

RECORD OF PROCEEDINGS

**MINUTES OF A REGULAR MEETING
OF THE BOARD OF DIRECTORS OF THE
GRANBY RANCH METROPOLITAN DISTRICT
HELD
JULY 15, 2016**

A regular meeting of the Board of Directors of the Granby Ranch Metropolitan District was held on July 15, 2016 at 3:00 p.m. at Ranch Hall, 998 Village Road, Granby, CO 80446.

Attendance: In attendance were Directors:

Natasha Wall; President
Dale Floren; Vice President
Terry Walker; Secretary/Treasurer
Lance Badger; Assistant Secretary
Julie Krueger; Assistant Secretary

Also in Attendance:

Bob Blodgett, Jason Carroll & Pat Shannon; CliftonLarsonAllen LLP
Jeffrey Erb & Kim Seter; Seter & Vander Wall, P.C
Jonathan Goss; (via telephone)
J. Gleason; 686 Slalom Drive (via telephone)
Neil Herzog; Herzog Associates LLC (via telephone)
Cynthia Beyer; CliftonLarsonAllen LLP (via telephone)
Jim Collins; Collins Cockrel & Cole (via telephone)
Jon Heroux; Piper Jaffray (via telephone)
Marise & Melissa Cipriani; Granby Realty Holdings
Vince & Fran Mejer
Nick Raible
Natascha O'Flaherty
Tom Riccio
Mark & Jane Swanson
Laura Manning
Tom Pierro
Lori Augustyniah
Jim Henslee
Tom Chaffin
Shelly Goochis
John Pierson
Terri Brinkley
Sheila Bailey

I. Call to Order

Director Wall called the meeting to order at 3:00 p.m.

RECORD OF PROCEEDINGS

II. Declaration of Quorum/Director Qualifications/Disclosure of Conflicts

Mr. Erb reported disclosures have been filed for each Board member, and have also been filed with the Secretary of State website. The directors reviewed the agenda for the meeting, following which each director confirmed the contents of any written disclosure previously made, stating the fact and summary nature of any matters as required under Colorado law to permit official action to be taken at the meeting. Each director also confirmed that nothing appeared on the agenda for which disclosure certificates had not been filed.

III. Public Comments

Mr. Gleason asked about the status of the refinancing, and urged that it be completed as quickly as possible to save homeowners money. Mr. Goss urged that the refinancing move forward quickly in order to reduce the bond costs.

Mr. Mejer stated he had measured the spots where the road has been damaged in front of his property at 625 Cumulas. He will get this information to Director Badger to review. He also inquired into the debt service savings associated with the refunding.

Ms. O'Flaherty requested confirmation that the District does not currently own the roads. She also stated the term "beneficial use" relates to water, not the streets)that has been used in previous meetings.

Ms. Gachis asked if the recommended refinancing can proceed as quickly as possible.

Ms. Augustyniah stated she has lived in Granby Ranch seven years, and is concerned about the reduction in amenities being provided to homeowners.

Ms. Bailey stated she is a realtor and works along I-40 from Grand Lake to Winter Park and recommends refinancing to proceed as quickly as possible so that the impacts on the neighborhood long term are minimized.

Ms. O'Flaherty stated taxes in Granby Ranch are high and not paying the subordinate bonds will provide savings for homeowners.

Mr. Collins stated he was not able to hear all of the public comments, but said he is working with the consultants to proceed on the refinancing and other issues, and appreciates the balanced approach being taken by the District's Board.

IV. Review and Approve June 3, 2016 Special Meeting Minutes

Directors Badger and Krueger recommended several amendments to the minutes in the discussion of roads section and the public comments section. Ms. Cipriani noted that Mr. Gui Cipriani was not present at the June 3rd meeting.

RECORD OF PROCEEDINGS

After discussion, upon a motion duly made by Director Walker, seconded by Director Floren, and upon a vote, unanimously carried, the Board approved the June 3, 2016 Special Meeting Minutes as amended.

V. Financial Items

A. Review and Approve June 2016 Claims Payable

Mr. Blodgett report there were no claims payable to present.

