

RECORD OF PROCEEDINGS

MINUTES OF THE CONSOLIDATED SPECIAL MEETING OF THE BOARDS OF DIRECTORS OF THE BUCKHORN VALLEY METROPOLITAN DISTRICTS NOS. 1 & 2

Held: Thursday, February 25, 2021 at 9:00 A.M., at
<https://us02web.zoom.us/j/89819455046?pwd=VIQvVC9nekVLcVI1OXITOWRDVnF3QT09> Meeting ID: 898 1945 5046, Passcode:
219076, Or

Dial-In Number: 1 + (669) 900-9128
Meeting ID: 898 1945 5046, Passcode: 219076

Attendance:

The consolidated special meeting of the Boards of Directors of Buckhorn Valley Metropolitan Districts Nos. 1 & 2 (the “Boards of Directors” or “Boards”) was called and held as shown in accordance with the statutes of the State of Colorado. All participation was via the Zoom meeting location in order to preserve the health, safety, and welfare of the public in light of the imminent threat caused by the COVID-19 Pandemic and due to the State of Emergency declared by Governor Polis, as amended and extended, corresponding Executive Orders and Public Health Orders, as amended and extended, and CDC recommendations against gathering in large groups in order to mitigate the spread of the COVID-19 virus.

The following Directors were present:

John Hill, President (*via video/telephone conference*)
David Garton, Assistant Secretary (*via video/telephone conference*)
Scott Green, Assistant Secretary (*via video/telephone conference*)
(District No. 1 Director only)
Anna Maria Ray, Assistant Secretary (*via video/telephone conference*)

Also present were: Jennifer L. Ivey, Attorney for the Districts, Icenogle Seaver Pogue, P.C. (*via video/telephone conference*); AJ Beckman, District Manager, Public Alliance, LLC (*via video/telephone conference*); Debra Sedgeley, District Accountant, CliftonLarsonAllen, LLP (*via video/telephone conference*) and the following members of the public: Nick Viau, David Fiore, and Megan McGee Bonta (*all via video/telephone conference*).

**Call to Order/
Declaration of
Quorum:**

Director Hill called the meeting to order at 9:02 A.M. the consolidated special meeting of the Boards of Directors of the Buckhorn Valley Metropolitan Districts Nos. 1 & 2, at which time it was noted that the notice of this meeting was properly posted within the Districts. Director Hill noted that a quorum of each of the Boards were present, and he turned the meeting over to Mr. Beckman and Ms. Ivey. In order

to accommodate public comment and allow for the orderly conduct of District business, each speaker will be recognized individually and afforded the opportunity to comment on each agenda item, with a maximum of three minutes per person per agenda item.

Director Hill discussed the process used by the Town of Gypsum for Town Council Meetings and suggested that the District adopt the same process for public comment, requiring prior registration, and allowing registered speakers three minutes for comment.

Following discussion upon motion of Director Ray and second of Director Hill, the Board adopted the process for public comment presently used by the Town of Gypsum.

Approval of/Additions to/Deletions from the Agenda:

Following discussion and upon motion of Director Ray and second of Director Hill, the Boards of Directors voted unanimously to approve the Agenda as presented.

Public Comment for Matters Not on the Agenda:

David Fiore thanked the Board for taking steps to begin to give homeowners a seat at the table, and thanked Director Green in particular. He noted that the recall committee received more signatures than had been received in any prior election in Gypsum, to his knowledge. He read a prepared statement, attached hereto and incorporated herein by this reference.

Megan McGee Bonta stated her appreciation for work that has been done in the committee meetings. She is involved with the master association and community homeowner association is available to help bridge communication between these entities and the District.

Nick Viau commented that he is glad to be working collaboratively with the Board.

Consent Agenda:

Approval of meeting minutes:

Regarding approval of meeting minutes from the December 7, 2020 and December 11, 2020 special meetings, Mr. Beckman noted there was not a quorum at the December 7, 2020 meeting so no action was taken but a public record of meeting minutes was still created. Public comment on the meeting minutes was opened for discussion.

Mr. Fiore noted that the meeting minutes, as noted by Mr. Beckman, were lengthy, and that members of the public may not have had sufficient time to review them. Mr. Green commented in response to Mr. Fiore's comment that the meetings in December were held to establish cooperation between the Board and recall committee.

Director. Hill made a motion to approve the minutes of the December 7, 2020 and December 11, 2020 meetings of the Boards of Directors. Director Ray seconded the motion, and it was passed unanimously.

Resignation of
Director Green:

Ms. Ivey noted that she has received a written resignation from Mr. Green for his seat on the Board of Directors of District No. 2. Ms. Ivey noted that no action is necessary, as the resignation was provided in writing and was effective immediately. Director Ray commented to thanked Director Green for his service to the community and his work on the Board.

Public comment on Directors Green's resignation was opened for discussion. Mr. Fiore noted that his comments regarding concern about the legal cost of a recall election were not reflected in the meeting minutes that were just approved. Mr. Viau stated that he looks forward to continuing to work with Director Green moving forward. Ms. Bonta thanked Director Green for his work on behalf of the District in the past and going forward.

