 4)

The Board of District No. 4 reviewed the 2022 Budget and Budget Resolution. Following discussion, upon a motion duly made and seconded, the Board of District No. 4 unanimously adopted the Resolution Adopting 2022 Budget and requested the 2022 Budget be modified to \$50,000 in expenditures prior to filing.

Other Financial Matters

None.

Other Business

The Boards determined to cancel the June Regular Meeting.

Adjournment

There being no further business to come before the Boards and following discussion, upon a motion duly made, the Boards unanimously determined to adjourn the meeting.

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

Corey Elliott

Secretary for the Meeting

The foregoing minutes were approved by the Boards of Directors on the 28th day of July, 2022.