B. Review and Approve 2015 Audit

Mr. Carroll reviewed the 2015 Audit with the Board. Upon a motion duly made by Director Krueger, seconded by Director Floren, and upon a vote, unanimously carried, the Board approved the 2015 Audit and authorized Mr. Carroll to file with the Division of Local Government by July 31, 2016.

C. Other

None.

VI. Items from Manager

A. Discuss Potential Change of Meeting Location to Granby Town Hall

Director Wall reported she has spoken with Granby Town Hall and stated they have agreed to waive the rental fee for Board meetings at Town Hall.

Upon a motion duly made by Director Walker, seconded by Director Badger, and upon a vote, unanimously carried, the Board approved the change in regular meeting location to the Granby Town Hall effective with the October 14th Regular Board meeting which will begin at 2:00 p.m. Director Wall reported the meetings must conclude at Granby Town Hall by 4:30 p.m.

1. Discuss Meeting Agenda Notification

Director Wall reported that those interested in receiving future meeting agendas should indicate on the sign in sheet next to their email address. Mr. Blodgett reported that his office will email an agenda to anyone on the list that has requested it. An agenda will also be placed on the District website.

B. Discuss Posting Locations

After discussion, upon a motion duly made by Director Krueger, seconded by Director Wall, and upon a vote, unanimously carried, the Board approved a Posting Committee consisting of Directors Wall and Krueger to review the current posting locations and recommend a plan for future posting locations prior to the October 14th Board meeting.

RECORD OF PROCEEDINGS

C. Review and Approve Resolution 2016-07-01, Designating the District's 24-Hour Posting Location

Mr. Erb reported this is a required annual item. Upon a motion duly made by Director Badger, seconded by Director Krueger, and upon a vote, unanimously carried, the Board approved Resolution 2016-07-01, designating the District's 24-Hour Posting Location at the kiosk at the intersection of County Road 894 and Ten Mile Road.

D. Website Update

1. Discuss Current HMD Website
2. Discuss Separate GRMD Website

Mr. Blodgett reported that CliftonLarsonAllen works with a consultant who provides a basic website at a very reasonable cost of less than \$1,000. It will include key public documents. After discussion, upon a motion duly made by Director Walker, seconded by Director Floren, and upon a vote, the Board approved the preparation of a website by Michael Nearing at a cost NTE \$1,000 as a separate website for Granby Ranch Metropolitan District (GRMD). The motion was approved 4 to 1; Director Krueger voted nay.

E. Discuss Electronic File Sharing

Mr. Blodgett explained that many CLA Districts use Dropbox to share files such as meeting agendas and packets and other key documents with the Board that may not be on the website.

Director Badger reported concerns about security issues with Dropbox. He recommended approval of Box.com. The Board concurred. Mr. Blodgett's office will proceed.

F. Discuss Use of Consent Agenda at Future Board Meetings

Mr. Blodgett recommended the addition of a consent agenda on future meeting agendas to approve routine actions, such as meeting minutes and other matters as appropriate. Director Badger reported he has used this successfully in other Board meetings. After discussion, the Board approved the use of a Consent Agenda for future Board meetings. Mr. Blodgett will work with Director Wall to determine what items may be appropriate for future Consent Agendas.

G. Other

None.

VII. Director Items

A. Discuss Road Committee Report

RECORD OF PROCEEDINGS

Directors Badger and Walker reviewed the Road Committee Report and recommendations with the Board. Director Badger noted that the estimated costs of repairs needed for road approval by the Town of Granby range from \$500,000 to \$1,000,000. He reported that GRH has agreed to pay these costs. The work will begin in the Fall of 2016 and will last into 2017.

Director Badger reported he will work with the Town on the initial and final acceptances of the roads.

Director Badger reported that two bids have been received by the Headwaters Metropolitan District Road Committee for 2016 and 2017 snow removal. The Committee recommends approval of the bid by Mountain Madness who does many similar snow removal jobs in the Granby area.

Upon a motion duly made by Director Badger, seconded by Director Walker, and upon a vote, unanimously carried, the Board approved the recommendation by the Headwaters Metropolitan District Road Committee Headwaters Committee to retain Mountain Madness for 2016 and 2017 snow removal in Granby Ranch.

