

GRANBY RANCH METROPOLITAN DISTRICT

Regular Board Meeting Minutes

Meeting Date: Friday May 13, 2022

Meeting Time: 10:03am to 1:19pm

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 (10:03am)

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	TBD	Present
Steven Conrad	TBD	Present
Timothy Archie	TBD	Present
Glenn O' Flaherty	TBD	Absent
Lauren Kaestner	TBD	Present

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 and David Richardson (Husch Blackwell); Town of Granby liaison with the District and resident, Nick Raible; and the following residents/homeowners: John and Linda Gillogley, Maggie & Bill Rose, Micah Hildenbrand, Tamy & Mark Hermanson, Jennifer Dubrow, Jeff Link, Tom & Joanne Young, Tom & Deb DeBoalt, Peggy and Alisa Martin, Bill Woodson, Kathy Keefer, Scott Shippy, Jack James, Katie Jenner, Mark Kinsley, and 2 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 four of five 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.

- 4) 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.
- 5) Determination of officer positions: The Board noted that due to the recent Board elections officer terms expired for three Board members and the Board decided to re-allocate and vote on officer positions. The District's general counsel reviewed with the Board the responsibilities of each officer position. After further discussion, Director Girard motioned to appoint Director Girard as president, Director O' Flaherty as vice president, Director Kaestner as treasurer, Director Conrad as secretary and Director Archie as assistant secretary. Director Kaestner seconded the motion and the Board voted 4-0 to approve the motion.
- 6) Review and consider February 11, 2022 board meeting minutes: The Board reviewed the February 11, 2022 meeting minutes. Director Girard motioned to approve the minutes as modified. Director Archie seconded the motion and the Board voted 4-0 to approve the minutes.
- 7) Review and consider Board policy regarding the management of online public board meetings: The Board reviewed and discussed the draft of an online board meeting policy. The original purpose of the policy was to address issues regarding anonymous people attending and/or disrupting online board meetings. Director Kaestner and Director Archie volunteered to work together to review this policy and report back to the Board with comments and recommendations on this draft policy. Director Girard motioned to assign the task of reviewing this draft policy to a Meeting Policy subcommittee made up of Director Kaestner and Director Archie. Director Archie seconded the motion and the Board voted 4-0 to approve the motion.

Action Item 1: Director Kaestner and Director Archie will review the draft online board meeting policy and report back to the Board with comments and recommendations on this draft policy.

- 8) Status update – 2022 Board election: The District Manager reported that six candidates ran for election and on May 3rd Matt Girard, Steven Conrad and Lauren Kaestner were elected to serve on the Board for 3-year terms. Voter turnout was approximately 35%. The District Manager also reported that the Canvass Board (comprised of Director O' Flaherty and Tom DeBoalt) reviewed and certified the election results this morning prior to the Board meeting.
- 9) Unscheduled public comments: Director Girard opened the floor to public comments.
 - Scott Shippy congratulated the three new board members and expressed his appreciation for the opportunity to run for election; he pointed out the close election shows a lot of challenges exist in a fractured community; he would like to see more transparency from the Board and he believes the community wants the District to work on lowering property taxes
 - Debbie DeBoalt congratulated the winners of the election; she wants to know the Board's opinion on the best and worst case scenarios of the litigation outcome and the impact of

ongoing legal costs on property taxes; she wants to know whether the lawsuit is driven by the Board trying to reverse the Developer's decision to reverse the 16 free ski passes that were offered to each Lot owner upon paying the \$10,000 amenity fee.

- Tom DeBoalt expressed his appreciation to serve on the Canvass Board and congratulated the winners of the board election
- David Richardson (non-GRMD member) wanted to make sure the Board received the letter from David Richard's firm (Husch Blackwell) regarding Director O' Flaherty's service on the Board and litigation committee. David Richardson indicated that he believes Director O' Flaherty has a conflict of interest and, consequently, he does not want Director O' Flaherty serving on the litigation subcommittee.

10) Status update regarding District Board's 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 appearance of a 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.

III. Financial Matters:

1) Review and ratify contractor invoices: The Board reviewed the schedule of contractor invoices submitted for payment since the last meeting – eight invoices totaling \$78,292.86. The District Manager briefly reviewed the online invoice review process with the Board. Director Girard motioned to approve payment of all invoices. Director Conrad seconded the motion and the Board voted 3-0 (Director Kaestner abstained) to approve the motion.

Action Item 2: The District Manager will provide Director Kaestner access to the District's online invoice system so she can review all contractor invoices submitted to the District.

2) Review April 30, 2022 financial reports: The District Manager reviewed the District's year-to-date April 30th financial reports. Approximately 69% of the District's property tax revenue and 26% of specific ownership tax has been collected for the Bond Fund through April 30. Approximately 65% of the district's property tax revenue and 35% of the specific ownership tax has been collected for the General Fund through December 31. The District had a cash balance of \$20,047 in its checking accounts and \$2,716,596 in its CSAFE and UMB trust accounts. For the 4-month period ended April 30, 2022, expenses in the general fund totaled \$82,876 (\$50,959 of which is litigation costs) compared to a budget of \$76,158.

Ms. Hildenbrand inquired about the general requirements for general budgets and what occurs if the District may exceed its budgeted expenditures. The District Manager reviewed the budget laws and the process for the Board to amend and revise the budget if the District appears to be headed towards exceeding budgeted expenditure. Mr. DeBoalt asked if the litigation costs could negatively impact the District's ability to refinance its debt. The District Manager pointed out the District's cash balance of \$2.7 million.

Director Kaestner expressed concerns whether the \$100,000 budgeted for litigation costs for 2022 is sufficient. She indicated the Board should consider revising the budgeted amount for litigation.

The District Manager reminded the Board that the District's bond debt cannot be refinanced prior to December 1, 2023.

IV. Legal Matters

- 1) Status of road repairs by Developer and status of Subdivision Improvement Agreements (SIAs) with Town: Director Girard reported that the Developer and the Town (upon Town Council's approval) entered into an Omnibus Agreement in February addressing several development issues within the District. The Agreement lifts the sales restriction on the Developer allowing the Developer to sell home lots in the current plat map filing and requires the Developer to repair the roads within the District as described in the Agreement by November 2023.
- 2) HMD/GPGH/GR Terra Litigation Update: Director Girard provided a brief update regarding the litigation status. He pointed out that the court stayed consideration of the District's motion of summary judgement that the LPA was not cancelled through the foreclosure and will consider this motion after both sides of the litigation complete the discovery process. He also indicated lines of communications between the parties are and have been open regarding possible settlement discussions.

V. Executive Session

At 11:02am, 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 Kaestner seconded the motion and the Board voted 4-0 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.

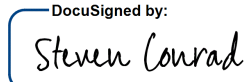
At 1:16pm, Director Girard motioned to close the executive session. Director Kaestner seconded the motion and the Board voted 4-0 to approve the motion.

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 Girard reported that the Board discussed in executive session the letter received from Husch Blackwell regarding the defendants concerns regarding alleged conflicts of interest with Director O' Flaherty. Director Girard stated the District will be responding to those letters through the District's general counsel.

VI. Adjournment (1:19pm)

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 August 12, 2022, at 6:00 pm 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:

4A4FD09D857C465

Secretary Steven Conrad

7/1/2022

Date