

## RECORD OF PROCEEDINGS

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

Held: Tuesday, May 12, 2020 at 9:30 a.m., via electronic meeting held through Zoom platform.

#### 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:

Phillip Myers  
Robert Fry  
James Hogue (\*arrived where indicated)  
Bret Hall (\*\*left meeting where indicated)

Absent: None (Lori Stein was not on the Zoom conference call and had not taken the Oath of Office so was not considered as being absent)

Also present were Colin B. Mielke and Catherine T. Bright, Seter & Vander Wall, P.C.; Ann Eldridge, Eldridge CPA; Nikolas Wagner, Centennial Consulting Group; and several 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 present.

#### Disclosure Matters

The Board discussed that new Board members may have a conflict of interest based on their ownership of residential property or residence within the District's boundaries. Other disclosures by the Board members might be required prior to taking official action at the meeting.

Director Bret Hall's existing conflict of interest forms have been filed with the Secretary of State's office pursuant to Colorado statute, which includes information stating that he is a party to a contract to purchase property within the Districts under which he has an obligation to pay taxes on real property. He is employed by and is the Chief Operating Officer of Hall

## RECORD OF PROCEEDINGS

---

Irwin Corporation, Manager of Lot Holding Investments, LLC and has business interests with Traders Junction LLC. He is the son of Mr. George Hall. George Hall is a Director on Greenspire Metropolitan Districts No. 1 & 3. Director Bret Hall offered no amendments to his disclosure. The disclosure is associated with the approval of items on the agenda which might affect his interests.

### Election of Board Officers

The Board discussed the election of officers. After discussion and upon motions, seconded and unanimously carried, the Board elected Director Myers as treasurer and secretary, Director Fry as president, and Director Hogue as assistant secretary.

### Public Comment

The Board opened the meeting for public comment. The Board noted its desire to allow for public comment during each individual agenda item, as well as during the public comment period.

Mr. Brad Walker addressed the Board and stated his objection to Director Myers representing the community on the Board and his disagreement with the proposal that water be metered. Mr. Mielke provided an overview of how board members are elected and the election process for special districts.

There being no further public comment, the Board closed the public comment period.

### Approval of Minutes

\*Director Hogue arrived at this time.

The Boards reviewed and considered approving the minutes of the March 10, 2020 consolidated regular meeting. The Board discussed changes to the minutes to include reference by Mr. Fry during public comment to fencing recently installed by the developer and reference that a 24-hour posting place was not designated at the meeting. Upon motion, seconded and carried by a majority of the Board, the minutes were approved with the changes discussed. Director Myers abstained from voting.

### Director Matters

- Consider Adoption of

The Board discussed Director Fry's proposal to adopt Robert's

{00475054 2}

May 12, 2020

Greenspire Metropolitan District No. 2

## RECORD OF PROCEEDINGS

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| Robert's Rules of Order   | Rules of Order. Director Myers noted that it may be difficult to follow them exactly because they are not specifically tailored to special district meetings that are held via teleconferencing. Mr. Myers also noted that a new version of Robert's Rules of Order is scheduled to be released in September. The Board determined to table the consideration of adopting Robert's Rules of Order to a future meeting.  |
| - Consider Adoption of \$25,000 Development Fee                 | The Board discussed Director Fry's proposal to adopt a \$25,000 per lot fee for each property with a newly constructed home. Director Fry stated his position that the fee would help prevent possible default of District indebtedness. Director Myers noted that the fee may prevent the construction of new homes within the District, which could be detrimental to District finances. Director Myers moved to table discussion of this matter to the next board meeting. The motion was seconded by Director Fry and unanimously carried.  |
| - Consider Amendment to Personal Identifying Information Policy | The Board discussed Director Fry's proposal to amend the District's Personal Identifying Information policy to be more specific regarding the actions to be taken to destroy such information. The Board noted that checking account information and credit card information are the main types of personal identifying information received by the District. Director Fry also noted that ways to protect spreadsheets with information regarding water invoice balances should also be identified. The Board discussed potentially utilizing a lockbox for the receipt of checks and other possible types of security measures that could be implemented. Upon motion made, seconded, and unanimously carried, the Board voted to table further discussion of changes to the Personal Identifying Information policy to a future consolidated meeting of all the Districts' Boards. |
| - Discussion regarding Potential Amendment to 2020 Budget       | The Board determined to table discussion of a potential amendment to the 2020 budget to the financials portion of the board meeting.  |
| - Discussion regarding Fencing                                  | The Board discussed inspecting fencing within the District to determine which fencing is District-owned and which fencing is privately owned. The Board discussed potential costs related to surveying fencing locations. The Board discussed lower-cost  |

