

## RECORD OF PROCEEDINGS

---

### MINUTES OF THE REGULAR MEETING OF SOUTHSHORE METROPOLITAN DISTRICT NO. 2 HELD FEBRUARY 12, 2019

A Regular Meeting of the Board of Directors (the “**Board**”) of the Southshore Metropolitan District No. 2 (the “**District**”) was held at 304 Inverness Way South, Suite 490, Englewood, Colorado, on February 12, 2019 at 10:45 a.m.

---

#### ATTENDANCE

##### Directors in Attendance were:

Jerry B. Richmond, III, Chairman  
P. Joseph Knopinski, Vice President and Secretary/Treasurer  
Aaron L. Clutter, Vice President and Assistant Secretary/Treasurer  
Nathan D. Fogg, Vice President and Assistant Secretary/Treasurer  
Nathan Kennedy, Vice President and Assistant Secretary/Assistant  
Treasurer *\*arrival where noted*

---

##### Absent (excused):

None.

---

##### Also in Attendance were:

Cathy Hamilton of Simmons & Wheeler  
David A. Greher of Collins Cockrel & Cole  
Kurtis Williams, Board member of District No. 1

#### 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 District 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 District's boundaries.

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

Director Clutter disclosed that he is an officer and employee 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 the District. Director Clutter further stated that input in matters related to the requisition of project funds from the proceeds of bonds issued by the District 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 his participation is necessary to obtain a quorum.

All Directors present stated that their participation in the meeting was necessary to obtain a quorum of the Board 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 72 hours prior to the meeting in three public locations within the District's boundaries, including the District's designated posting location. Mr. Greher also confirmed that such Notice was sent to the Arapahoe County Clerk and Recorder for posting. The certification of posting is attached hereto. The notice also included the agenda items.

---

MINUTES

The Board then considered the Minutes of the November 13, 2018 regular Board meeting. After discussion and upon motion duly made, seconded and unanimously carried, the Minutes of the November 13, 2018 Board meeting were approved as presented.

---

REGULAR  
MEETING  
DATES, TIME  
AND LOCATION

Mr. Greher reviewed the Resolution Establishing Meeting Date, Time and Location. Upon discussion, upon motion duly made, seconded and unanimously carried, the Board approved such resolution and has noted that the Board will hold regular meetings at the offices of Simmons & Wheeler, P.C., 304 Inverness Way South, Suite 490, Englewood, Colorado 80112 on the second Tuesday of February, May, August and November at 10:45 a.m.

*\* Director Kennedy then arrived*

---

STATUS REPORT

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

SSRA closed on the sale of 480 lots recently. Filing No. 19, which contains 330 lots, will be platted and ready for sale in June of 2019. There will be 2,100 units total in the community when completed.

The Recreation Center design group will be meeting today to consider final landscaping plans. Financing discussions for the Recreation Center will begin mid-year before the Bond issue. The opening date for the Recreation Center, which includes the pool, will be May of 2021. Four different local breweries will be operating a tap room within the Center: including Dry Dock and Lone Tree Brewing. The furniture has been selected and the fixtures are currently being selected. Chairman Richmond stated that he will provide drawings once the budget is set. The City entitlements process is beginning for the Recreation Center.

The Southshore development is the fifth fastest selling community in the Denver Metro Area: There were 286 sales and 252 closings in 2018.

A Cherry Creek School District funded daycare is being considered for the property adjacent to the school.

The fountain at Powhatan and Smoky Hill is currently on potable water, but is not able to run year-round because of freezing concerns. The fountain will be run as much as possible.

Earthwork is being done at the Ridge and is mostly complete.

There has been nothing new concerning resident feedback on the Next Door website.

The gate near Filing No. 10 (the trail from the reservoir to the lake district) is locked because of City requirements. Chairman Richmond will reach out to City Council and/or Parks and Recreation and Open Space.

---

ACCOUNTANT'S  
REPORT

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

Following discussion, a motion was made, seconded and unanimously carried, the Board approved and confirmed the disbursements as presented.

---

REQUISITION  
REQUESTS FOR  
DISTRICT NO. 1

Following discussion, a motion was made, seconded and unanimously carried, the Board approved the Resolution of District No. 2 Requesting District No. 1 to Approve Requisition Nos. 15 to 17, in the aggregate amount of approximately \$150,733.63.

Following discussion, a motion was made, seconded and unanimously carried, the Board approved the Resolution of District No. 2 Requesting District No. 1 to Approve Requisition Nos. 48 to 50, in the aggregate amount of approximately \$4,035.00.

