

RECORD OF PROCEEDINGS

MINUTES OF THE COORDINATED REGULAR MEETINGS OF

SEVERANCE SOUTH METROPOLITAN DISTRICT NO. 1
SEVERANCE SOUTH METROPOLITAN DISTRICT NO. 2
SEVERANCE SOUTH METROPOLITAN DISTRICT NO. 3
SEVERANCE SOUTH METROPOLITAN DISTRICT NO. 4

HELD
July 21, 2022

The Regular Meeting of the Boards of Directors (collectively, "Board") of Severance South Metropolitan District No. 1, Severance South Metropolitan District No. 2, Severance South Metropolitan District No. 3, and Severance South Metropolitan District No. 4 (collectively, "Districts") was held remotely via MS Teams, on Thursday, July 21, 2022, at 10:00 A.M.

ATTENDANCE

Directors in Attendance:

Kris Pickett, President & Chairman
Eric McCarty, Secretary/Treasurer
Lar Voss, Asst. Secretary/Treasurer
Jana Pickett, Asst. Secretary

Also in Attendance:

Joan Fritsche, Esq.; Fritsche Law, LLC
Kammy Tinney, Bryan Newby, Nicole Wing, Kirsten Starman, Irene Buenavista, and Jennifer Ondracek; Pinnacle Consulting Group, Inc.
Kevin Kimball; The Adams Group, LLC
Jack Holler; Windsor LV, LLC
Benny Yamagata; Windsor LV II, LLC

CALL TO ORDER

The Regular Meeting of the Boards of Directors of Severance South Metropolitan District Nos. 1, 2, 3 and 4 was called to order by Chairman Pickett at 10:06 A.M. Ms. Tinney noted that a quorum was present for each of the Boards. The Directors confirmed that prior to the meeting they had been notified of the meeting and confirmed their qualification to serve on the Boards.

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

RECORD OF PROCEEDINGS

Conflict of Interest Disclosure: Ms. Fritsche advised the Boards that, pursuant to Colorado law, certain disclosures might be required prior to taking official action at the meeting. Ms. Fritsche reported that disclosures for those directors with 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. Fritsche noted that a quorum was present and inquired into whether members of the Board 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 Boards determined that the participation of the Directors present was necessary to obtain a quorum or to otherwise enable the Boards to act.

Agenda: The Board reviewed the agenda. It was proposed to move item II. A. 2021 Audit for District No. 1 up to item I. G. on the Agenda. Following review and discussion, upon motion duly made by Chairman Pickett, seconded by Director McCarty and, upon unanimous vote, it was

RESOLVED to approve the agenda, as amended to move item II. A. 2021 Audit for District No. 1 up to item I. G on the Agenda.

Approval of November 11, 2021 Regular Meeting Minutes and February 17, 2022 Regular Meeting Minutes: Following discussion, upon motion duly made by Director Voss, seconded by Director McCarty and, upon unanimous vote, it was

RESOLVED to approve the November 11, 2021 Regular Meeting Minutes and February 17, 2022 Regular Meeting Minutes as presented.

Election of Officers: Following discussion, upon motion duly made by Director Voss, seconded by Director McCarty and, upon vote, it was

RESOLVED to re-elect the current slate of officers.

Public Comment: The Board opened the meeting to public comment. There were no comments made by members of the public and this portion of the meeting was closed.

2021 Audit for District No. 1: Mr. Kimball reviewed the audit with the Board and answered questions. Upon motion by Chairman Pickett, seconded by Director McCarty and, upon vote, it was unanimously

RECORD OF PROCEEDINGS

RESOLVED to approve the 2021 Audit for District No. 1, subject to final review from District management and legal counsel.

FINANCIAL MATTERS

Ratification of 2021 Audit Exemptions for District Nos. 2-4: Ms. Buenavista reviewed the 2021 Audit Exemptions for Districts Nos. 2-4 with the Board and answered questions. Upon motion by Chairman Pickett, seconded by Director McCarty and, upon vote, it was unanimously

RESOLVED to ratify the approval of the 2021 Audit Exemptions for District Nos. 2-4.

Ratification of Claims Presented for Payment for the Period January 1, 2022, through June 30, 2022: Ms. Buenavista reviewed the Ratification of Claims for Payment for the Period January 1, 2022, through June 30, 2022, with the Board and answered questions. Upon motion by Director McCarty, seconded by Director Voss and, upon vote, it was unanimously

RESOLVED to ratify the approval of Claims Presented for Payment for the Period January 1, 2022, through June 30, 2022.

