

RECORD OF PROCEEDINGS

MINUTES OF THE CONSOLIDATED REGULAR MEETING OF THE BOARDS OF DIRECTORS OF THE GREENSPIRE METROPOLITAN DISTRICT NOS. 1, 2, AND 3

Held: Tuesday, June 11, 2019 at 9:30 a.m., at 301 Centennial
Drive, Milliken, Colorado

Attendance

A consolidated regular meeting of the Boards of Directors of the Greenspire Metropolitan District Nos. 1, 2, and 3 was held in accordance with the statutes of the State of Colorado. The following Directors, having confirmed their continued qualification to serve on the Boards, were in attendance:

Bret Hall
George Hall

Absent: None

Also present were Colin B. Mielke, Seter & Vander Wall, P.C.; Ann Eldridge, Eldridge CPA; Nikolas Wagner, Centennial Consulting Group; and members of the public, including: Jim Holk, Nick and Katie VanMeter, and another unidentified member of the public.

Call to Order and Declaration of Quorum

Director Bret Hall opened the meeting, noted that a quorum of each of the Boards was present and called the consolidated regular meeting of the Boards of Directors of the Greenspire Metropolitan District Nos. 1, 2, and 3 to order.

Disclosure Matters

The Directors confirmed that no changes have occurred to any of the Directors' interests that warrant amending the written disclosures on file with the Secretary of State's Office with regard to any potential or existing conflicts of interest. Pursuant to Colorado law, certain disclosures may be required prior to taking official action at the meeting. The Boards reviewed the agenda for the meeting, following which each Board member disclosed his conflicts of interest, stating the fact and summary nature of any matters, as required under Colorado law, to permit official action to be taken at the meeting.

Approval of Minutes

The Boards reviewed and considered approving the minutes of the January 15, 2019 consolidated special meeting. Upon motion,

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seconded and unanimously carried, the Boards approved the minutes as presented.

Public Comment

Director Bret Hall opened the meeting for public comment.

Mr. Mielke informed the Boards that Mr. VanMeter was concerned that copies of the budgets were not distributed to the public at the prior board meeting. Mr. Mielke noted that notice of the budget's availability was published before the meeting, but that extra copies of the budget were not printed for the meeting and that his office will do so for future meetings in case members of the public request copies at the meeting, rather than contacting the Districts' consultants prior to the meeting for copies.

Mr. and Mrs. VanMeter expressed concern that the Districts' mill levies are higher than the Town of Windsor's mill levies. Ms. VanMeter asked that a financial projection for the Districts be provided at a future board meeting.

Director Bret Hall noted that the Boards anticipate researching a possible refinancing of the Districts' outstanding indebtedness to take advantage of lower interest rates and cost savings for the Districts, and that calculations can be reviewed and discussed at a future board meeting.

Mr. and Mrs. VanMeter requested that the official newspaper publication for the Districts be switched from the *Johnstown Breeze* to the *Greeley Tribune*. The Boards discussed the request and agreed to change the Districts' official newspaper to the *Greeley Tribune*.

Mr. VanMeter expressed concern that water is being wasted due to malfunctioning sprinkler heads on District open space. Mr. VanMeter suggested metering the sprinklers on the open space. Mr. Wagner noted that he's contacted the landscaping company to address the sprinkler head malfunctions. Ms. VanMeter requested that Mr. Wagner email emergency contact information to residents so issues can be addressed quickly outside of board meetings. Mr. Wagner confirmed that emergency contact information was distributed when Centennial Consulting Group was hired as the District's management company, and that he

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will redistribute that information via email.

Mr. VanMeter asked whether the Boards had received an email from Mr. Myers. The Boards confirmed they had received the email and that it would be appended to the minutes for this meeting.

Mrs. VanMeter requested that future agendas clearly state whether an item will be approved or discussed to help the public determine whether to attend particular meetings. Mr. Mielke explained that items are not identified as approved or discussed because the Boards make decisions whether to approve items after discussion at the board meetings, but that his office will seek to clarify action items on future agendas.

Mr. VanMeter asked for clarification on ownership of fencing within the Districts. Mr. Wagner noted that the Districts plan to study fencing ownership to clearly identify who owns particular fences within the District. Mr. and Mrs. VanMeter expressed concern with missing fencepost caps and other areas of fencing that need to be repaired.

