

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

Time: Tuesday, March 9, 2021, 3:00 p.m.

Location:

DUE TO THE PANDEMIC, THE COORDINATED REGULAR MEETING OF THE BOARDS OF DIRECTORS OF SOUTHSHORE METROPOLITAN DISTRICT NO. 1 AND SOUTHSHORE METROPOLITAN DISTRICT NO. 2 WILL BE HELD VIRTUALLY VIA ZOOM.

PLEASE VISIT THE FOLLOWING LINK TO JOIN THE MEETING:

<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

Disclosures of any potential conflicts of interest.

1. Approval of Minutes of February 9, 2021 Regular Meeting. **(District Nos. 1 and 2)**
2. Public Comment.
3. Status report by Board Chairman. **(District Nos. 1 and 2)**
4. Discuss District No. 1 Vacancy. **(District No. 1)**
5. Accountant's Report and review of financials and claims payable. **(District Nos. 1 and 2)**
6. Accountant's Report and review and consideration of District construction and operating expenditures including one or more construction requisition requests in the aggregate approximate amount of \$827,247.14. **(District No. 1)**

7. Resolutions Accepting Engineer's Report and Requesting Requisition of Funds. **(District No. 1)**
8. Review Requisition requests from District No. 1 and adopt Resolution accepting Request to Requisition of Funds. **(District No. 2)**
9. March 2, 2021 Election Update. **(District No. 2)**
10. Executive Session under Section 24-6-402(4)(b), C.R.S., to confer with District Counsel to obtain legal advice regarding District inclusions and on acceptance of Quitclaim Deed and Bill of Sale related to drainage line easement. **(District Nos. 1 and 2)**
11. Possible action on matters discussed in Executive Session.
12. 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/ Jerry B. Richmond, III

Jerry B. Richmond, III, Chairman

RECORD OF PROCEEDINGS

MINUTES OF THE COORDINATED REGULAR MEETING OF SOUTHSHORE METROPOLITAN DISTRICT NOS. 1 AND 2 HELD FEBRUARY 9, 2021

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 January 12, 2021 at 3:00 p.m. Due to public health concerns, 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:

Jerry B. Richmond, III, Chairman, **District Nos. 1 and 2**

P. Joseph Knopinski, Vice President/Secretary/Treasurer, **District No. 1**

Kurtis W. Williams, Vice President/Assistant Secretary/Treasurer, **District No. 1**

Aaron L. Clutter, Vice President/Assistant Secretary/Treasurer, **District No. 1**

Nathan Kennedy, Vice President/Assistant Secretary/Treasurer, **District No. 2**

Kevin Stadler, Vice President/Secretary, **District No. 2**

Ryan Zent, Vice President/Assistant Secretary/Treasurer, **District No. 2**

Nathan Fogg, Vice President/Treasurer, **District No. 2**

Absent (excused):

Brock Chapman, Vice President/Assistant Secretary/Treasurer, **District No. 1**

Also in Attendance were:

Cathy Hamilton of Simmons & Wheeler

David A. Greher of Collins Cockrel & Cole (“**CCC**”)

Sarah H. Luetjen of CCC

Doug Richter of Earnweald Consulting Services, LLC
Members of the public

CONFLICTS OF
INTEREST

Chairman Richmond disclosed that he is an employee of RainTree Investment Corporation (“**RainTree**”), which is the exclusive agent for Paulson Property Management, LLC (“**Paulson**”), which has significant ownership and/or investment interests in the property within the Districts through its subsidiary Southshore Recovery Acquisition, LLC (“**SSRA, LLC**”), and further disclosed that he is the Secretary of the Southshore Master Association, Inc., the homeowners association for the community within the Districts’ boundaries.

Director Knopinski disclosed that he provides consulting services to SSRA, LLC.

Directors Clutter and Williams disclosed that they are officers and employees of J.R. Engineering, LLC (“**JR Engineering**”), which is a consultant of SSRA, LLC and which have entered into a Construction and Management Services Agreement with District No. 1. Directors Clutter and Williams further stated that input in matters related to the requisition of project funds from the proceeds of bonds issued by District No. 1 to pay JR Engineering for services performed under the Construction Management Contract, to be discussed later in this meeting, represents a conflict of interest but their participation is necessary to obtain a quorum.