{00475054 2}

May 12, 2020

Greenspire Metropolitan District No. 2

## RECORD OF PROCEEDINGS

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options, such as Director Fry and Mr. Wagner performing some inspection services. The Board noted that Centennial Consulting Group would need to charge for Mr. Wagner to perform such services.

Director Fry moved to have himself map fencing within the District and to make a recommendation to the Board concerning who he believes is responsible for maintenance of the identified fencing. The motion was seconded by Director Myers. The Board called for discussion, and it was confirmed that Mr. Wagner's services will not be utilized at this time for the fencing inspection. Director Hogue asked Mr. Mielke who is responsible for fencing if it is not the Districts. Mr. Mielke stated that he does not have that information, and that his information is limited as to what the Districts have accepted for ownership and maintenance. As legal counsel to the Districts, he does not have information on private ownership of fencing. Director Myers indicated that maybe the District should provide homeowners with easements if the homeowners are required to maintain fencing that is located on District owned property. After discussion, the motion passed with majority vote for Director Fry to map the fencing within the District.

### - Discussion regarding District Landscaping

Director Fry noted that there are 31 dead trees located within the District and made a motion to authorize him to inspect and map the location of the dead trees and to report back to the Board. Director Myers seconded the motion, and the Board called for discussion. Director Myers noted that Centennial Consulting Group previously planned to check on warranties for the trees. Mr. Wagner confirmed he had reviewed the District files for warranties and that he was not aware of any warranties for the trees and that it is not likely the prior landscaping company would provide any information regarding warranties that may have existed. Mr. Wagner also noted that the Districts do not have funds to replace the trees at this time. After discussion, the motion for Director Fry to survey and map the dead trees was unanimously approved. \*\* Prior to the vote, Director Hall lost connection to the Zoom meeting and was unable to cast a vote on this matter.

### - Discussion regarding Status of Main Line Repair

Mr. Wagner informed the Board that repairs to the main line break in the non-potable irrigation system were completed last

{00475054 2}

May 12, 2020

Greenspire Metropolitan District No. 2

## RECORD OF PROCEEDINGS

---

September. Mr. Wagner said scarring of the grass in that area is aesthetic and it will take time for the grass to fully grow back. Mr. Wagner is researching the possibility of installing a berm in that area to mitigation the risk of future flooding to the area if the main line were to break in the future. Mr. Wagner noted that the newly engaged landscape contractor is aware of the shut-off valve locations and lives near the District, so response times are expected to be quick. Director Myers asked Mr. Wagner to put an emergency contact number for the landscape contractor on the District's website, and Mr. Wagner confirmed he could email it to property owners as well. Director Fry stated that he has had conversations with a property owner whose home flooded due to the main line break, and they informed him they are not done with repairs and have not submitted all their expenses.

- Remaining Director Matters It was noted that Director Hall's connection to the Zoom meeting had been interrupted earlier and he was unable to reconnect to the meeting. The Board noted that there was still a quorum of the Board but determined to table the remaining agenda items under Director Matters until a future meeting.

### Financial Matters

Ms. Eldridge informed the Board that half of the tax revenues have been received, which is common for this time of year. Ms. Eldridge expects that Weld County will collect the remainder of the tax revenues soon and distribute it to the District in July.