---

2018 ANNUAL  
REPORT

Mr. Greher reviewed the 2018 annual report with the Board. Following discussion and upon motion duly made, seconded and unanimously carried, the board approved the 2018 annual report, and directed Collins Cockrel & Cole, P.C. to file the report with the City

of Aurora pursuant to the requirements of the Service Plan on or before the March 1, 2019 deadline.

---

OTHER MATTERS

Director Kennedy noted that E-470 could be designated a hazardous materials route. The E-470 Board of Directors is discussing the possible change.

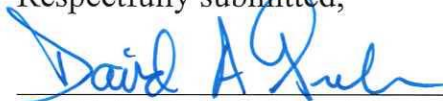
The SERIA Board is supposed to get Harvest Mile Road and will be widening Gun Club Road.

---

ADJOURNMENT

There being no other matters to come before the Board, the meeting was adjourned at 11:25 a.m.


Respectfully submitted,

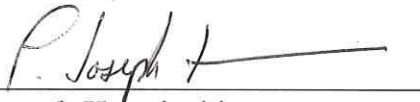



---

David A. Greher, Secretary for the Meeting

APPROVED

  
Jerry B. Richmond, III

  
P. Joseph Knopinski

  
Aaron L. Clutter

  
Nathan D. Fogg

  
Nathan Kennedy

**AGENDA**  
**OF REGULAR MEETING OF**  
**SOUTHSHORE METROPOLITAN DISTRICT NO. 2**

Time: Tuesday, February 12, 2019, 10:45 a.m.

Location: Simmons & Wheeler, P.C.  
304 Inverness Way South, Suite 490  
Englewood, CO 80112


1. Disclosures of any potential conflicts of interest.
2. Approval of Minutes of November 13, 2018 Regular Meeting.
3. Adopt Resolution Establishing Regular Meeting Date, Time and Location.
4. Status report by Board Chairman.
5. Accountant's Report and review and consideration of District construction and operating expenditures.
6. Review Requisition requests from District No. 1, including specifically for Requisition Nos. 15 to 17 (2017 Bonds), in the aggregate amount of approximately \$150,733.63 and adopt Resolution Accepting Requests to Requisition of Funds.
7. Review Requisition requests from District No. 1, including specifically for Requisition Nos. 48 to 50 (2015 Bonds), in the aggregate amount of approximately \$4,035.00 and adopt Resolution Accepting Requests to Requisition of Funds.
8. Review and approval of filing of 2018 Annual Report.
9. Any other matter that may come before the Board.

This meeting is open to the public.

SOUTHSHORE  
METROPOLITAN DISTRICT NO. 2

By           /s/ Jerry B. Richmond, III            
Jerry B. Richmond, III, Chairman

I hereby certify that a copy of the foregoing Agenda of Regular Meeting of Southshore Metropolitan District No. 2 was, by me personally, posted in at least one location within the District's boundaries at least 24 hours prior to the meeting.

 2/8/19



**RESOLUTION ESTABLISHING THE DATE, TIME AND LOCATION FOR THE  
REGULAR MEETINGS OF THE BOARD OF DIRECTORS OF SOUTHSHORE  
METROPOLITAN DISTRICT NO. 2**

WHEREAS, pursuant to Section 32-1-903 C.R.S., the Board of Directors (the “**Board**”) of the Southshore Metropolitan District No. 2 (the “**District**”) is required to meet regularly at a time and in a place to be designated by the Board; and

WHEREAS, pursuant to Section 32-1-903(1), C.R.S., all regular and special meetings of the Board shall be held at locations which are within the boundaries of the District or which are within the boundaries of any county in which the District is located, in whole or in part, or in any county so long as the meeting location does not exceed twenty miles from the District boundaries unless such requirement is waived by the Board pursuant to Section 32-1-903(1)(a), C.R.S.; and

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SOUTHSHORE METROPOLITAN DISTRICT NO. 2 OF THE COUNTY OF ARAPAHOE, COLORADO AS FOLLOWS:

**1. Regular Meetings.**

That the Board shall meet regularly for the calendar year 2019, on the second Tuesday of February, May, August and November at 10:45 a.m. at 304 Inverness Way South, Suite 490, Englewood, Colorado 80112.

**2. Special Meetings.**

Special meeting may be called by any director by informing the other directors of the date, time and place of such special meeting, and the purpose for which it is called, and by posting notice as provided herein and required by law at least 72 hours prior to said meeting.