There being no further public comment, Director Bret Hall closed the public comment period.

Financial Matters

Ms. Eldridge discussed the Districts' financial position and an anticipated revenue shortfall for the year and noted that the Districts' expect to request an advance of funds from the developer within the Districts to cover the shortfall. Ms. Eldridge stated that the Districts qualified for audit exemptions based on financial calculations for 2018. After discussion, and upon motion made, seconded and unanimously carried, the Boards accepted the financials as presented.

Discussion regarding Water Rate Study

Mr. Wagner presented the Boards with a draft water rate study prepared by Centennial Consulting Group for the purpose of determining non-potable water rates for the non-potable water service provided by the Districts. The Boards and members of the public discussed the water rate study and it was recommended that approval of the study be tabled for a future board meeting to allow for additional review and public input. The Boards determined to table the study for a future meeting and noted that water billing would be postponed until such time.

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- Manager Report Mr. Wagner noted that a non-potable water service outage had recently occurred and the repair company had difficulty locating the gate valve, but appears to be fixed. Mr. Wagner confirmed he discussed water pressure with the Town and that the Town stated water pressure is normal for the non-potable water system. Lastly, Mr. Wagner noted that Centennial Consulting Group has a space for Greenspire information on its website.
- Legal Matters Mr. Mielke presented service agreements to the Boards for work performed by Preferred Digging for meter pit installation, Diversified Underground for utility locate services, and Environmental Land Works for landscaping services. After review and discussion, and upon motion made, seconded and unanimously carried, the Boards ratified the agreements as presented.
- Other Business Ms. VanMeter asked about the Districts' election timeline. Mr. Mielke confirmed that the next regular election is scheduled for May 2020 and that self-nomination forms for candidates will be available in early 2020.
- Adjournment There being no other business to come before the Boards, the meeting was adjourned at approximately 10:50 a.m.


Secretary for the Meeting

Greenspire Metro District - Board Meeting, June 11

Phillip Myers <pmyers999@gmail.com>

Fri, Jun 7, 2019 at 8:55 PM

To: Greenspire Metro District <greenspire@ccgcolorado.com>

Cc: Nick VanMeter <nickjvm@gmail.com>, Linda Myers <lmyers999@gmail.com>

To: Board of Directors, Greenspire Metropolitan Districts

From: Phillip Myers, 45 Veronica Dr, Windsor, CO

Date: June 7, 2019

Good evening,

I will not be attending the meeting next week, but have a few comments and several questions:

(1) FUNDS PAID TO THE METRO DISTRICT WHEN LOTS ARE SOLD:

When we bought our lot in Greenspire we paid \$5,000 to the Metro District. At that time we were told that the non-potable water would be included at no cost but there would be a "mil levy cap of 20 mils" to be paid to the Metro District when property taxes are paid each year. And this "no additional cost for non-potable water" seemed to be the case since we were not charged for non-potable water for many years. The amount we pay to the Metro District with our property tax is very high (and has significantly increased well above what we were told would be the maximum mil levy when we bought our lot). It is impossible to see the value especially since we are now told non-potable water is not included.

Apparently we were misinformed so now we wonder what did our \$5,000 cover? It also appears \$5,000 is still being paid to the Metro District when lots are sold. Are these funds used to pay down "principal" on the outstanding bonds? Interest on the bonds? Any of these funds used for water meters?

(2) WATER METERS:

Water meters in older homes were never utilized, are apparently obsolete, and therefore were a waste of money. Were these paid for by the Metro District or the developer?

When should we expect water meters to be used to invoice the homeowners for water usage? Who will be paying for these meters? Are updated water meters being installed in the newer homes? Is this a developer cost? Will newer homes be invoiced off of meter readings or were water meters even installed?

(3) RESOLUTION OF PRIOR INVOICES:

Even after requesting information under CORA, a complete accounting was never provided to justify the amount being invoiced to homeowners. However, enough information was obtained to determine that the invoices were in error. Over the past couple of years some residents paid these incorrect invoices and some did not. How does the Metro District plan to resolve this inequity?