Director Myers requested that District-related repairs and maintenance be added as a line item to future financial reports. Director Myers also expressed his desire to complete a debt-solvency analysis to ensure the District can pay its indebtedness. Director Myers suggested having the treasurers for each of the Districts meet to discuss such items.

After discussion and upon motion made, seconded, and unanimously carried, the Board accepted the financial reports.

### Discussion regarding Non-Potable Water Fee Invoices for 2020

The Board discussed the ten formal protests related to the 2020 non-potable water invoices that had been received by the District and included in the board packets for the meeting. Mr. Mielke described the history and purposes of the non-potable water service fees. Ms. Eldridge estimated that to date payment

{00475054 2}

May 12, 2020

Greenspire Metropolitan District No. 2

## RECORD OF PROCEEDINGS

---

has been received for half of the invoices. The Board and Mr. Mielke discussed how to address non-payment of the invoices, and Director Myers noted that a collections policy exists for the Districts. Mr. Mielke and Mr. Wagner noted that an analysis has been completed for billing the church for non-potable water usage and a fee structure for commercial property is expected to be adopted at a future meeting. Prior consideration was delayed due to cancellation of a previous board meeting due to COVID-19.

The Board elected to postpone responding to the formal complaints.

Director Myers expressed his disagreement with the methodology used to calculate water invoices and his desire to work with Mr. Wagner to analyze a fair way to invoice. Director Myers stated that he has performed analyses for water usage and billing previously, provided data to the Management Company and the Districts never provided feedback regarding the data that showed many homeowners are being overcharged for non-potable water. Director Hogue noted his desire to analyze the difference in water usage from the church and the homeowners.

The Board determined to delay correspondence concerning non-payment of water invoices until the Board can further discuss options for addressing the issue.

### Manager Report

Mr. Wagner informed the Board that isolation valves for the non-potable water system have been located. Mr. Wagner noted that additional outlots are planned to be added to the CLC Landscaping contract, and Mr. Wagner will confirm the location of the outlots and any remaining actions to complete the addition of those outlots with Mr. Mielke.

### Other Business:

Director Myers requested Mr. Mielke to see if the Milliken location will be available for District No. 2 meetings. It was also determined that draft copies of minutes for District No. 2 will be prepared by the Districts' legal counsel.

{00475054 2}

May 12, 2020

Greenspire Metropolitan District No. 2

## RECORD OF PROCEEDINGS

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Adjournment

There being no other business to come before the Board, the meeting was adjourned at approximately 12:30 p.m. and noted the next regular meeting scheduled for June 9, 2020 at 9:30 a.m.



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Secretary for the Meeting

## Catherine Bright

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**From:** Phil Myers <pmyers999@gmail.com>  
**Sent:** Thursday, May 7, 2020 4:43 PM  
**To:** Colin Mielke; Catherine Bright  
**Cc:** Jim Hogue; Lori & Larry Stein; Bob & Joan Fry; Nikolas Wagner  
**Subject:** Re: Greenspire - board meetings via teleconferencing

**Follow Up Flag:** Follow up  
**Flag Status:** Completed

**To:** Board of Directors, Greenspire Metropolitan Districts No. 1, 2, & 3  
**From:** Phil Myers  
**Date:** May 7, 2020

Please include this email in the minutes of the upcoming board meeting to be held on May 12, 2020 along with the attached email string that was previously sent to the Districts' attorney and others.

It appears that the Greenspire Metro Districts' attorney, Colin Mielke, is disputing what was published in the SDA Board Member Manual, which was prepared by Collins Cockrel & Cole, P.C., Attorneys at Law for the Special Districts Association of Colorado ("SDA"). It should be noted that SDA's board is made up individuals from 11 Special Districts. I encourage Mr. Mielke to contact Collins Cockrel & Cole to see why they differ so greatly on the topic of allowing teleconferencing by board members.

I think we should be able to use teleconferencing to conduct meeting and especially during a worldwide pandemic. Other municipalities are doing this. Even if Districts No. 1 & 3 decide to require in-person attendance, I hope District No. 2 will agree to use teleconferencing to conduct board meetings.