The Roads Committee recommended the addition of Mr. Nick Raibel to the committee. He has been very helpful in working on the report and identifying needed repairs. Upon a motion duly made by Director Badger, seconded by Director Walker, and upon a vote, unanimously carried, the Board approved the addition of Nick Raibel to the Roads Committee.

Director Badger reported this committee will draft an Operating and Maintenance Budget for 2017. The Board asked that Mr. Blodgett's and Mr. Erb's office identify recommended legal, management, accounting and other administrative costs for the 2017 Budget.

Director Badger reported the recommended future replacement reserve for street repair and maintenance is between \$150,000 and \$180,000 per year. The committee recommended that GRMD collaborate with Headwaters Metropolitan District (HMD) on future work related to the road system. The committee recommended that a road asset management plan for the next 10 years be developed for all the roads within Granby Ranch once accepted for maintenance.

The Board thanked Directors Badger and Walker and Mr. Raibel for their report..

B. Discuss Status of Debt Refinancing and Service Plan Amendment Committee – Directors Wall and Floren

Mr. Erb reported that recent models by Piper Jaffray estimate a mill levy between 44-49 mills for future debt service after refinancing. Still to be determined is the amount of operating mill levy that may be required in 2017.

C. Confirm Quorum and Location for the Next Regular Meeting – October 14, 2016 at 2:00 p.m.

RECORD OF PROCEEDINGS

The Board confirmed a regular meeting at Granby Town Hall at 2:00 p.m. on October 14, 2016.

D. Discuss Potential Special Board Meeting

Action was tabled for a future date. Mr. Erb reported that any Board member can call a Special Board Meeting with 72 hours notice.

E. Other

None.

VIII. Items from Attorney

A. Executive Session pursuant to § 24-6-402(4)(b) and (e), C.R.S. regarding receipt of legal advice and negotiations related to (i) Intergovernmental Agreement with Headwaters Metropolitan District; (ii) refinancing of 2006 and 2010 Bonds; (iii) repair and maintenance of roads; (iv) potential service plan amendment; and (v) future status and role of the District in Granby Ranch

At 4:32 p.m. upon a motion duly made by Director Wall, seconded by Director Floren, and upon a vote, unanimously carried, the Board adjourned into Executive Session pursuant to § 24-6-402(4)(b) and (e), C.R.S. regarding receipt of legal advice and negotiations related to (i) Intergovernmental Agreement with Headwaters Metropolitan District; (ii) refinancing of 2006 and 2010 Bonds; (iii) repair and maintenance of roads; (iv) potential service plan amendment; and (v) future status and role of the District in Granby Ranch.

At 6:00 p.m. upon a motion duly made by Director Wall, seconded by Director Badger, and upon a vote, unanimously carried, the Board adjourned out of Executive Session and returned to open session. The Board did not engage in substantive discussion of any matter not enumerated in section 24-6-402(4), C.R.S. and as set forth in the motion to enter executive session. The Board did not adopt any policy, position, resolution, rule, regulation or take any formal action.

IX. Other Business

A. Discuss Future Actions

1. Debt Refinancing
2. Operating and Maintenance Mill Levy
3. Service Plan Amendment
4. Other

RECORD OF PROCEEDINGS


Upon a motion duly made by Director Wall, seconded by Director Floren, and upon a vote, unanimously carried, the Board authorized submittal of a Service Plan Amendment to continue the current cap of the Debt Service mill levy at 50 mills Gallagherized, and provide for a total potential mill levy of up to 60 mills Gallagherized to allow the District to raise additional funds for operation and maintenance. The motion was approved.

Upon a motion duly made by Director Wall, seconded by Director Walker, and upon a vote, unanimously carried, the Board approved submittal of a letter from the District to the Headwaters Metropolitan District, Granby Ranch Metropolitan District No. 8, Sol Vista Metropolitan District and Granby Ranch Holdings LLC regarding a proposal related to the bond refinancing, future road operation and maintenance, and related issues.

X. Adjournment

Upon a motion by Director Wall, seconded by Director Krueger, the meeting was adjourned at 6:17 p.m.

Respectfully submitted by,


Secretary of the Board