

## RECORD OF PROCEEDINGS

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### MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE SILVER PEAKS EAST METROPOLITAN DISTRICT HELD DECEMBER 3, 2020

A special meeting of the Board of Directors (the “Board”) of the Silver Peaks East Metropolitan District (the “District”) was convened on Thursday, the 3rd day of December, 2020, at 4:00 P.M. Due to concerns regarding the spread of the Coronavirus (COVID-19) and the benefits to the control of the spread of the virus by limiting in-person contact, this District Board meeting was held by Zoom call. The meeting was open to the public via Zoom call.

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#### **ATTENDANCE**

##### **Directors In Attendance Were:**

Harvey E. Deutsch  
Steve A. Steele  
Michael Blumenthal (via speakerphone)

##### **Also In Attendance Were:**

Judy Leyshon; Special District Management Services, Inc.

MaryAnn M. McGeady, Esq. and Samantha Lillehoff, Esq.; McGeady Becher, P.C

Matthew Ruhland Esq., Collins, Cockrel & Cole P. C.

Alex Fink; CliftonLarsonAllen LLP

James Brown Esq., James E. Brown & Associates, P. C.

Michael Cannon and Michael Bird; Board Candidates

Mark Fields; Melody Homes, Inc.

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#### **DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST**

The Board discussed the requirements pursuant to the Colorado Revised Statutes to disclose any potential conflicts of interest or potential breaches of fiduciary duty to the Board and to the Secretary of State. Attorney McGeady noted that a quorum was present and requested members of the Board 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 the statute.

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Attorney McGeady noted that all Directors' Disclosure Statements had been filed.

### **ADMINISTRATIVE MATTERS**

**Engagement of Collins Cockrel and Cole P.C. as District General Counsel:**  
Deferred.

**Acceptance of the resignation of McGeady Becher P.C. as District General Counsel:**  
Deferred.

**Consideration of Board Appointment After Publication of Notice of Vacancy:** It was noted that pursuant to Section 32-1-808(2)(a)(I), C.R.S., publication of a Notice of Vacancy on the Board was made on September 16, 2020 in the Fort Lupton Press. No Letters of Interest from qualified eligible electors were received within ten (10) days of the date of such publication.

As such, following discussion and upon motion duly made by Director Blumenthal, seconded by Director Steele to nominate Michael Bird and Michael Cannon to fill the vacant Board terms and, upon vote, unanimously carried, the Board appointed Michael Bird and Michael Cannon to fill the vacant Board terms. The Oath of Director was administered.

**Appointment of Officers:** The Board entered into discussion regarding the appointment of officers.

Following discussion, upon motion duly made by Director Blumenthal, seconded by Director Steele and, upon vote, unanimously carried, the following officers were appointed:

President	Harvey Deutsch
Treasurer	Steve Steele
Secretary	Judy Leyshon
Assistant Secretary	Michael Blumenthal
Assistant Secretary	Michael Bird
Assistant Secretary	Michael Cannon

**Agenda:** Ms. Leyshon distributed for the Board's review and approval a proposed Agenda for the District's special meeting.

Following discussion, upon motion duly made by Director Deutsch, seconded by Director Steele and, upon vote, unanimously carried, the Agenda was approved, as amended.

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**Approval of Meeting Location:** The Board entered into a discussion 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 Deutsch, seconded by Director Steele and, upon vote, unanimously carried, the Board determined that because there was not a suitable or convenient location within its boundaries, or within the County in which the District is located, or within twenty (20) miles from the District boundaries to conduct this meeting, it was determined to conduct the meeting at the above-stated location. The Board further noted that notice of the time, date and location was duly posted and that they have not received any objections to the location or any requests that the meeting place be changed by taxpaying electors within its boundaries.

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### **PUBLIC COMMENTS**

There was no public comment.

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### **CONSENT AGENDA**

**Consent Agenda:** The Board considered the following actions:

- Review and consider approval of the November 18, 2019 Special Meeting Minutes.
- Ratify approval of Third Amendment to 2016-2017 Operation Funding Agreement by and between the District and LOB LLC.
- Rescind prior approval of Intergovernmental Agreement regarding Storm Drainage by and between the District and South Beebe Draw Metropolitan District.
- Rescind prior acknowledgement of Special Warranty Deed from LOB LLC to the District (conveyance of Tracts AA, BB, CC, DD, EE, FF, GG, II, JJ, KK, LL and MM to the District).
- Rescind prior approval of the Easement Agreement (Silver Peaks East Storm Drainage Facilities) by and between the District and South Beebe Draw Metropolitan District.
- Rescind prior approval of Canal Crossing Agreement by and among the District, LOB, LLC and The Farmers Reservoir and Irrigation Company.

Following discussion, upon motion duly made by Director Deutsch, seconded by Director Steele and, upon vote, unanimously carried, the Board approved the Consent Agenda, as presented.