All Directors of District No. 1 present stated that their participation in the meeting was necessary to obtain a quorum of the Board of District No. 1 or otherwise enable the Board to act; that written disclosures of such potential conflicts of interest had been filed with the Board and the Secretary of State in accordance with statutory requirements; and that the nature of their private interests related to employment relationships as set forth above.

After each Director had summarily stated for the record the fact and nature of his private interests and had further stated that the determination to participate in voting or take any other action on any contract or other matter in which he may have a private interest would be made in compliance with Section 24-18-201(1)(b)(V), C.R.S., on an ad hoc basis, the Board turned its attention to the agenda items.

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 and sent to the City of Aurora Clerk. The certification of posting is attached hereto. The notice also included the agenda items.

JANUARY 21,
2021 MINUTES

The Boards of District Nos. 1 and 2 considered the Minutes of the January 21, 2021 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

A member of the public asked if there will be public programming at the fitness center. Chairman Richmond discussed the fitness center's partnership with Vasa Fitness.

REGULAR
MEETING
DATES, TIME
AND LOCATION

Mr. Greher reviewed the Resolutions Establishing Meeting Date, Time and Location for each District. Upon discussion, upon motion duly made, seconded and unanimously carried, the Board approved such resolution for each District and has noted that the Boards will hold regular meetings at the offices of Simmons & Wheeler, P.C., 304 Inverness Way South, Suite 490, Englewood, Colorado 80112 (provided that meetings will continue to be held virtually while the public health emergency exists) on the second Tuesday of every month at 3:00 p.m.

STATUS REPORT

Chairman Richmond updated the Board on current activities and discussed the following:

The Recreation Center has been drywalled and they are currently finishing the basement. The pool and playground have been completed and the larger pool is not quite complete. The Recreation Center is still on target to open on time. A total of 257 homes closed last year. The community continues to grow and is the 11th fastest

selling community in the area. The community is also in the top five or six in the area for sales price. Mr. Stadler provided an update on the new school being built by the Cherry Creek School District. The School District will be breaking ground at the north end of the community with the elementary school opening for the 2022/2023 school year.

ACCOUNTANTS
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
NO. 13

Ms. Hamilton presented to the Board of District No. 1 Requisition No. 13, for payment under the Series 2020A-1, Series 2020A-2, and Series 2020B Bonds, in the amount of \$184,911.98 payable to the following parties in the correspondence amounts:

- JR Engineering, LLC - \$1,056.00
- Environmental Landworks Company, Inc.- \$18,671.77
- Environmental Landworks Company, Inc.- \$163,841.21
- A.G. Wassenaar, Inc. - \$1,343.00

Following discussion, a motion was made and seconded, and the Board of District No. 1 approved the Requisition as presented.

RESOLUTION
ACCEPTING
ENGINEER
REPORT AND
REQUESTING
REQUISITION
NO. 13

Following discussion, a motion was made, seconded and unanimously carried, the Board ratified the Resolution of District No. 1 Requesting District No. 2 to Approve Requisitions, a copy of which is attached hereto and incorporated herein by this reference.

REQUISITION
NO. 20

Ms. Hamilton presented to the Board of District No. 1 Requisition No. 20 for payment under the Metro District Escrow Improvements Agreement, in the amount of \$50,249.89 payable to the following parties in the correspondence amounts:

- Earnweald Consulting Services, LLC - \$8,450.00
- CMS Environmental Solutions, LLC - \$1,932.50
- Environmental Landworks Company, Inc.- \$36,342.89
- Powell Restoration, Inc. - \$1,310.00
- A.G. Wassenaar, Inc. - \$2,214.50

Following discussion, a motion was made and seconded, and the Board of District No. 1 approved the Requisition as presented.