(4) FAIRNESS IN BILLING FOR NON-POTABLE WATER: There will never be a completely fair billing method until water meters are utilized ... so until that time a somewhat logical plan should be implemented. I think this starts by calculating the total space being watered which includes Metro District property and homeowner space.

The space being watered on each of the homeowners' lots can vary significantly. Again some space is watered by sprinklers and some is watered by a drip. Each lot can vary in size and each home's footprint, drive way, patio space, etc can also vary in size. Even the type of

sprinkler heads and setting of watering cycles is necessary. Immediate repair of broken sprinkler heads, etc will be necessary to avoid homeowners subsidizing the failure of the Metro District to control water usage. Homeowners can easily turn off water when it rains but it seems like the Metro District does not adjust in the same manner. Again if the Metro District wastes water the homeowners are effectively subsidizing the Metro District and would be paying more than the approved mil levy.

(6) HOA RELATED:

It is my understanding that some property was to be transferred to the HOA. I could not find anything in any of the documents that I have that would allow this transaction. I would be concerned if this is a tactic to transfer costs that are valid Metro District costs. Will any watering of these HOA areas be required and how will this cost be allocated?

(7) TRANSPARENCY:

I'm hoping that the new management group will help reduce the skepticism perpetuated by the lack of transparency in the past.

(8) DEVELOPMENT:

It is nice to finally see homes being built and sold in the development. Hopefully this will help make the development more viable but there is concern that our mil levy for the Metro District may never be high enough to repay the bonds and debt owed to the developer. How many homes would it take to reach breakeven to cover the bonds and repay the developer with a fair amortization period?

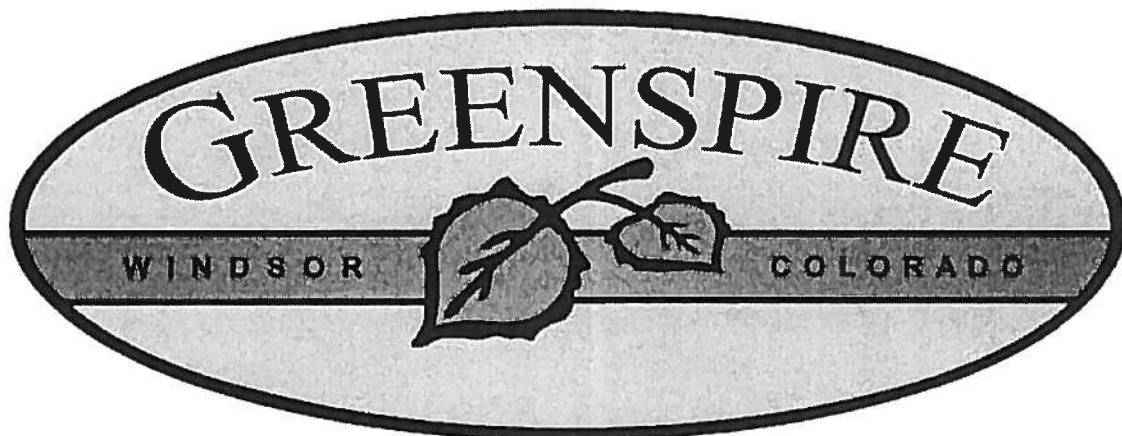
Since this is not directly related to the topic for this meeting (water invoices), I do not expect an answer at this time but it is something I think homeowner's should better understand.

Thanks and I hope my questions give you some insight into a reasonable although temporary way to invoice for non-potable water usage. I offered my assistance last year to help develop a logical system and reiterate my willingness to do so.

Sent from my iPhone

On Jun 5, 2019, at 15:38, Greenspire Metro District <greenspire@ccgcolorado.com> wrote:

[View this email in your browser](#)



The primary purpose for the meeting will be for the Board to discuss and consider the 2019 Non-Potable Water Fees. You may review the [agenda for the meeting here](#).

This meeting is open to the public. If you have any questions in advance of the meeting, feel free to respond to this email, or email us at greenspire@ccqcolorado.com.

Sincerely,

Greenspire Metro District - Management Team

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You are receiving this email because you opted in via our website.

Our mailing address is:
Greenspire Metropolitan District
2619 Canton Ct Ste A
Fort Collins, CO 80525-4453

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