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### **FINANCIAL MATTERS**

**Cost Verification:** Mr. Fink discussed with the Board the cost verification Report for District Capital Project and Operating Costs Paid by LOB LLC, prepared by CliftonLarsonAllen LLP.

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Following discussion, upon motion duly made by Director Deutsch, seconded by Director Steele and, upon vote, unanimously carried, the Board accepted the Report for District Capital Project and Operating Costs Paid by LOB LLC, prepared by CliftonLarsonAllen LLP.

**2019 Application for Exemption from Audit:** The Board discussed the preparation, execution and filing of the 2019 audit.

Following discussion, upon motion duly made by Director Deutsch, seconded by Director Steele and, upon vote, unanimously carried, the Board ratified the approval for the District Accountant to prepare, execute and file the Application for Exemption from Audit for 2019.

**Schedule of Cash Position:** Mr. Fink reviewed with the Board the schedule of cash position of the District for the period ending December 31, 2019, updated as of September 30, 2020.

Following review, upon motion duly made by Director Deutsch, seconded by Director Steele and, upon vote, unanimously carried, the schedule of cash position of the District for the period ending December 31, 2019, updated as of September 30, 2020 were accepted.

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### **LEGAL MATTERS**

**Intergovernmental Agreement Regarding Storm Drainage:** Attorney McGeady discussed with the Board the Intergovernmental Agreement regarding Storm Drainage by and between the District and South Beebe Draw Metropolitan District (the “Intergovernmental Agreement”).

Following review, upon motion duly made by Director Deutsch, seconded by Director Steele and, upon vote, unanimously carried, the Board approved the Intergovernmental Agreement.

**Acknowledge Special Warranty Deed from LOB LLC to the District (conveyance of Tracts AA, BB, CC, and MM of Amendment No. 2, Silver Peaks Filing No. 1, County of Weld, State of Colorado and Tracts DD, EE, FF, GG, HH, and LL of Silver Peaks Filing No. 1, Amendment 3, County of Weld, State of Colorado to the District):** The Board acknowledged the Special Warranty Deed from LOB LLC to the District (conveyance of Tracts AA, BB, CC, and MM of Amendment No. 2, Silver Peaks Filing No. 1, County of Weld, State of Colorado and Tracts DD, EE, FF, GG, HH, and LL of Silver Peaks Filing No. 1, Amendment 3, County of Weld, State of Colorado to the District).

**Status of Revised Plat:** Attorney Ruhland reported the Platt has been approved and signed off by the Town.

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**Easement Agreement (Silver Peaks East Storm Drainage Facilities) by and between the District and South Beebe Draw Metropolitan District:** The Board discussed the Easement Agreement (Silver Peaks East Storm Drainage Facilities) by and between the District and South Beebe Draw Metropolitan District (the “Easement Agreement”).

Following discussion, upon motion duly made by Director Deutsch, seconded by Director Steele and, upon vote, unanimously carried, the Board authorized the execution of the Easement Agreement.

**Canal Crossing Agreement by and between the District, LOB LLC, and the Farmers Reservoir and Irrigation Company (“FRICO”) (“Canal Crossing Agreement”):** The Board discussed the Canal Crossing Agreement by and between the District, LOB LLC, and the Farmers Reservoir and Irrigation Company (“FRICO”) (the “Canal Crossing Agreement”).

Following discussion, upon motion duly made by Director Deutsch, seconded by Director Steel, and upon vote, unanimously carried, the Board authorized execution of the Canal Crossing Agreement.

**Ditch Easement Agreement:** Following discussion, the Board deferred amendment of the Ditch Easement Agreement between the District and FRICO.

**Intergovernmental Agreement Partial Assignment Concerning Maintenance of Certain Speer Canal Crossing Improvements by and between the Town of Lochbuie and the District:** Following discussion, the Board deferred discussion of this matter.

**Any reimbursement otherwise owing under the Operation Funding Agreement by and between the District and LOB LLC, as amended, and the Facilities Funding and Acquisition Agreement by and between the District and LOB LLC to Melody Homes, Inc.:** Following discussion, the Board deferred discussion of this matter.

**Termination of Operation Funding Agreement by and between the District and LOB LLC:** Following discussion, the Board deferred discussion of this matter.

**Termination of Facilities Funding and Acquisition Agreement by and between the District and LOB LLC:** Following discussion, the Board deferred discussion of this matter.

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**Cost Sharing Agreement for WCR2 Crossing by and between LGI Homes – Colorado, LLC and the District:** Following discussion, the Board decided to remove this item from further discussion.

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### **OTHER MATTERS**

**Resignations of Directors Blumenthal, Deutsch and Steele from the Board of Directors:** There were no resignations noted at this meeting.

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### **ADJOURNMENT**

There being no further business to come before the Board at this time, upon motion duly made by Director Deutsch, and seconded by Director Steele and, upon vote, unanimously carried, the meeting was continued to December 9, 2020 at 4:00 PM.

Respectfully submitted,

By:   
Secretary for the Meeting