Special Meeting Minutes of the Board of Directors of the Granby Ranch Metropolitan District July 21, 2010

A Special Meeting of the Board of Directors of the Granby Ranch Metropolitan District, Town of Granby, Grand County, Colorado, was held at the Grange Hall at Granby Ranch, 998 Village Road, Town of Granby, Grand County, Colorado, in accordance with State law.

Attendance

The following Directors were present and acting:

Kyle Harris
Julie Krueger
Natascha O'Flaherty
Lance Badger
Sandra Clinger

Also in attendance were:

Gary White, White, Bear & Ankele, P.C.
Eric Weaver, Robertson & Marchetti, P.C., Secretary for the Meeting
Neil Herzog, homeowner
Dale Floren, homeowner (via telephone)
Loyal Steube, homeowner
Glenn O'Flaherty, homeowner
Robert Cox, Granby Realty Holdings
Marise Cipriani, Granby Realty Holdings
Melissa Cipriani, Granby Realty Holdings
Michael Gilliland, Granby Realty Holdings (via telephone)
Mary Packer, Granby Realty Holdings

Call to Order and Declaration of Quorum

The Special Meeting of the Board of Directors of the Granby Ranch Metropolitan District (GRMD) was called to order by Director Harris on July 21, 2010 at 12:00 p.m. noting a quorum was present.

Disclosure of Potential Conflicts of Interest

The directors reviewed the agenda for the meeting, following which each director confirmed the contents of any written disclosure previously made, stating the fact and summary nature of any matters as required under Colorado law to permit official action to be taken at the meeting. Each director also confirmed that nothing appeared on the agenda for which disclosure certificates had not been filed. The Board noted, for the record, that these disclosures are restated at this time with the intent of fully complying with laws pertaining to potential conflicts. Additionally, the

Board determined that participation by the directors with potential conflicts of interest was necessary to obtain a quorum or otherwise enable lawful action to occur.

Consideration of Agenda

The following items were noted to be addressed under existing items on the meeting agenda:

- Discussion of Refinancing the GRMD Bonds under Financial Statements.
- Independent Legal Council under Memorandum Regarding Conflict of Interest.
- Transfer of funds from General Fund to Debt Service Fund under Financial Statements.
- Guarantee by Granby Realty holdings under Financial Statements.

The Board discussed the preparation of the agenda.

Public Input

No public comment was received.

May 25, 2010 Meeting Minutes

Mr. Weaver reviewed the changes made to the joint meeting minutes by the SVMD Board. Additional revisions were requested by members of the Board that all members could not agree on. The approval of the minutes was tabled until the next Board meeting.

Election of Officers

Directors O'Flaherty and Clinger did not remember being elected as Vice President/Assistant Secretary/Treasurers of the District. After discussion and upon motion duly made and seconded, it was unanimously

RESOLVED to change Directors O'Flaherty and Clinger's positions to the following:

- Director Clinger- Vice President/Assistant Secretary
- Director O'Flaherty- No title

Legislative Matters

Mr. White gave a brief update on the status of the November ballot initiatives. No action was taken by the Board.

Memorandum Regarding

Conflict of Interest

Mr. White reviewed the memorandum with the Board. The Board discussed the options available and could not come to a common conclusion.

Director O'Flaherty made a motion to obtain independent legal counsel which was seconded by Director Clinger. After additional discussion, the motion was

DENIED with Directors Harris, Krueger, and Badger voting against the motion and Directors O'Flaherty and Clinger voting in favor of the motion.

Resolution Adopting A Board Budget Management Policy

The Board reviewed a draft of a resolution designed to control the costs associated with requests for information. The Board discussed the options available and could not come to a common conclusion.

The Board agreed to take a short break.

Upon returning from the break, by motion duly made and seconded, it was

RESOLVED to adjourn the meeting of the GRMD Board due to the lack of progress being made, with Directors Harris, Krueger, and Badger voting for the motion, and Directors O'Flaherty and Clinger voting against the motion.

Respectfully submitted,

Eric Weaver
Secretary for the Meeting