This should be an **Agenda item that is voted on by each of the Districts, separately.**

I also encourage Districts No. 1 & 3 to find a way to add more board members. Having only two board members makes it more difficult to have a quorum, especially if teleconferencing is not allowed. Having more board members would add value in other ways besides just being able to have a quorum.

- end -

On Wed, Apr 15, 2020 at 4:41 PM Phil Myers <pmyers999@gmail.com> wrote:

Thanks Colin,

You stated: "Our firm's position is that special district meetings require a physical quorum of the directors to be properly held." It doesn't sound like there is any specific statutes to support your firm's position. You stated that the statute I reference "does not provide authorization to special district governments." That's fair but there is another source that does relate to Special Districts. The source I am referring to is the Special District Association of Colorado ("SDA").

The SDA publishes the *SDA Board Member Manual, A Reference Guide for Special Districts.*

The following is from the 2019 version of this Publication:



**Chapter III. F. Attendance: A Director is required to attend Board meetings. Attendance may be made via telephone conference. As long as the Director is able to hear and be heard, telephonic attendance satisfies the attendance requirement. §24-6-402(1)(b), C.R.S.**

It is nice to have board members present at all meetings, but it seems archaic to require physical attendance of all directors in today's world. And believe me, at my age, I know what "archaic" means. Sounds like an Agenda item for each of the boards.

Phil

On Wed, Apr 15, 2020 at 3:27 PM Colin Mielke <[cmielke@svwpc.com](mailto:cmielke@svwpc.com)> wrote:

Phil,

I reviewed the information you provided below and the definition of meeting you provided from the Open Meetings Law. Our firm's position is that special district meetings require a physical quorum of the directors to be properly held. The statute you referenced below relates to cooperatives and does not provide authorization to special district governments. When Colorado statutes are read as a whole, we believe it is clear that meetings must have a physical quorum present unless a statute specifically provides otherwise. The decision to hold a virtual/remote board meeting is in the sole discretion of the board, but we want you to be aware of the risks related to such meetings.

With regard to the attendance of consultants at meetings, physical presence of consultants is not required by statute. However, our firm believes physical presence helps facilitate more orderly meetings. In addition, our office does not charge for travel time to and from board meetings, so there is no cost savings from our office participating remotely.

As for the new board members for District No. 2, the DEO will distribute director election documents after the May election. Those will need to be completed within 30 days of the election, but do not need to be completed at a board meeting.

I also reviewed the questions from your email last evening (attached). You are correct that each District will have its own officers, which are elected by the board at its first meeting. I also agree with you that holding separate meetings is the most logical way to conduct board business when the boards consist of different individuals. Each board is responsible for setting its own meeting date/times/locations.

With regard to your suggestion of a homeowner forum, please note that such forums can be held, but less than a quorum of the board will need to be in attendance unless you follow Open Meetings Law requirements of notice and minutes.

Regards,

Colin

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**From:** Phil Myers <[pmyers999@gmail.com](mailto:pmyers999@gmail.com)>  
**Sent:** Tuesday, April 14, 2020 12:34 PM  
**To:** Colin Mielke <[cmielke@svwpc.com](mailto:cmielke@svwpc.com)>  
**Cc:** Jim Hogue <[hoguej@aol.com](mailto:hoguej@aol.com)>; Lori & Larry Stein <[steinquilts@gmail.com](mailto:steinquilts@gmail.com)>; Bob & Joan Fry <[fry.joanbob@gmail.com](mailto:fry.joanbob@gmail.com)>; Nikolas Wagner <[nik@ccgcolorado.com](mailto:nik@ccgcolorado.com)>; Centennial Consulting Group, LLC <[greenspire@ccg.com](mailto:greenspire@ccg.com)>  
**Subject:** Greenspire - board meetings via teleconferencing

Colin,

I did a little more research and found additional support that directors need not be physically present at board meetings to participate. Colorado Revised Statutes Title 7, more specifically § 7-56-403(5), addresses procedures for board of director meetings. The statute *states*:

*"(5) Unless otherwise provided by the articles or bylaws:*

*(a) The board may permit any or all directors to participate in a regular or special meeting **through the use of any means of communication by which all directors participating are able to communicate simultaneously with each other during the meeting.**"*

Since Districts No. 1&3 only have two board members, not requiring a director to be physically present would make it easier to have a quorum, and it would be less likely meetings would need to be cancelled.

