

GRANBY RANCH METROPOLITAN DISTRICT

Regular Board Meeting Minutes

Meeting Date: Friday February 11, 2022

Meeting Time: 6:02pm to 9:32pm

Meeting Location: Online video conference site as follows:

<https://www.gotmeet.me/DistrictBoardMeetingRoom2> Members of the public may also participate via phone using the dial-in-number: phone: (646) 749-3112/Access code #534-031-373

I. Roll Call (6:02pm)

A regular meeting of the Board of Directors of the Granby Ranch Metropolitan District (District) was called and held as shown above and in accordance with the statutes of the State of Colorado. The following Directors were in attendance:

Directors	Office	Attendance
Matt Girard	President	Present
Steven Conrad	Asst. Secretary/ Asst Treasurer	Excused
Timothy Archie	Asst. Secretary	Present
Glenn O' Flaherty	Asst. Secretary	Present
Vacancy		N/A

Also, in attendance was district manager Charles Wolfersberger (Wolfersberger, LLC); general counsel for the District, Alan Pogue (Icenogle Seaver Pogue, P.C.); special counsel for the District, Charles Norton (Norton & Smith, PC); Katie Jenner (Husch Blackwell); Town of Granby liaison with the District and resident, Nick Raible, Ted Cherry (Town of Granby); and the following residents/homeowners: John and Linda Gillogley, Maggie & Bill Rose, Rick and Carolyn Paulsen, Micah Hildenbrand, Tamy & Mark Hermanson, Dave Richardson, Jennifer Dubrow, Joe Byker, David Sardinta, Stefan Haberer, Natasha O' Flaherty, David Highfield, Jeff Link, Dan Eby, Dan Wilson, Karen Girard, Heather Caruso, Tom & Joanne Young, Bill Woodson, David Sardinta, Bill Fowler, Robert Carrera, Tom DeBoalt, Ronda Kent, Peggy and Alisa Martin, Anna Conrad, Mark Stevens, Suzie Yaping Xu, Marguerite Mauter, Rick Chapman, Jeff Shaw, Joe Mease, Lynne Ly, Bill Woodson, Janice, Denise and 6 unidentified callers.

II. Administrative Matters

- 1) Call to Order: The meeting was called to order by Director Girard. Director Girard noted that a quorum of the Board was present, and the Directors confirmed their qualification to serve and, therefore, called the regular meeting of the Board of Directors of the District to order. Director Girard also stated the meeting will be recorded and posted on the District's website.
- 2) Declaration of Quorum: Director Girard noted three directors are present and quorum is met for this meeting.

- 3) Present disclosures of potential conflicts of interest: The Board reviewed the agenda for the meeting, following which all directors disclosed no conflicts of interest with the business to be discussed and conducted at the meeting. Director O’Flaherty raised concern about Nick Raible serving as the City’s representative and liaison with the District.
- 4) Meeting protocol & logistics of public comment: Director Girard and the District Manager briefly reviewed and discussed the protocol & logistics for public comments during this meeting, which will be considered and allowed for each and every agenda item.
- 5) Unscheduled public comments: Director Girard opened the floor to public comments.
 - Ms. Heather Caruso had a question about the \$10,000 amenity fee and how the Board plans to recover that fee. Director Girard noted that this topic will be opened for public comment during the “Legal Items” section of the agenda.
- 6) Policy regarding unidentified participants on meeting video: Director Girard proposed the Board consider adopting a formal policy regarding managing unidentified participants on public online board meetings. Director Girard expressed concern about individuals attending online board meetings who are unwilling to identify themselves. The Board directed the District Manager and General Counsel to draft a policy for the Board to consider at the next board meeting.

Action Item 1: The District Manager and General Counsel will draft an online meeting management policy for the Board to consider at the next board meeting.

- 7) Review and consider November 12, 2021 board meeting minutes: The Board reviewed the November 12, 2021 meeting minutes. Director Girard motioned to approve the minutes as modified. Director Archie seconded the motion and the Board voted 3-0 to approve the minutes.
- 8) Review and consider proposal to request Town to appoint a new liaison between the Town of Granby and the District: Director Girard reported that the District issued a letter to the Town of Granby on November 22nd regarding the Board’s concern with Nick Raible’s potential conflict of interest serving as the Town’s liaison with the District. Mr. Girard indicated the Town has not provided a written response to GRMD regarding this request.

Mr. DeBoalt asked what the potential conflict of interest is as perceived by the District. Director O’ Flaherty stated he has concerns regarding Mr. Raible holding discussions with the land developer regarding a proposed project to install a public trail across Director O’ Flaherty’s property (which Director O’ Flaherty opposes). Ted (Town representative) stated he emailed the Board inviting them to raise this concern at a Town Board meeting. He also noted Mr. Raible is not a voting member on the GRMD Board.

Ms. Hildenbrand noted Mr. Raible lives within the District. She did not believe a conflict of interest exists between Mr. Raible and the District. Director O’ Flaherty again expressed his opinion that Mr. Raible should recuse himself as the Town’s liaison to avoid any appearance of conflict of interest.

- 9) May 2022 Board Election – Status Update: The District Manager confirmed the District’s newsletter (which contained the election notice) was mailed out on February 2nd to all property owners and to all District residents. The newsletter is also posted on the District’s website.

