

GRANBY RANCH METROPOLITAN DISTRICT

Regular Board Meeting Minutes

Meeting Date: Thursday February 09, 2023

Meeting Time: 6:00pm to 7:33pm

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 (6:00pm)

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
Glenn O' Flaherty	Vice President	Present
Lauren Kaestner	Treasurer	Absent
Steven Conrad	Secretary	Absent (Excused)
Timothy Archie	Assistant Secretary	Present

Also, in attendance was District Manager Charles Wolfersberger (Wolfersberger, LLC); general counsel representation for the District, Anna Wool (Icenogle Seaver Pogue, P.C.); special counsel for the District, Brian Matise, Sophia Kyziridis and Lisa Marks (Burg Simpson Eldredge Hersh & Hardine, P.C); attorneys from law firm Husch Blackwell LLP (David Richardson); Nicole Schaefer (Town of Granby); and the following residents/homeowners: Tom DeBoalt, Scott Shippy, Jenny Murphy and Micah Hildenbrand.

II. Administrative Matters

- a) 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.
- b) Declaration of Quorum: Director Girard noted three of five directors are present and quorum is met for this meeting. The District Manager reported that Director Kaestner submitted a resignation letter earlier today and is no longer a property owner within the District.
- c) Present disclosures of potential conflicts of interest: The Board reviewed the agenda for the meeting, following which two directors disclosed no conflicts of interest with the business to be discussed and conducted at the meeting.

Director O' Flaherty stated the following: "On February 28, 2022, GRCO LLC and GR Terra, LLC, filed a civil lawsuit against me individually, to enforce an alleged trail easement over my property. That lawsuit is completely separate from GRMD's pending lawsuit. I do not have any personal or private interest in GRMD's lawsuit. However, out of an abundance of caution, I am making this disclosure on the record. I will be able to be fair and impartial while participating, discussing, and voting on all matters related to GRMD's lawsuit."

- d) Meeting protocol & logistics of public comment: Director Girard 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.
- e) Review and consider December 16, 2022 meeting minutes: The Board reviewed the December 16, 2022 meeting minutes. Director Girard motioned to approve the minutes as presented. Director Archie seconded the motion and the Board voted 3-0 to approve the minutes.
- f) Status update regarding District's new website (www.granbyranchmetro.org): The District Manager briefly reviewed with the board the District's new website. He noted the District's old website will be retired after the end of February.

Action Item 1: Director Girard requested an email signup notice be posted on the homepage of the District's website and the financial/operational relationship chart be posted on the new website.

- g) Status update – May 2023 board election: The District Manager reminded everyone that self-nomination forms are to be submitted to the District Manager by 5pm MST on Friday February 24th.
- h) Unscheduled public comments: Director Girard opened the floor to public comments. Scott Shippy expressed appreciation for the District's new website, and the role and efforts by this board. He requested the Board consider (1) disclosing to the public a board-prepared risk assessment of the maximum potential cost of the litigation – including the worst-case scenario of cost of paying the defendant's legal bills and (2) posting on the District's website all records filed with the court within 5 days after such documents are filed with the court, and any experts reports provided.

III. Financial Matters

- a) Review and ratify contractor invoices: The Board reviewed the schedule of contractor invoices submitted for payment since the last meeting – 10 invoices totaling \$42,469.97. 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.
- b) Review and consider December 31, 2022 unaudited financial statements: The District Manager briefly reviewed with the Board the unaudited 2022 annual financial statements. He indicated the litigation disclosure note has not yet been updated and will be updated by the

attorneys during the financial statement audit. Highlights of the review included the following:

- The year-end balance for the general and debt fund was \$586,422 and \$2,091,600, respectively. This year-end balance has gone up by over \$400,000 since the previous year, even though the mill levy has been reduced.
- Total cash held by the District at year end was \$2,686,574
- The District's debt-to-assessed value ratio at year end was 54.4%. It is likely that ratio will drop below 50% when the County publishes assessed value reports in August 2023.
- The District can refinance its debt beginning in December 2023 if it pays a penalty equal to 3% of the outstanding principal. The pre-payment penalty declines by one point each year. The stated interest rate on most of the outstanding bond balance is 5.5%.

Action Item 2: The District Manager will break out litigation costs from general legal costs on the statement of revenues and expenditures.

- c) Review and consider 2023 election service contract with Wolfersberger, LLC: The District Manager reviewed with the Board an election service contract submitted by Wolfersberger, LLC. The contract reflected a flat service fee of \$7,350 to conduct all aspects of the 2023 mail ballot election plan. Costs to print and mail ballots would be performed by a separate contractor - Integrated Voting Systems at an estimated cost of \$5,000 to \$5,700. The total cost of running the 2022 board election was \$17,720. Director Girard, considering that the contract is contingent and costs are only obligated if there is an election held (more candidates than there are open seats), motioned to approve the contract as presented. Director O' Flaherty seconded the motion and the Board voted 3-0 to approve the motion.

IV. Executive Session

At 6:48pm, Director Girard motioned to convene the meeting to executive session per C.R.S. 24-6-402(4)(b) to confer with litigation counsel and general 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 O' Flaherty 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. Matisse, Ms. Kyzirids and Ms. Wool.

At 7:31pm, Director Girard motioned to close the executive session. Director O' Flaherty seconded the motion and the Board voted 3-0 to approve the motion.

Post executive session Discussion re Litigation effort against GPGH/HMD: Mr. Wool reported that the Board properly convened to executive session to receive advise from legal counsel regarding

the lawsuit and that the executive session was not recorded due to attorney/client privileged discussion in executive session. No actions or motions were voted on by the Board during executive session.

Director Girard provided an update on the litigation stating the mediation that occurred on January 30th was unsuccessful and the trial date is still scheduled for April 24th, 2023.

V. Adjournment (7:33pm)

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 regular board meeting is scheduled for Friday May 12, 2023, 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

3/10/2023
Date