I don't think the Districts' attorney and/or accountant need to be physically present at every meeting, especially if meetings do not include voting by its directors, or there are health related factors similar to what is now happening with the COVID-19 pandemic. Not requiring the physical presence of directors, the Districts' attorney, the Districts' accountant, and the Management Company could also save money for the financially-stressed Districts.

I hope we don't have to wait for the meeting notice to be posted to know if teleconferencing will be used for the May meeting. Aren't directors supposed to be sworn in at the May meeting? Are there forms that we could sign and send to you in case we do not have an in-person meeting?

I got notice yesterday morning from Centennial Consulting Group that today's meeting was cancelled. The location and time of board meetings make it difficult for many to attend meetings and frequent "late notice" cancellations of meetings creates limited confidence it is worth planning around work schedules to attend meetings that seems to be cancelled frequently. Here again, teleconferencing would give more people the opportunity to be involved; they wouldn't have to miss as much work ... even if meetings continue to be at times and a place not conducive for most homeowners to attend. I think more property owners need to be involved since the Districts' board is making decisions that affect them financially.

Thanks,

Phil Myers

45 Veronica Drive

[pmyers999@gmail.com](mailto:pmyers999@gmail.com)

xx

On Apr 6, 2020, at 07:56, Colin Mielke <[cmielke@svwpc.com](mailto:cmielke@svwpc.com)> wrote:

Hi Phil,

I've received your CORA requests titled 040320-1, 040320-2, 040420-1, and 040420-2, and our office will begin processing them. I expect that we will be able to provide the documents within the 5-working-day deadline that you referenced.

We are working with the District's management company to identify a way for public attendance at the next board meeting via teleconferencing due to COVID-19, and will have that information posted on the meeting notice.

Regards,

Colin

**From:** Phil Myers <[pmyers999@gmail.com](mailto:pmyers999@gmail.com)>

**Sent:** Saturday, April 4, 2020 2:07 PM

**To:** Colin Mielke <[cmielke@svwpc.com](mailto:cmielke@svwpc.com)>

**Cc:** Jim Hogue <[hoguej@aol.com](mailto:hoguej@aol.com)>; Lori & Larry Stein <[steinquilts@gmail.com](mailto:steinquilts@gmail.com)>; Bob & Joan Fry

<fry.ioanbob@gmail.com>

**Subject:** Greenspire - CORA Requests 040420-1 and 040420-2

Hi Colin,

Hope this email finds you and your loved ones in good health.

Thanks for the documents you sent earlier. It took a while to re-label them and some are no longer relevant, but some of them provided really good information.

A couple of documents I did not see relate to the debt instruments the Districts are parties to, so I've attached another CORA request for that information.

I've lived in Greenspire for over 10 years and I do not recall ever hearing about a Special Meeting being held. There have been several mill levy increases and I don't recall ever hearing about Special Meetings for these approvals. Maybe they happened and I just missed those meetings, but I've attached a second CORA request to obtain information regarding any Special Meetings, especially those that approved increases since I've been a homeowner. The maximum mill levy was 20 mills when we bought property in Greenspire, and for 2019 it was 42.124 mills. I understand some of the increase was due to changes in property valuation methodology, but this is a very high mill levy for a non-potable water system. It is my understanding the mill levy is higher than what the Town of Windsor would allow for a new District (39 mills?)

I'll send a separate email regarding board meetings, but I do think teleconferencing is the way to go, especially while COVID-19 is such a problem.

Thanks for your assistance,

Phil Myers