

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE LORETTO HEIGHTS METROPOLITAN DISTRICT NO. 1 HELD SEPTEMBER 26, 2022

A Regular Meeting of the Board of Directors of the Loretto Heights Metropolitan District No. 1 (referred to hereafter as the "Board") was convened on Monday, September 26, 2022, at 2:00 p.m. The District Board meeting was held via Zoom. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Andrew R. Klein
Otis C. Moore, III
Paige C. Langley

Following discussion, upon motion duly made by Director Moore, seconded by Director Klein and, upon vote, unanimously carried, the absence of Director Witkiewicz was excused.

Also In Attendance Were:

Ann E. Finn; Special District Management Services, Inc.

Jon Hoistad, Esq.; McGeady Becher P.C.

Lindsay Ross; CliftonLarsonAllen LLP

Ted Laudick; Silverbluff Companies, Inc.

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

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 of Directors and to the Secretary of State. It was noted that a quorum was present, and Attorney Hoistad requested members of the Board disclose any potential conflicts of interest regarding 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. Attorney Hoistad noted that Directors' Disclosure Statements were filed for all Directors by the statutory deadline. No additional conflicts were disclosed at the meeting.

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ADMINISTRATIVE MATTERS

Agenda: Ms. Finn distributed for the Board's review and approval a proposed Agenda for the District's Regular Meeting.

Following discussion, upon motion duly made by Director Moore, seconded by Director Klein and, upon vote, unanimously carried, the Agenda was approved, as presented.

Meeting Location/Manner and Posting of Meeting Notice: 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. The Board determined that the meeting would be held via video/telephonic means and encouraged public participation via video or telephone. The Board further noted that notice of the time, date and location/manner of the meeting was duly posted, and that the Board had not received any objections to the video/telephonic manner of the meeting, or any requests that the video/telephonic manner of the meeting be changed by taxpaying electors within the District's boundaries.

TownCloud Subscription Agreement for Creation of Website: The Board discussed the TownCloud Subscription Agreement for creation of a website and termination of Archipelago Agreement.

Following discussion, upon motion duly made by Director Moore, seconded by Director Klein and, upon vote, unanimously carried, the Board approved the TownCloud Subscription Agreement for creation of a website and terminated the Archipelago Agreement.

Resignation of Kevin Smith: The Board discussed the resignation of Kevin Smith from the Board of Directors, effective as of August 13, 2022.

Following discussion, upon motion duly made by Director Moore, seconded by Director Klein and, upon vote, unanimously carried, the Board acknowledged the resignation of Kevin Smith from the Board of Directors, effective as of August 13, 2022.

Vacancy on the Board: The Board discussed the vacancy on the Board and considered the appointment of Megan Waldschmidt to the Board of Directors.

Following discussion, upon motion duly made by Director Moore, seconded by Director Klein and, upon vote, unanimously carried, the Board appointed Megan Waldschmidt to the Board of Directors, and appointed her to the position of Assistant Secretary.

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CONSENT AGENDA The Board considered the following actions:

- Review and consider approval of the minutes of the July 25, 2022 Regular Meeting.
- Review and ratify approval of Requisition Nos. 37–45, 46, 47 (voided) 48 and 49, 50 and 51 in the amount of 3,014,616.23.
- Review and ratify approval of Engineer’s Report and Verification of Costs Associated with Public Improvements Report No. 6, dated September 19, 2022, prepared by Schedio Group LLC, for the amount of \$59,761.25 (“Report No. 6”).

Following review and discussion, upon motion duly made by Director Moore, seconded by Director Klein and, upon vote, unanimously carried, the Board approved and/or ratified approval of, as appropriate, the above Consent Agenda items/actions.

PUBLIC COMMENT There were no public comments.

**FINANCIAL
MATTERS**

Claims: Ms. Ross reviewed with the Board the payment of claims for periods beginning May 19, 2022 through September 14, 2022, in the amount of \$2,564,643.67.

Following review, upon motion duly made by Director Moore, seconded by Director Klein and, upon vote, unanimously carried, the Board ratified approval of the payment of claims, as presented.

Unaudited Financial Statements and Schedule of Cash Position: Ms. Ross reviewed with the Board the unaudited financial statements for the period ending June 30, 2022 and the Schedule of Cash Position for the period ending June 30, 2022, updated as of August 20, 2022.

Following review, upon motion duly made by Director Moore, seconded by Director Klein and, upon vote, unanimously carried, the Board approved the unaudited financial statements for the period ending June 30, 2022 and the Schedule of Cash Position for the period ending June 30, 2022, updated as of August 20, 2022.

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CAPITAL/ CONSTRUCTION MATTERS

Engineer's Report and Verification of Costs Associated with Public Improvements Report: The Board reviewed the Engineer's Report and Verification of Costs Associated with Public Improvements Report No. 7 ("Report No. 7"), dated September 19, 2022, prepared by Schedio Group LLC, for the amount of \$328,976.65.

Following review, upon motion duly made by Director Moore, seconded by Director Klein and, upon vote, unanimously carried, the Board approved Report No. 7, dated September 19, 2022, prepared by Schedio Group LLC, for the amount of \$328,976.65.

Verified Public Improvement Costs Pursuant to Report No. 7: The Board reviewed the verified public improvement costs pursuant to Report No. 7.

Following review, upon motion duly made by Director Moore, seconded by Director Klein and, upon vote, unanimously carried, the Board accepted the verified public improvement costs pursuant to Report No. 7.

Reimbursement by Loretto Heights Metropolitan District No. 1 to ACM Loretto VI LLC under the Facilities Funding and Acquisition Agreement between Loretto Heights Metropolitan District No. 1 and ACM Loretto VI LLC, pursuant to Report No. 7: The Board considered the Reimbursement by Loretto Heights Metropolitan District No. 1 to ACM Loretto VI LLC under the Facilities Funding and Acquisition Agreement between Loretto Heights Metropolitan District No. 1 and ACM Loretto VI LLC, pursuant to Report No. 7.

Following review, upon motion duly made by Director Moore, seconded by Director Klein and, upon vote, unanimously carried, the Board approved the Reimbursement by Loretto Heights Metropolitan District No. 1 to ACM Loretto VI LLC under the Facilities Funding and Acquisition Agreement between Loretto Heights Metropolitan District No. 1 and ACM Loretto VI LLC, pursuant to Report No. 7.

Loretto Heights Infrastructure Project (the "Project"): Mr. Laudick reported to the Board that the paving should be completed by mid-October and the Xcel work is ongoing. The site lighting has not started.

Status of Landscape Design Work: There was no report at this time.

Authorize any Necessary Actions Required in Connection with the Project: There was no report at this time.

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2023 Operation and Maintenance Services: The Board discussed the snow removal operation and maintenance services for 2023.

LEGAL MATTERS **Letter of Agreement with the City and County of Denver by and through the Board of Water Commissioners (“Denver Water”) concerning property to be irrigated by District No. 1:** The Board deferred action at this time.

OTHER BUSINESS There were no other matters to discuss at this time.

ADJOURNMENT There being no further business to come before the Board at this time, upon motion duly made by Director Klein, seconded by Director Moore and, upon vote, unanimously carried, the meeting was adjourned.

Respectfully submitted,

By: *Ann Finn*
Secretary for the Meeting