

RECORD OF PROCEEDING
MINUTES OF REGULAR MEETING
OF BOARD OF DIRECTORS OF
EBERT METROPOLITAN DISTRICT

August 16, 2022
7:00 – 9:21 PM
Zoom Teleconference

A Special Meeting of the Board of Directors of Ebert Metropolitan District, City, and County of Denver, Colorado, was called to order as shown above and in accordance with the applicable statutes of the State of Colorado, with the following directors present and acting via Zoom teleconference:

DATE: August 16, 2022, TIME: 7:00 PM

PLACE: Zoom Teleconference Join Zoom Meeting

Join Zoom Meeting: <https://us06web.zoom.us/j/84932730002>

Meeting ID: 849 3273 0002

Board of Directors	Office	Term Expiration
Cynthia Barclae	President	2020-2025 (Elected)
Bruce Shibles	Co-Treasurer	2020-2025 (Elected)
Louis Kennedy	Secretary	2020-2023 (Elected)
Jennifer Woods	Assistant Secretary	2020-2023 (Elected)
Murray Hawthorne	Treasurer	2020-2025 (Elected)

Also, present via Zoom were:

Corey Pilato of Timberline District Consulting, LLC –District Manager

Evan Ela of Cockrel Ela Glesen Greher & Ruhland, P.C. - Attorney

19 Other members of the public

I. ADMINISTRATIVE ITEMS

a. Call to Order

The Special meeting of the Board of Directors for the Ebert Metropolitan District was called to order at 7:01 PM via Zoom teleconference.

b. Declaration of a quorum

A quorum of five was established and declared.

c. Approval of agenda and meeting location

Mrs. Pilato announced the notice and agenda of the Special Meeting were posted on the website and distributed to the community via email blast by Westwind Management Group.

Director Shibles requested that item IV, "Review of Chat," be moved before item III, "Attorney Matters."

With no other proposed updates to the agenda, Director Shibles motioned to approve the amended agenda. Director Hawthorne seconded the motion; the motion passed unanimously.

d. Disclosure of potential conflicts of interest

Mrs. Pilato stated that there are no known or reported conflicts of interest to announce. Each District Director acknowledged the same.

e. Public comment

Stefania E. wanted to voice her concerns regarding some businesses permitted within Green Valley Ranch North and the process for approving them, such as the dispensary and liquor stores. Directors Shibles, Woods and Attorney Ela stated that permitting, licensing and zoning are the responsibility of the appropriate authorities within the City and County of Denver and State of Colorado, and that Ebert Metropolitan District has no role with respect to those processes.

Kelvin Klink commented that if there were no other applicants for the Joint Landscape Committee, that he self-nominates for any open position on the Joint Landscape Committee.

Upon receiving no further public comment, the meeting continued.

f. Consideration of Regular Meeting Minutes from the June 21, 2022 Regular Meeting

Director Shibles motioned to approve the Regular Meeting Minutes for June 21, 2022. Director Hawthorne seconded the motion; Director Hawthorne then amended the Motion to add that after coming out of Executive Session, Evan Ela, Esq. noted that the discussions in executive session were on the topics noted and subject to attorney client privilege. Director Shibles seconded the Motion and the Amended Motion passed unanimously. Mr. Ela stated that he would provide a certification for the executive session to reflect that the items discussed were attorney privileged.

g. Status of Call of Nominations – presentation of qualified respondents (agenda encl)

Mrs. Pilato announced the three applicants identified by their applications in the Board Packet, who self-nominated for the TCMD Board of Directors position, to represent the Ebert Metropolitan District on Town’s board in accordance with Town’s April 2021 Resolution.

Director Hawthorne advised that candidate Mays’ application needed to include Mr. Mays’ signature page, which was provided.

II DIRECTOR’S ITEMS

a. Director Barclae

i. Discussion and consideration of Town Center Metropolitan District (TCMD) response (from July 11, 2022) to Ebert Metropolitan Districts April 2022 resolution

Director Hawthorne motioned to withdraw the July 27th, 2021, appointment of Bill Schmidt to the Town Center District Board. Motioned was seconded by Director Barclae.