Nomination to Fill
Vacancies on the
Board of Directors:

Mr. Beckman opened the discussion of submitting and approving an eligible elector to be appointed to fill the open Board seat on District No. 2, which was created by the resignation of Samantha Gale. He noted that a solicitation to the public was made with a deadline of January 15, 2020 to submit letters of interest for the open Board seat. The letters of interest are included in the meeting packet.

Public comment was initiated. Mr. Fiore spoke in support of nominating Nick Viau, however pointed out that the public process, as outlined by the management team to select candidates based on timely submission of letters of interest, was not followed, as Mr. Viau did not submit a letter of interest. Mr. Green commented that it is the Board that is considering the appointment of two members of the community and noted that the Board does have the authority to appoint any eligible elector to fill the vacancies. Ms. Bonta commented that she believes Mr. Viau would be an excellent choice. Mr. Green agreed that Ms. Gallimore and Mr. Viau would both be good choices.

Director Hill made a motion to nominate Erin Gallimore, who was one of the applicants that applied to fill the seat vacated by Ms. Gale's resignation. Director Ray seconded the motion, which passed unanimously. Ms. Ivey confirmed that Ms. Gallimore is an eligible elector of District No. 2 and once Ms. Gallimore takes her oath of office her firm will file the certificate of appointment and oath of office on Ms. Gallimore's behalf within the thirty-day deadline.

Public comment and discussion was opened for submitting and approving an eligible elector to be appointed to fill the open Board seat on District No. 2, which was created by the resignation of Mr.

Green.. Mr. Fiore reiterated his support for Mr. Viau's nomination. Mr. Viau commented that he's thankful to be considered and is ready to work hard for the District No. 2 and keep an open mind and work collaboratively. Ms. Bonta repeated her opinion that Mr. Viau would be an incredible choice. Ms. Ivey confirmed that Mr. Viau is an eligible elector of District No. 2.

Director Hill moved to appoint Mr. Viau to the Board of Directors for District No. 2, Director Ray seconded the motion, and it was unanimously approved.

Legal Matters:

Ms. Ivey reported that she has received an electronic copy of the petitions to recall Directors Hill, Garton, Green, and Ray from District No. 2 but has not yet received the paper version, as they are in transit via FedEx. The deadline for receiving the recall petitions is Friday. The petition for Director Green's recall will now moot due to his resignation and will not be considered or reviewed. In response to inquiry from Director Green, she further noted that there is nothing in the statutes nor any case law guidance that provides for a recall petition to be terminated by the recall committees after the signed petitions to recall directors have been submitted. She then explained that a recall can be terminated if the Director resigns. Additionally, if the designated election official deems a signed petition for recall insufficient the committee for recall can withdraw the petition for potential resubmission.. Ms. Ivey reported that the only idea she had come up with regarding termination of a recall election by request of the recall committee would be to receive signed affidavits from each of the members of the recall committees and filing those with the court and requesting that court to order that the election be terminated. Director Hill asked what the cost would be to stop the recall election by court order, Ms. Ivey stated that it would be significantly less expensive than proceeding with the election.

Public comment was heard on the question of the possibility of stopping the recall election. Mr. Viau stated that the recall committee would be open to talk about options. Mr. Fiore commented that a lot of work went into communicating with the community, via a website, printed materials and volunteers who went door to door, and nearly 400 signatures were obtained in support of going forward with a recall election at that time. However, he agreed that saving money is in everyone's best interest and a dialogue can be continued with the recall committees. Mr. Green said that the recall committees told him that the recall petition could be pulled back after submission and that statement doesn't seem to have been a valid representation of the legal facts. Mr. Fiore responded that the recall committees did not misrepresent anything, and that an offer was made to certain Board members to resign and therefore avoid the cost of a recall election. Mr. Green asked if the District has to pay the recall costs regardless of the

outcome of the recall election. Ms. Ivey reported that if a Director is not recalled, the Director's actual costs can be reimbursed by the District, however the District will not be reimbursed for its costs and is statutorily required to pay for the costs associated with the recall election.

Other Business:

Informational letter from the Board:

The Board discussed the draft informational letter from the Boards of Directors that is proposed to be sent out via email to residents. Mr. Beckman suggested that financial figures need to be checked by the District's accountant prior to distribution. Public comment was opened, no public comment was made on this topic. Director Hill made a motion to approve distribution of the information letter, Director Ray seconded the motion, and it was unanimously approved for distribution after finalization of financial figures by Ms. Sedgeley.

Next Board Meeting:

The next Board meeting will be scheduled for late March or early April. Mr. Beckman noted that the newly appointed Directors will be able to participate at the next meeting assuming they take their oaths of office, officer positions can be assigned, and the Districts will need to discuss bringing on employees to take over the operations and maintenance of the irrigation system. Job descriptions will need to be created and other preparations need to be made. Mr. Beckman will provide inputs to Ms. Sedgeley to enable her to prepare a cash flow analysis for this purpose.

Management Fees:

Mr. Beckman reported that his hourly rate for management services is increasing to \$160 per hour, effective June 1, 2021. He noted that some of the management work can be performed by an assistant at a lower rate and he will continue to be as cost-effective as possible.

Adjournment:

Following discussion and upon motion of Director Hill and second of Director Ray, the Boards unanimously approved adjournment at 10:25 a.m.

DocuSigned by:

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Secretary for the Districts