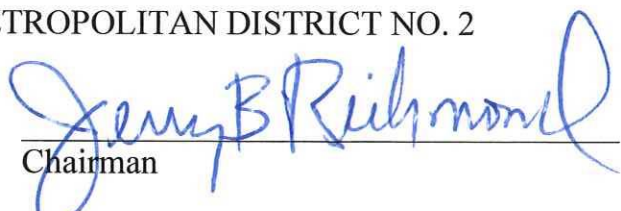
**3. Change of Meeting Dates.**

That until circumstances change and a future resolution of the Board so designates, the location of all special and regular meetings of the Board shall appear on the agenda of said special and regular meetings.

APPROVED AND ADOPTED this 12<sup>th</sup> day of February, 2019.

SOUTHSHORE  
METROPOLITAN DISTRICT NO. 2

By: \_\_\_\_\_  
Chairman



Attest:

  
\_\_\_\_\_  
Secretary

## SOUTHSHORE METROPOLITAN DISTRICT NO. 2

### A RESOLUTION ACCEPTING REQUESTS TO REQUISITION OF FUNDS

WHEREAS, the Southshore Metropolitan District No. 2 (the “**District**”) is a quasi-municipal corporation and political subdivision of the State of Colorado and a duly organized and existing special district pursuant to Title 32, Article 1, C.R.S.; and

WHEREAS, under the Consolidated Service Plan of the District and Southshore Metropolitan District No. 1 (“**District No. 1**” and together with the District, the “**Districts**”) approved by the City of Aurora in 2002, the Districts are authorized to finance the construction of public improvements (the “**Public Improvements**”) for the use and benefit of an approximately 813-acre master-planned residential community known as Southshore (the “**Development**”); and

WHEREAS, pursuant to an Amended and Restated Intergovernmental Agreement (the “**IGA**”) dated as of May 11, 2007, the District agreed to finance the Public Improvements to be constructed and owned by District No. 1; and

WHEREAS, the District has issued its \$10,404,000 Subordinate Limited Tax General Obligation Bonds, Series 2017 (the “**Bonds**”), with the net proceeds being deposited into the “**Construction Fund**” held under the Subordinate Indenture of Trust dated as of June 21, 2017 (as supplemented and amended from time to time, the “**Subordinate Indenture**”) with UMB Bank, n.a. as trustee (the “**Trustee**”); and

WHEREAS, District No. 1 has entered into an Agreement for Professional Consulting Services (the “**Engineering Agreement**”), dated as of May 1, 2015 with JR Engineering, LLC (“**JR Engineering**”) under which JR Engineering has agreed to provide construction management services, including bidding services, management, observation and close-out services, and construction staking and testing, associated with the Public Improvements being constructed with proceeds of the Bonds; and

WHEREAS, District No. 1 has entered into multiple construction contracts to build the Public Improvements, including with Scott Contracting, Inc., Custom Fence & Supply, Inc. and Environmental Landworks Company, Inc. (collectively, with the Engineering Agreement, the “**Construction Contracts**”); and

WHEREAS, the Board of Directors of District No. 1, as party to the Construction Contracts, has prior to the date hereof considered and approved Requisition No. 15 (\$81,593.90), No. 16 (\$40,193.37) and No. 17 (\$28,946.36) (the “**Requisitions**”) for the disbursement of amounts from the Construction Fund for payment of amounts owed under the Construction Contracts in the total amount of \$150,733.63; and

WHEREAS, on or before the date hereof, the Chairman and President of the Board (as “**District Representative**” as defined by the Indenture) has submitted the Requisitions to the Trustee; and

WHEREAS, the Board of Directors (the “**Board**”) of the District hereby finds and determines that it is appropriate to ratify, confirm and approve the submittal of the Requisitions by the President to the Trustee.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Southshore Metropolitan District No. 2 as follows:

1. **Recitals**. The Recitals to this Resolution are adopted as the findings of the Board and incorporated herein by reference.

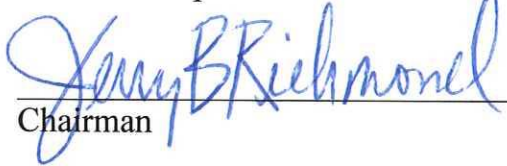
2. **Ratification of Requisitions and Related Actions**. The Requisitions as submitted by the District Representative to the Trustee for payment as described above are hereby ratified, approved and confirmed in all respects. All acts, order, resolutions, ordinances or parts thereof, of the District, in conflict with this Resolution are hereby repealed, except that this repealer shall not be construed so as to revive any act, order, resolution or ordinance, or part thereof, heretofore repealed. Each of the District’s directors, officers and agents is hereby authorized and directed to execute and deliver such other subsequent filings, documents and certificates, and to take such other action as may be necessary or appropriate in order to effectuate the purposes of this Resolution.