Cash Position Statement for the Period Ending June 30, 2022: Ms. Buenavista reviewed the Cash Position Statement for the period ending June 30, 2022 with the Board and answered questions. Upon motion by Director Voss, seconded by Director McCarty and, upon vote, it was unanimously

RESOLVED to accept the Cash Position Statement for the Period Ending June 30, 2022, as presented.

Unaudited Financial Statements as of March 31, 2022: Ms. Buenavista reviewed the unaudited Financial Statements as of March 31, 2022, with the Board and answered questions. Upon motion by Director Voss, seconded by Director McCarty and, upon vote, it was unanimously

RESOLVED to accept the unaudited Financial Statements as of March 31, 2022, as presented.

LEGAL ITEMS

Funding and Reimbursement Agreement between District No. 4 and GY Windance, LLC: Ms. Fritsche reviewed the Funding and Reimbursement Agreement with the Board and answered questions. Upon motion by Director Voss, seconded by Director McCarty and,

RECORD OF PROCEEDINGS

upon vote, it was unanimously

RESOLVED to approve the Funding and Reimbursement Agreement between District No. 4 and GY Windance, LLC, as presented.

Infrastructure Acquisition Agreement between District No. 4 and GY Windance, LLC: Ms. Fritsche reviewed the Infrastructure Acquisition Agreement between District No. 4 and GY Windance, LLC with the Board and answered questions. Mr. Holler noted that Mr. Yamagata's address has changed. Mr. Yamagata confirmed his change of address with Ms. Fritsche. Upon motion by Director Voss, seconded by Director McCarty and, upon vote, it was unanimously

RESOLVED to approve the Infrastructure Acquisition Agreement between District No. 4 and GY Windance, LLC, pending the update to Mr. Yamagata's address.

DEVELOPMENT UPDATE

Development Status: Chairman Pickett reported that he met with the District Manager for the North Weld County Water District ("NWCWD") to discuss status of the Water Service Agreement proposed with District No. 4 (a/k/a Master Meter Agreement). Chairman Pickett stated that NWCWD has engaged Stantec Engineering to provide an analysis of NWCWD's long term system capacities and that the City of Fort Collins approved moving forward with the proposed NWCWD and East Larimer County Water District's Newt III Pipeline. Chairman Pickett noted that it will likely be year end 2022, or first quarter of 2023 before NWCWD will consider the Service Agreement. Review by the Town of Severance of the proposed Development Plan for Severance South is pending final plat signature by NWCWD. Once NWCWD has signed the plat and the plat is recorded, the development plans will move through the Town review and approval process. This will likely occur over the next five to six months. Mr. Yamagata commented that the project has been significantly delayed and frustratingly slow. Ms. Fritsche noted that NWCWD has replaced most of its consultants and management staff over the past two years.

Discussion Regarding Status of CCRs: Mr. Holler communicated that the final review is pending. The CCRs cannot be recorded until after the plat.

OTHER MATTERS

Appointment to Fill Board Vacancy: Ms. Fritsche noted that Notices of Board Vacancies had been published in the *Greeley Tribune* after

RECORD OF PROCEEDINGS

the May Directors' Election and no letters of interest had been received by the Districts within the statutory time frame. Chairman Pickett noted that Thomas Donkle is qualified as a taxpaying elector within each of the Districts and willing to serve of the Boards of Directors. Upon motion by Chairman Pickett, seconded by Director McCarty and, upon vote, it was unanimously

RESOLVED to appoint Thomas Donkle to fill the vacant Board positions, for terms ending in May, 2023.

ADJOURNMENT

There being no further business to come before the Board at this time upon motion duly made by Chairman Pickett, seconded by Director McCarty, and upon vote, unanimously carried the meeting was adjourned at 10:50 A.M.

Respectfully submitted,

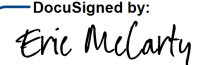


Bryan Newby, Recording Secretary

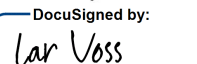
THESE MINUTES ARE APPROVED AS THE OFFICIAL MINUTES OF THE JULY 21, 2022 REGULAR MEETING OF THE SEVERANCE SOUTH METROPOLITAN DISTRICTS NOS 1-4 BOARDS OF DIRECTORS, BY THE DIRECTORS SIGNING BELOW:

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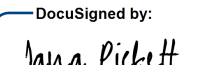

Kris Pickett

DocuSigned by:


Eric McCarty

DocuSigned by:


Lar Voss

DocuSigned by:


Jana Pickett