Director Hawthorne explained the necessity for this action to create the vacancy for the Ebert Board’s selection. Director Kennedy stated that Mr. Schmidt was not self-nominated and inquired whether self nomination was

required for him to be considered going forward. Corey responded in the negative and further explained that Mr. Schmidt did not submit a Self-Nomination in response to the District's Call for Nominations. Director Shibles explained that Town regarded Mr. Schmidt as a full member of the Town Board and thus he wasn't concerned with continued tenure on Town's board. He offered further historical facts and clarification bringing us to the current situation. Attorney Ela offer further supporting content, and clarified that this motion was intended to expressly establish that Mr.Schmidt was no longer Ebert's selected representative. Director Barclae shared additional historical perspective and rationale underlying this motion, and then announced and named the 3 residents who tendered self-nominations in response to the Call for Nominations.

The motion passed - four in favor, one opposed (Director Kennedy).

Director Shibles and Hawthorne added comments explaining their rationale as being procedurally based, not personal against Mr. Schmidt. Both made favorable comments regarding Mr. Schmidts contribution to the District.

ii. Discussion and consideration of the qualified nominees pursuant to the July 2022 Call for Nominations for the TCMD Board of Directors seat

Each of the three qualified nominees, Keith Mays, Kelvin Klink, and Khadija Haynes, spoke during their allotted time to introduce themselves and share their rationale for volunteering to serve as the Ebert Metropolitan District Board-selected resident-representative on the Town Center Metropolitan District Board of Directors.

Director Shibles motioned to determine which of the three candidates the Ebert Metropolitan District Board of Directors would like to put forward as the appointed member to serve on the Town Center Metropolitan District Board of Directors to represent the Ebert Metropolitan District. The Motion was seconded by Director Woods.

After a few follow-up questions with the candidates, the motion passed unanimously.

Ms. Hayes stated her top two priorities are to have more residents understand the District's work and bringing more people into awareness through more effective communication.

Mr. Klink stated his top two priorities are improving project management and upholding landscape standards.

Mr. Mays stated his top priorities are improving Town's 'documents' website and assuring Town's compliance with the Colorado Special Districts Compliance Calendar.

Director Hawthorne asked Ms. Hayes what she'd do differently to improve communication as that was a common theme across both Ebert and Town. She suggested more "live" meetings between residents and elected officials to enable people to ask questions directly. She also emphasized that the resident-representative role is two-pronged given its dual representation as both a Town and Ebert representative.

Corey read the public's Chat comments.

Director Shibles motioned to select a candiate. All voted in favor.

Director Shibles motioned to nominate Khadija Haynes as the Town Center Metropolitan District Board of Directors representative for Ebert Metropolitan District; Director Woods seconded the motion.

Motion passed with three votes in favor by Directors Shibles, Woods, and Kennedy; and two opposing votes from Directors Hawthorne and Barclae; motion carried.

iii. Status of compliance with Special District Compliance Calendar (encl)

Mrs. Pilato confirmed and shared that Ebert Metropolitan District is on schedule with the compliance calendar. Ebert

Metropolitan District has applied and received an extension to submit the 2021 Audit to the State, through September 30th, 2022.

iv. Discussion and consideration on whether to allow the Committee Sponsor (a Board Member) of an Ebert committee to add and remove committee members at their discretion.

Director Hawthorne motioned to authorize the board sponsor on a committee to make membership changes as needed at the discretion of that director sponsor; Director Shibles seconded the motion.

Director Shibles explained that the purpose was intended to give the sponsoring director flexibility to add or remove members as necessary for operational efficiency – to not have to request special meetings or wait for scheduled Board meetings to obtain approvals for committee membership changes. Director Hawthorne explained that if the Board didn't trust the judgment of a sponsoring director that the Board should replace the sponsoring director.

[Admin Note: Zoom communications became unstable seriously impairing 2 directors communications during this section of the meeting for approximately 3 – 4 minutes].

After further discussion by directors, the motion on the table was rescinded by Director Hawthorne and seconded by Director Shibles; the motion to rescind passed unanimously.

