

RECORD OF PROCEEDINGS

MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE GREENSPIRE METROPOLITAN DISTRICT NO. 2

Held: Wednesday, January 31, 2024, at 6:00 p.m., at
Windsor Community Recreation Center, 250 N. 11th
Street, Windsor, Colorado 80550.

Attendance

A special meeting of the Board of Directors of the Greenspire Metropolitan District No. 2 was held and the following Directors, having confirmed their continued qualification to serve on the Board, were in attendance:

James Hogue, President
John Hall, Secretary
Dave Carlson, Assistant Secretary
Joshua Kinabrew, Treasurer

Absent: None.

Also, in attendance were: Colin B. Mielke, Seter, Vander Wall & Mielke, P.C.; Ann Eldridge, Eldridge CPA; and various members of the public.

Call to Order and Declaration of Quorum

The meeting was opened and it was noted that a quorum of the Board was in attendance.

Disclosure Matters

The Board had been previously advised that pursuant to Colorado law, certain disclosures by the Board members might be required prior to taking official action at the meeting. The Board then reviewed the agenda for the meeting, following which each Board member affirmed their conflicts of interest, which had been disclosed and filed with the Colorado Secretary of State, stating the fact and summary nature of any matters, as required under Colorado law, to permit official action to be taken at the meeting. The Board determined that the participation of the members present was necessary to obtain a quorum or otherwise enable the Board to act.

Director Hogue reported that he is a property owner in the District. This disclosure is associated with approval of items on the agenda which may affect his interests.

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Director Carlson reported that he is a property owner in the District. This disclosure is associated with approval of items on the agenda which may affect his interests.

Director Hall reported that he is a property owner in Greenspire Metropolitan District Nos. 1, 2, and 3. He is a manager at Lot Holding Investments, LLC. He is the son of Mr. Bret Hall, who is a Director on Greenspire Metropolitan District Nos. 1 and 3. This disclosure is associated with the approval of items on the agenda which might affect his interests.

Written disclosures of these interests had been filed with the Secretary of State prior to the meeting.

Minutes

The Board reviewed the minutes of the annual meeting and special meeting held November 1, 2023. Upon motion made, seconded and unanimously carried, the Board approved the minutes for the meetings as presented.

Public Comment

The meeting was opened for public comment.

David Hassard of 260 Turberry Drive addressed the Board and asked about the status of landscaping near Raindance at Hollister Road. The Board noted that the project is being performed by the Raindance community and that they've talked with the contractors and confirmed the landscaping will be replaced once concrete is poured. Mr. Hassard also asked about a portion of the irrigation system that appeared to be non-operational last year. The Board discussed the portions of the system that were turned off last season.

Tim Donagan addressed the Board and requested that meeting notices be emailed to residents earlier than 24 hours prior to a meeting. The Board stated it will work with the management company to try and email meeting notices earlier. Mr. Donagan asked for information regarding the neighborhood HOA and it was noted that his property located at 241 Cornelia is not within an established HOA, but it does have covenants recorded against the property.

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Annual Administrative
Matters (2024)

There being no further comments from members of the public, the public comment period was closed.

Mr. Mielke discussed several administrative matters with the Board, which are generally addressed at the Board's first meeting of the year, in accordance with Colorado law.

Mr. Mielke asked the Directors to complete a statement of qualification, which he distributed to each Director prior to the meeting, confirming each Director's qualification to serve on the Board.

Mr. Mielke also provided information to each Director describing how to identify a conflict of interest and the requirements under Colorado law for disclosure of such conflicts of interest by each Director. Mr. Mielke asked each Director to identify all existing and potential conflicts of interest each Director may have in connection with serving as a member of the Board of the District and to complete the disclosure forms to be returned to his office.

Following discussion, the Board determined to elect the officers of the Boards as follows:

President/Chair – Jim Hogue
Treasurer – Joshua Kinabrew
Secretary – John Hall
Assistant Secretary – Dave Carlson

The Board noted that the *Windsor Beacon* no longer exists and determined to use the *Greeley Tribune* as its newspaper designated for publication of legal notices.

The Board designated the District's new website www.greenspiremetrodistrict.org as its 24-hour posting location for meeting notices, as well as the community mailboxes for meeting notices not otherwise posted pursuant to Colorado law.

The Board determined to hold regular meetings quarterly on the fourth Wednesday of January, April, July, October at 6:00 p.m. at Windsor Community Recreation Center, 250 N. 11th Street, Windsor, Colorado 80550.

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The Board determined to appoint Catherine T. Bright of Seter, Vander Wall & Mielke, P.C. to serve as the Designated Election Official for the District for its election activities.

Finally, the Board reviewed the proposed form of resolution presented by Mr. Mielke that memorializes the above determinations in addition to certain other annual administrative actions providing direction from the Board regarding actions to be taken by the District's consultants on the Board's behalf.

Upon a motion made by Director Hall, seconded by Director Hogue and unanimously carried, the Board approved the administrative items and resolution as presented.

