

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, October 8, 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: Bryan Burnett, Paul Niekelski, James Hogue, Phil Myers, Pam Tjaden, Lynn and Mark Twietmeyer, Bob Fry, Clarissa Kelly, Bruce Kelly, Alissa Burch, Bruce Laymon, and Vicki Laymon.

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 {00436727}

October 8, 2019
Greenspire Metropolitan District Nos. 1-3

The Boards reviewed and considered approving the minutes of the

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September 10, 2019 consolidated regular meeting. Upon motion, seconded and unanimously carried, the Boards approved the minutes as presented.

Public Comment

Director Bret Hall opened the meeting for public comment.

Mr. Fry addressed the Boards and provided a written copy of his comments, which are included as an attachment to the minutes. Mr. Mielke confirmed that public records of the Districts can be obtained by contacting his office.

Mr. Myers asked that discussion regarding a potential bond refunding be added to future meeting agendas.

The Boards and members of the public discussed potential playground equipment at the open space near Moonglow Drive. Director Bret Hall stated that the Districts do not a plan to put in playground equipment at that location. It could potentially be installed by a developer, but there is no guarantee that playground equipment will be installed.

Members of the public expressed a desire that water fees be based on reading meters at individual properties, as opposed to a flat rate.

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

Public Hearing regarding 2020 Budgets

Director Bret Hall opened the public hearing on the proposed 2020 budgets. The Boards answered questions regarding the structure of the Districts, including the mainly commercial plans for District No. 1 and the residential plans for District Nos. 2 and 3. Ms. Eldridge described the coordination by the Districts regarding funding of operations, maintenance, and debt service. There being no further public comment, Director Bret Hall closed the public hearing.

The Boards reviewed and discussed the budget resolutions and the budgets presented by Ms. Eldridge. The Board discussed the operations and maintenance mill levy of 16.708 and the debt service mill levy of 25.416, which includes adjustments for the Gallagher Amendment. After review and discussion, and upon motion made by Director Bret Hall, seconded by Director George

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Greenspire Metropolitan District Nos. 1-3

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Hall and unanimously carried, the Boards approved the 2020 budgets, appropriated the budgeted funds, and certified the mill levies as discussed for District Nos. 1, 2, and 3.

Financial Matters

Ms. Eldridge presented the Boards with financial statements through September 30, 2019, and notified the Boards that the Districts will need an approximately \$29,000 developer advance. Ms. Eldridge confirmed that the Town of Windsor billed the Districts approximately \$27,000 for water in 2019. After review and 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 an updated 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.

Mr. Wagner noted that upgrading existing meters would potentially cost \$27,000 and that the cost to read existing meters is estimated to cost \$10,000 per year. Mr. Wagner discussed the recommendation in the 2019 Water Rate Study to charge a flat rate of \$325 per property for non-potable water service, with the money to be used to pay for water invoices from the Town of Windsor and to operate and maintain the non-potable water system.

Members of the public objected to the methodology used to determine the water rates. Ms. Weaver from Centennial Consulting Group confirmed that she used two nearby Districts when comparing the level of water rates recommended to the Districts. Various members of the public stated their preference that water fees be determined through a metering system, rather than a flat rate. Director Bret Hall noted his preference that the Districts continue to review the feasibility of reading individual meters for purposes of billing in the future, but that he believes the study performed by Centennial Consulting Group is sound and should be adopted. After discussion and upon motion made, seconded and unanimously carried, the Board accepted the 2019 Water Rate Study as presented by Centennial Consulting Group.

Discussion regarding Fencing

Mr. Mielke stated that he is continuing to research the ownership of fencing with the Districts. A member of the public

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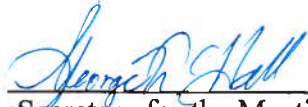
Greenspire Metropolitan District Nos. 1-3

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requested that the Districts also determine the ownership of fencing near Turnberry Drive.

Adjournment

There being no other business to come before the Boards, the meeting was adjourned at approximately 11:05 a.m.


Secretary for the Meeting

Statement made by Robert Fry during the "Public Comment" section of the Greenspire Board of Directors Meeting on October 8, 2019:

I am Robert Fry, a citizen of the Greenspire Metropolitan District, residing at 109 Veronica Drive.

My comments will follow the draft agenda posted at the Greenspire subdivision mailboxes, and then some non agenda items.

Approval of Minutes - I can not comment on the September 10 minutes since a draft copy was not provided prior to this meeting.

Proposed 2020 Budget / 2019 Budget Amendment - I can not comment on the budgets since a draft copy was not provided prior to this meeting.

Water Rate Study - I don't understand why the fixed costs in the Study are not included in the mil levy budget. Also, I don't understand why the water usage for common areas was not included, since this should be included in the mil levy budget.

Advance / Reimbursement Agreement - I can not comment on the this since a draft copy was not provided prior to this meeting.

Discussion regarding Fence Ownership - I hope there is more than a discussion on this topic. I hope that your legal counsel has made a decision on the ownership.

\$ 4,400,000 Bond refinancing - This does not appear on the agenda. At the September 10 Board Meeting it was stated that there would be an update on this study at the October Board Meeting.

Common areas - This does not appear on the agenda.

- There are approximately 30 dead trees on common areas. The majority were killed in the 2018 hailstorm. They have not been removed or replaced. It makes Greenspire look run down.
- The open space on Moonglow that was described as a "playground area" has morphed into an useless, walk through (i.e., no benches), dead landscaping area.
- The grass between the Lake and Veronica Drive houses has been for most of the summer, and still is, approximately 15% dead due to the erratic watering by the landscape company. In addition, a poisonous herbicide was applied under the fence in this area by the landscape company without warning and with no flag placement. -
- Maintenance by the landscape company of the irrigation system has been less than adequate (think head replacement and line breaks).

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