

RECORD OF PROCEEDINGS

MINUTES OF THE COORDINATED REGULAR MEETING OF SOUTHSHORE METROPOLITAN DISTRICT NOS. 1 AND 2 HELD OCTOBER 11, 2022

A Coordinated Regular Meeting of the Boards of Directors of the Southshore Metropolitan District No. 1 (“**District No. 1**”) and Southshore Metropolitan District No. 2 (“**District No. 2**” and collectively with District No. 1, the “**Districts**”) was held on October 11, 2022 at 3:00 p.m. The Meeting was held by virtual attendance on Zoom at <https://us02web.zoom.us/j/86943680229>, (669) 900-9128 or (346) 248-7799 or (646) 558-8656 or (253) 215-8782 or (301) 715-8592 or (312) 626-6799.

ATTENDANCE

Directors in Attendance were:

P. Joseph Knopinski, Vice President/Secretary, **District No. 1**
Kevin Stadler, Vice President/Secretary, **District Nos. 1 and 2**
Ryan Zent, President, **District Nos. 1 and 2**
Aaron L. Clutter, Vice President/Assistant Secretary/Treasurer,
District No. 1

Absent (excused):

None.

Also in Attendance were:

Cathy Hamilton of Simmons & Wheeler
Doug Richter of Earnweald Consulting Services, LLC
David A. Greher of Cockrel Ela Glesne Greher & Ruhland, P.C. (“**CEGR**”)
Sarah H. Luetjen of CEGR

CONFLICTS OF INTEREST

Director Knopinski disclosed that he formerly provided consulting services to Southshore Recovery Acquisition, LLC (“**SSRA**”), which has ownership and/or investment interests in the property within the Districts

None of the other Directors have advised of any potential current conflict of interest for this meeting. A statement of related interests was previously filed with the Board and Secretary of State for Director Knopinski. All disclosures of potential conflict of interest statements previously filed are deemed continuing for all purposes and are incorporated into the record of the meeting.

NOTICE

Mr. Greher stated that Notice had been properly posted at least 24 hours prior to the meeting on the Districts' website. Mr. Greher confirmed that such Notice was also placed at the entrance of the Lakehouse, Lighthouse and sent to the City of Aurora Clerk. The certification of posting is attached hereto. The notice also included the agenda items.

SEPTEMBER 13,
2022 MINUTES

The Boards of District Nos. 1 and 2 considered the Minutes of the September 13, 2022 Coordinated Regular Board meeting. After discussion and upon motion duly made, seconded and unanimously carried, the Minutes of District Nos. 1 and 2 Joint Board meeting were approved as presented.

PUBLIC COMMENT

None.

APPOINTMENT TO
FILL BOARD
VACANCIES

The Board discussed potential candidates interested in serving on the Board. This topic was tabled until the next scheduled meeting. No action was taken.

ELECTION OF
OFFICERS

Tabled. No action was taken.

STATUS OF AUDIT

Ms. Hamilton informed the Board that Fiscal Focus Partners is in the process of finalizing District No. 1's 2020 Audit and that this should be filed with the State Auditor by the end of October. Once filed, Wipfli will then start work on District No. 1's 2021 Audit.

ENGAGEMENT OF
WIPFLI, 2021
AUDITS

Ms. Hamilton discussed the engagement of Wipfli to conduct the 2021 Audit for both Districts. After discussion and upon motion duly made, seconded and unanimously carried, the engagement of Wipfli to conduct the audits was ratified.

ACCOUNTANT'S
REPORT

Ms. Hamilton reviewed the financials with the Board of each District. She then presented a list of checks to ratify and invoices to be approved.

Following discussion, motions were made, seconded and unanimously carried, the Board of District No. 1 (a) approved and confirmed the disbursements as presented and (b) approved the checks.

REQUISITION,
DISTRICT NO. 1

No action taken.

RESOLUTION
ACCEPTING
ENGINEER
REPORT AND
REQUESTING
REQUISITION

No action taken

REQUISITION
REQUESTS FOR
DISTRICT NO. 1

No action taken.

DISTRICT
ENGINEER'S
REPORT

Mr. Richter noted that there was very little to report. Director Stadler noted that the Lighthouse fence was approved in August and he has met with the fencing company about various revisions and relocation of the gate to include a new exit area. He then noted that the community will need to have access and a solution must be found.

EXECUTIVE
SESSION

Upon motion duly seconded and unanimously approved, the Boards of District No. 1 and District No. 2 voted that the regular meeting of the Boards be temporarily adjourned and that each Board reconvene in Executive Session pursuant to Section 24-6-402(4)(b), C.R.S., to confer with District Counsel to obtain legal advice regarding the Districts' contractual obligations, contract offers, current litigation matters, construction matters, audit matters, transfers of assets, possible dissolution of District No. 1 and related issues. The Board temporarily adjourned the regular meeting at 3:31 p.m. and reconvened in Executive Session.

The Board concluded the Executive Session and reconvened in regular session at 3:47 p.m.

ACTION ON
MATTERS
DISCUSSED IN
EXECUTIVE
SESSION

None.

UNDERDRAIN
ISSUE

Director Stadler informed the Board that he and Director Clutter are working on maintenance issues. The oil and gas proceeds will help fund the maintenance. Mr. Richter noted that with these funds they can begin cleaning the underdrain out and states that they have a 3-5-year plan for completion of the cleanout of all underdrains.