Financial Matters

- Financial Report /
Payment of Claims

Director Hogue requested that future non-potable irrigation fees be documented in a resolution that can be posted on the District's website. Mr. Mielke confirmed that future fees will be adopted via resolution and posted on the District's website.

Ms. Eldridge noted that District No. 1 will be getting an audit for the 2023 fiscal year, but that District Nos. 2 and 3 qualified for applications for exemption from audit. Ms. Eldridge distributed the audit exemption application, and upon motion made, seconded and unanimously carried, the Board approved the 2023 audit exemption application as presented.

Ms. Eldridge discussed the 2023 year-end financial reports for District Nos. 1-3, which she had distributed to the Board via email prior to the meeting. Ms. Eldridge discussed the check detail from November 15, 2023 through January 29, 2024 in the amount of \$39,932.40. The Board discussed the check detail, and Ms. Eldridge explained there are two checks on the report dated in 2023 because they were paid after the last Board meeting of 2023. The Board discussed the pricing of landscaping and snow removal services by Precision Landscaping and the various services provided by Badger, Above All Plumbing, and Dana Kemper. Ms. Eldridge confirmed that the \$7,000 invoice from Above All Plumbing discussed at the last meeting was not paid because the materials related to that invoice were not needed by the District.

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The Board discussed its desire for AdvanceHOA to send board members monthly irrigation billing reports so they can track the progress in setting up the water metering system, and noted that this was requested at the last board meeting but has not been presented. Director Hogue confirmed he will contact AdvanceHOA to ensure monthly reports begin to be sent to board members.

Lastly, Director Kinabrew raised his desire for District No. 2 tax revenues to be expended only on areas within District No. 2. The Board discussed the sharing of tax revenues amongst the three Districts and the expenditure of tax revenues by District No. 1 on behalf of the entire Greenspire community.

There being no further discussion, and upon motion made, seconded and unanimously carried, the Board accepted the financial report as discussed by Ms. Eldridge and ratified its approval of the check detail report.

Manager Report

- Review of Contracts

The Board noted that no representative from AdvanceHOA was present to discuss the contracts, and that pages were missing from the contracts presented. The Board noted that the contracts are ultimately approved by District No. 1, and Mr. Mielke noted that they are presented in District No. 2 meeting packets so District No. 2 board members can review, provide comments, and ask questions. AdvanceHOA is expected to provide full copies of the contracts to the board members via email.

- Water Billing

The Board discussed non-potable water irrigation billing. Director Carlson expressed frustration that invoicing for 2023 water usage has not been enforced. Director Hall noted that invoices were sent out, but that District No. 1 has not pursued an aggressive collection effort, and that there are questions regarding the accuracy of some of the billing. The Board determined to raise this issue with AdvanceHOA, request an update in a monthly report, and discuss the matter at an upcoming board meeting. Director Hogue reconfirmed he will contact AdvanceHOA to begin distributing monthly reports, with the first report to be provided next week.

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Legal Matters

- Advance & Reimbursement Agreement

Mr. Mielke presented the Board with an advance & reimbursement agreement entered into between District No. 1 and Lot Holding Investments, LLC. Mr. Mielke noted that District No. 2 is not a party to the agreement, but the agreement is presented for the Board's review, comments, and questions. Mr. Mielke explained that this agreement replaces prior advance & reimbursement agreements and simplifies the terms, while also reducing the interest rate on the advances.

- Water Tap Purchase Agreement

Mr. Mielke presented the Board with a Water Tap Purchase Agreement between Lot Holding Investments, LLC and District Nos. 1-3. Mr. Mielke explained that the agreement documents water taps that were previously purchased by Lot Holding Investments, LLC pursuant to the Districts' Second Amended Non-Potable Water Tap Fees Resolution, and also allows for and documents the pre-purchase of water taps by Lot Holding Investments, LLC for future development within the Greenspire community. Mr. Mielke noted that payments under the agreement are a dollar-for-dollar reduction in amounts owed to Lot Holding Investments, LLC for prior advances to the Districts. After review and discussion, and upon motion made, seconded and carried by a majority of the Board with Director Hall abstaining from discussion and vote on this matter due to his disclosed conflict of interest, the Board voted to approve the Water Tap Purchase Agreement as presented.

Other Matters

The Board opened the meeting for discussion regarding any other District matters by the Board or members of the public. The Board and members of the public discussed ways to address the water metering and billing issues experienced in prior watering seasons, and the potential uses of tax revenues when water fee invoicing is implemented. The Board and members of the public next discussed the current assessed valuations and mill levies on properties within the District and the potential for reducing taxes in future years. Lastly, the Board and members of the public discussed future development within the community, and Mr. Hassard requested that Lot Holding Investments, LLC consider traffic issues when developing commercial properties within the community.

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Adjournment

There being no other business to come before the Board, the meeting was adjourned at approximately 8:00 p.m.



Secretary for the Meeting