3. **Severability**. If any part, section, subsection, sentence, clause or phrase of this Resolution is for any reason held to be invalid, such invalidity shall not affect the validity of the remaining provisions.

4. **Effective Date**. This Resolution shall take effect and be enforced immediately upon its approval by the Board.

ADOPTED this 12<sup>th</sup> day of February, 2019.

Southshore Metropolitan District No. 2

By   
Chairman

Attest:

  
Secretary

## SOUTHSHORE METROPOLITAN DISTRICT NO. 2

### A RESOLUTION ACCEPTING REQUESTS TO REQUISITION OF FUNDS

WHEREAS, the Southshore Metropolitan District No. 2 (the “**District**”) is a quasi-municipal corporation and political subdivision of the State of Colorado and a duly organized and existing special district pursuant to Title 32, Article 1, C.R.S.; and

WHEREAS, under the Consolidated Service Plan of the District and Southshore Metropolitan District No. 1 (“**District No. 1**” and together with the District, the “**Districts**”) approved by the City of Aurora in 2002, the Districts are authorized to finance the construction of public improvements (the “**Public Improvements**”) for the use and benefit of an approximately 813-acre master-planned residential community known as Southshore (the “**Development**”); and

WHEREAS, pursuant to an Amended and Restated Intergovernmental Agreement (the “**IGA**”) dated as of May 11, 2007, the District agreed to finance the Public Improvements to be constructed and owned by District No. 1; and

WHEREAS, the District has issued its \$12,482,806.60 General Obligation (Limited Tax Convertible to Unlimited Tax) Convertible Capital Appreciation Bonds, Series 2015 (the “**Bonds**”), with the net proceeds being deposited into the “**Construction Fund**” held under the Indenture of Trust dated as of July 15, 2007, as amended by a First Supplement to Indenture of Trust dated as of September 3, 2015 (as supplemented and amended from time to time, the “**Indenture**”) with UMB Bank, n.a. as trustee (the “**Trustee**”); and

WHEREAS, District No. 1 has entered into an Agreement for Professional Consulting Services (the “**Engineering Agreement**”), dated as of May 1, 2015 with JR Engineering, LLC (“**JR Engineering**”) under which JR Engineering has agreed to provide construction management services, including bidding services, management, observation and close-out services, and construction staking and testing, associated with the Public Improvements being constructed with proceeds of the Bonds; and

WHEREAS, District No. 1 has entered into multiple construction contracts to build the Public Improvements, including with Scott Contracting, Inc., Custom Fence & Supply, Inc. and Environmental Landworks Company, Inc. (collectively, with the Engineering Agreement, the “**Construction Contracts**”); and

WHEREAS, the Board of Directors of District No. 1, as party to the Construction Contracts, has prior to the date hereof considered and approved Requisition No. 48 (\$1,345.00), No. 49 (\$1,345.00) and No. 50 (\$1,345.00) (the “**Requisitions**”) for the disbursement of amounts from the Construction Fund for payment of amounts owed under the Construction Contracts in the total amount of \$4,035.00; and

WHEREAS, on or before the date hereof, the Chairman and President of the Board (as “**District Representative**” as defined by the Indenture) has submitted the Requisitions to the Trustee; and

WHEREAS, the Board of Directors (the “**Board**”) of the District hereby finds and determines that it is appropriate to ratify, confirm and approve the submittal of the Requisitions by the President to the Trustee.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Southshore Metropolitan District No. 2 as follows:

1. **Recitals.** The Recitals to this Resolution are adopted as the findings of the Board and incorporated herein by reference.


2. **Ratification of Requisitions and Related Actions.** The Requisitions as submitted by the District Representative to the Trustee for payment as described above are hereby ratified, approved and confirmed in all respects. All acts, order, resolutions, ordinances or parts thereof, of the District, in conflict with this Resolution are hereby repealed, except that this repealer shall not be construed so as to revive any act, order, resolution or ordinance, or part thereof, heretofore repealed. Each of the District’s directors, officers and agents is hereby authorized and directed to execute and deliver such other subsequent filings, documents and certificates, and to take such other action as may be necessary or appropriate in order to effectuate the purposes of this Resolution.

3. **Severability.** If any part, section, subsection, sentence, clause or phrase of this Resolution is for any reason held to be invalid, such invalidity shall not affect the validity of the remaining provisions.


4. **Effective Date.** This Resolution shall take effect and be enforced immediately upon its approval by the Board.

ADOPTED this 12<sup>th</sup> day of February, 2019.

Southshore Metropolitan District No. 2

By   
Chairman

Attest:

  
Secretary