RESOLUTION
ACCEPTING
ENGINEER
REPORT AND
REQUESTING
REQUISITION
NO. 20

Following discussion, a motion was made, seconded and unanimously carried, the Board ratified the Resolution of District No. 1 Requesting District No. 2 to Approve Requisitions, a copy of which is attached hereto and incorporated herein by this reference.

REQUISITION
NO. 2

Ms. Hamilton presented to the Board of District No. 1 Requisition No. 2, for payment under the Series 2020A-1, Series 2020A-2, and Series 2020B Subordinate Bonds, in the amount of \$139,639.08 payable to TRIO, Inc. Following discussion, a motion was made and seconded, and the Board of District No. 1 approved the Requisition as presented.

RESOLUTION
ACCEPTING
ENGINEER
REPORT AND
REQUESTING

Following discussion, a motion was made, seconded and unanimously carried, the Board ratified the Resolution of District No. 1 Requesting District No. 2 to Approve Requisitions, a copy of which is attached hereto and incorporated herein by this reference.

REQUISITION
No. 2

REQUISITION
No. 3

Ms. Hamilton presented to the Board of District No. 1 Requisition No. 3, for payment under the Series 2020A-1, Series 2020A-2, and Series 2020B Subordinate Bonds, in the amount of \$617,050.85 payable to Waner Construction Company. Following discussion, a motion was made and seconded, and the Board of District No. 1 approved the Requisition as presented.

RESOLUTION
ACCEPTING
ENGINEER
REPORT AND
REQUESTING
REQUISITION
No. 3

Following discussion, a motion was made, seconded and unanimously carried, the Board ratified the Resolution of District No. 1 Requesting District No. 2 to Approve Requisitions, a copy of which is attached hereto and incorporated herein by this reference.

REQUISITION
REQUESTS FOR
DISTRICT NO. 1

Following discussion, a motion was made, seconded and unanimously carried, the Board of District No. 2 approved the Resolution of District No. 2 Requesting District No. 1 to Approve Requisition Nos. 2, 3, 13 and 20, in the aggregate amount of approximately \$991,851.80, upon final review of invoices by Director Stadler.

PUBLIC
COMMENT

Todd Wittenberg expressed his concerns with the sump pump and drainage issues from his home to Tracts D and E. Mr. Wittenberg would like to modify the maintenance obligations established under the Easement Agreement dated June 12, 2019 between Southshore Metropolitan District No. 1 and Richmond American Homes of Colorado, Inc to transfer liability from the homeowner to District No. 1.

EXECUTIVE
SESSION

The Boards of District No. 1 and District No. 2 moved 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 District inclusions and possible waiver of easement on drainage line. The Board temporarily adjourned the regular meeting at 3:46 p.m. and reconvened in Executive Session.

The Board then reconvened in regular session at 4:04 p.m.

MAINTENANCE
OBLIGATIONS
FOR TRACTS D
AND E

Following discussion, a motion was made, seconded and unanimously carried, the Board of District No. 1 authorized the District Chairman to endorse any documents approved by general counsel regarding the proviso liability extension.

Doug Richter will go out to the property to inspect the line in the upcoming weeks before the District formally assumes responsibility.

MARCH 2, 2021
ELECTION
STATUS

Ms. Luetjen noted that ballots will be mailed to the electors subject to the proposed inclusion on February 10, 2020.

DISTRICT
LETTERHEAD

Mr. Greher discussed the use of District letterhead. Upon further discussion by the Boards of each District, it was noted that Director Stadler of District No. 2 will work on a design and report back to the Boards at the March meeting.

2020 ANNUAL
REPORT

Mr. Greher reviewed the 2020 annual report with each Board. Following discussion and upon motion duly made, seconded and unanimously carried, the Board ratify the 2020 annual report.

OTHER
MATTERS

None.

ADJOURNMENT

There being no other matters to come before the Board, the meeting was adjourned.

Respectively submitted,

David A. Greher, Secretary for the meeting

APPROVED

Jerry B. Richmond, III

P. Joseph Knopinski

Kurtis W. Williams

Kevin Stadler

Nathan Kennedy

Ryan Zent

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 February 9, 2021, 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