Director Stadler than discussed the fence replacement. A mason came out to the property to assess the fence. Director Stadler noted that he would like to move forward next year Mr. Richter will follow up and report back to the Board.

AXIS LEASE

Mr. Greher stated that he will review the latest version of the Axis Oil and Gas Lease and noted that what is presented today is in substantial form. After discussion and upon motion duly made, seconded and unanimously carried, the Board authorized President Zent to sign the Axis Oil and Gas Lease, subject to final review and revisions.

CITY OF AURORA
REQUEST

Mr. Greher discussed the City of Aurora's request for information regarding metropolitan districts. Upon motion duly made, seconded and unanimously carried, the Board authorized Mr. Greher to compile materials and provide a response to the City of Aurora.

DISSOLUTION OF
DISTRICT NO. 1

Tabled. No action was taken.

LIGHTHOUSE USE

Director Stadler noted the HOA is currently seeking advice from their legal counsel regarding the Lighthouse Usage Agreement. Director Stadler then stated the HOA will bring this Agreement to their Board for review and approval at their October 12, 2022 meeting.

OTHER MATTERS

None.

ADJOURNMENT

There being no other matters to come before the Board, the meeting was adjourned at 4:05 p.m.

Respectively submitted,



David A. Greher, Secretary for the meeting

APPROVED

DocuSigned by:

Joe Knopinski

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P. Joseph Knopinski

DocuSigned by:

Kevin Stadler

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Kevin Stadler

DocuSigned by:

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885E00F1BE514B0...

Ryan Zent

DocuSigned by:

Aaron Clutter

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Aaron Clutter

Pursuant to Section 24-6-402(2)(d.5)(I)(B), C.R.S., I hereby attest that I am the attorney of the Districts, that I was in attendance during the Joint Executive Session of the Boards of the Districts convened on October 11, 2022, and that the discussion during the Executive Session constituted a privileged attorney-client communication for which no record is required to be kept by law.



David A. Greher, General Counsel

AGENDA
OF THE COORDINATED
REGULAR MEETING OF
SOUTHSHORE METROPOLITAN DISTRICT NO. 1
AND
SOUTHSHORE METROPOLITAN DISTRICT NO. 2

Time: Tuesday, October 11, 2022, 3:00 p.m.

Location:

This meeting will be held via Zoom and may be joined using the following link:

<https://us02web.zoom.us/j/86943680229>

Or join by phone:

Dial (for higher quality, dial a number based on your current location):

US: +1 312 626 6799 or +1 646 558 8656 or +1 301 715 8592 or +1 253 215 8782 or +1
346 248 7799 or +1 669 900 9128

Webinar ID: 869 4368 0229

AGENDA

1. Disclosures of any potential conflicts of interest.
2. Approval of Minutes of September 13, 2022 Regular Meeting. **(District Nos. 1 and 2)**
3. Public Comment.
4. Appointment(s) to fill Board vacancies. **(District No. 2)**
5. Election of officers **(District No. 2)**
6. Discuss status of 2020 Audit. **(District No. 1)**.
7. Ratify engagement of Haynie & Company to complete 2021 Audit. **(District No. 2)**.
8. Accountant's Report and review of financials and claims payable. **(District Nos. 1 and 2)**
9. Accountant's Report and review and consideration of District construction and operating expenditures including one or more construction requisition requests. **(District No. 1)**

10. Resolutions Accepting Engineer's Report and Requesting Requisition of Funds. **(District No. 1)**
11. Review Requisition requests from District No. 1 and adopt Resolutions accepting Request to Requisition of Funds. **(District No. 2)**
12. District Engineer's Report. **(District Nos. 1)**
13. Executive Session under Section 24-6-402(4)(b), C.R.S., to confer with District Counsel to obtain legal advice regarding the Districts' contractual obligations, contract offers, current litigation matters, construction matters, audit matters, transfers of assets, possible dissolution of District No. 1 and related issues. **(District Nos. 1 and 2)**
14. Possible action on matters discussed in Executive Session. **(District Nos. 1 and 2)**
15. Discussion of underdrain issue. **(District No. 1)**
16. Ratify final form of Axis Lease. **(District Nos. 1 and 2)**
17. Discuss City of Aurora Request for Information regarding Metropolitan Districts. **(District Nos. 1 and 2)**
18. Discuss Take possible action related to District No. 1 Dissolution. **(District Nos. 1 and 2)**
19. Discuss Lighthouse use and related fencing proposal. **(District Nos. 1 and 2)**
20. Discuss replacement of failing exterior fencing. **(District Nos. 1 and 2)**
21. Any other matter that may come before the Board.

This meeting is open to the public.

SOUTHSHORE METROPOLITAN DISTRICT NO. 1

SOUTHSHORE METROPOLITAN DISTRICT NO. 2

By /s/ Ryan Zent
Ryan Zent, President

I hereby certify that a copy of the foregoing Agenda of Regular Meeting of Southshore Metropolitan District No. 1 and Regular Meeting of Southshore Metropolitan District No. 2 was, by me personally, posted on the Districts' website at least 24 hours prior to the meeting.

I hereby certify that a copy of the foregoing Agenda of Regular Meeting of Southshore Metropolitan District No. 1 and Regular Meeting of Southshore Metropolitan District No. 2 was, by me personally, posted on the front doors of the Lighthouse and Lakehouse at least 24 hours prior to the meeting.