Director Girard motioned to form an election committee to oversee the May 2022 election and such committee be comprised of individuals not running for election (i.e. Director O’ Flaherty and Director Archie). Director O’ Flaherty seconded the motion and the Board voted 3-0 to approve the motion.

III. Financial Matters:

- 1) Review and ratify contractor invoices: The Board reviewed the schedule of contractor invoices submitted for payment since the last meeting – ten invoices totaling \$28,821.60. Director Girard motioned to approve payment of all invoices. Director O’ Flaherty seconded the motion and the Board voted 3-0 to approve the motion.
- 2) Review December 31, 2021 financial reports: The District Manager reviewed the District’s year-to-date December 31st financial reports. Approximately 102.3% of the District’s property tax revenue and 127.8% of specific ownership tax has been collected for the Bond Fund through December 31. Approximately 99.9% of the district’s property tax revenue and 132.0% of the specific ownership tax has been collected for the General Fund through December 31. The District had a cash balance of \$67,263 in its checking accounts and \$2,179,277 in its CSAFE and UMB trust accounts.

The District Manager reviewed the general fund and debt fund budget-to-actual reports for revenue and expenses for the 12-month period ended December 31st. In the general fund, the District incurred expenses totaling \$190,843, which is \$20,857 below year-to-date expenditures per the amended budget.

The District paid interest totaling \$645,338 and principal totaling \$80,000 on the 2018 Series Bonds in 2021. Through December 31, 2021, total expenses in the debt fund total \$691,905 which is comprised of accrued interest, county treasurer collection fees (\$43,067) and the annual trustee fee (\$3,500). Total actual expenses was \$1,849 less than year-to-date budgeted expenses for the debt fund.

For the 12-month period ended December 31, 2021, the District Manager noted revenue exceeded expenses in the general fund and the debt fund by \$142,080 and \$295,085, respectively.

The District Manager and General Counsel discussed potential bond refinance options and noted the bonds can be refinanced as early as December 01, 2023.

IV. Legal Matters

- 1) Status of road repairs by Developer and Status of Subdivision Improvement Agreements (SIAs) with Town-Director Girard: Director Girard discussed the status of Road Repairs by Developer

(GR Terra) and the status of SIA's with Town. He noted that per the Town, GPGH assumed responsibility to repair the roads when they purchased the development from the prior land developer out of foreclosure, and GR Terra assumed same responsibility when they purchased from GPGH, and they are bound by same SIA agreements related to the roads needing repair. Director Girard noted the SIA agreement is between GR Terra and the Town of Granby and the District is not a party to the SIAs.

Director Girard opened up this agenda item to public comment. 18 individuals commented on this topic.

The Board expressed their support for the Town Board to obtain in writing from the Developer the Developer's commitment to repair the existing roads in their ongoing Omnibus negotiations as a condition to approving two new additional SIA's the Developer is requesting.

- 2) HMD/GPGH/GR Terra Litigation Update - Director O'Flaherty and Director Girard (Litigation Subcommittee): Director Girard provided a brief history of the events that led up to the District's lawsuit filed February 23, 2021, as well as a summary of the current status of litigation. He addressed claims that the Board has not considered this openly and that the Board has made this decision with minimal feedback. He noted his opinion that the Board has not taken any litigation decision lightly, and that the Board could not have been more transparent and inviting of discussion with residents about this effort, as evidenced by the fact that the Board has discussed this topic at every public board meeting since November 2020, including opening it up to public comment at each of these meetings. The public comment during these multiple meetings has added up to many hours of public comment.

Director Girard opened the floor for public comment at 7:42pm:

Various homeowners (some in person and some via submitted letters which were read by the District Manager) provided public comment on the ongoing litigation. Some of these comments were in support, some in opposition, and some generally neutral that provided general comments.

Director Girard closed the floor for public comment at 8:31pm.

V. Executive Session

At 8:38pm, Director Girard motioned to convene the meeting to executive session per C.R.S. 24-6-402(4)(b) to confer with legal counsel regarding December 31, 2012 Second Amended and Restated Lease Purchase Agreement and the June 1, 2005 Amenity Fee Agreement, and status of associated ongoing litigation with HMD/GPGH/GR Terra. Director Archie seconded the motion and the Board voted 3-0 to approve the motion.

In addition to all directors, the following individuals also attended the executive session: Mr. Wolfersberger, Mr. Norton, Mr. Pogue. No actions or motions were voted on by the Board during executive session.

At 9:29pm, Director Girard motioned to close the executive session. Director Conrad seconded the motion and the Board voted 3-0 to approve the motion.

Post executive session Discussion re Litigation effort against GPGH/HMD: Mr. Pogue reported that the Board properly convened to executive session and that the executive session was not recorded due to attorney/client privileged discussion in executive session.

Director O' Flaherty provided a brief update regarding the status of the lawsuit and pointed out the recent favorable rulings from district court regarding the defendants motions to dismiss. Director O' Flaherty noted the counter claims filed in court today by the defendants will be posted on the District's website for everyone to review.

VI. Adjournment (9:32pm)

There being no further business to come before the Board, and upon motion duly made by Director Girard, seconded by Director Conrad and unanimously carried, the meeting was adjourned. The next board meeting is scheduled for Friday May 13, 2022, at 10:00am online at: <https://www.gotmeet.me/DistrictBoardMeetingRoom2> Members of the public may also participate via phone using the dial-in-number: phone: (646) 749-3112/Access code #534-031-373

DocuSigned by:

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Secretary

6/2/2022
Date