Director's Kennedy and Hawthorne suggested that each respective committee sponsor adopt a standing order to automatically update the Board during their respective director's section on the agenda. Director Hawthorne motioned accordingly, seconded by Director Shibles; motion passed unanimously.

b. Director Hawthorne

i. Financial matters

1. 2021 Audit update

Director Hawthorne went into detail explaining the need for a filing extension for the 2021 audit and noted that the extension was approved by the State.

2. 2023 Budget preparation

Director Hawthorne will coordinate with Mr. Jacobs to facilitate and initiate budget meetings with TCMD for budget numbers for 2023.

3. District accounting services update

Shelby Clymer will be taking over as the District Accountant for Debra Shedgley as Mrs. Shedgley will be retiring in December of 2022.

ii. Covenant enforcement – resident feedback

Residents do not understand where or whom to reach out to for covenant violations within TCMD, per Director Hawthorne's experiences.

c. Director Woods

i. Joint Landscape Committee (JLC) update

Director Woods shared a brief summary regarding Denver's move away from natural turf yards for new development.

ii. Discussion and consideration of JLC 2022-2023 Ebert Metropolitan District appointments

Director Woods stated that there were no new applications to join the JLC.

iii. Consideration of JLC applications (if any) received since the last meeting

Al Morie was moved to officially represent the Fairway Villas sub-district (Sub-District No. 1).

d. Directors Shibles and Kennedy

i. Discussion and consideration of TCMD Director Bill Schmidt's service on Ebert's Financial Operations Committee (FOC)

Director Shibles noted that the FOC discussed the service of Bill Schmidt on the FOC. Director Shibles noted that he informed the FOC members that he didn't feel Bill had a conflict of interest serving on the FOC and that Director Shibles would never discuss attorney client privileged information with the FOC members as that would lose attorney client privilege. The FOC, in its discussion of these issues, also noted that Bill brings a lot of valuable information to the FOC and that any member of the FOC that felt they had a conflict of interest on any discussed topic would recuse themselves from the discussion of that topic. The FOC's consensus was that Bill should continue to serve on the FOC.

ii. FOC update

Director Shibles provided a brief update on who is currently serving on the FOC committee and clarified any concerns regarding possible conflicts of interest. Director Shibles also noted that he was not opposed to having additional members of the FOC who reside outside of Fairway Villas (TCMD Subdistricts 1 and 4) participate in the FOC.

The FOC also discussed the current status of District Management services.

Requests for proposal of accounting services were sent out on behalf of the Ebert Metropolitan District and the Board received only one proposal. Regardless of whether EMD's accounting services are changed, CLA will still be providing the budget preparation service for FY 2023. Director Shibles noted that any termination notice to CLA will need to be provided in writing no later than 60 days before the termination date.

Director Shibles then motioned to submit to the TCMD Board of Directors written notice of EMD's intent to inform TCMD of EMD's intent to change the provider of accounting services by no later than the current requirement of September 15, 2022; Director Kennedy seconded the motion; the motion passed unanimously

III. REVIEW OF CHAT

Mrs. Pilato read aloud all comments and questions requested on the online chat feature.

IV. ATTORNEY MATTERS

a. Executive session as needed pursuant to CRS 24-6-403(3)(a)(II) and (4)(b) and (e)

- i. GVRE's July 2020 \$2.9 Million Loan Payment
- ii. Constitutional Matters Regarding District Board membership
- iii. District Management Services

b. Discussion and consideration of matters pursuant to topics in executive session, if necessary

Director Shibles motioned for the Board of Directors to go into an executive session with the general council to discuss the above items; Director Kennedy seconded this motion; this motion passed unanimously.

Director Shibles made a motion to come out of the executive session; Director Hawthorne seconded the motion; the motion passed unanimously.

Evan Ela, Esq. will issuing 2 certificates as to attorney client privilege discussions in Executive Session

After coming out of Executive Session, it was noted that with regard Items i & ii no Board action is being taken at this time. As for Item iii, a Motion was made by Director Shibles that EMD is going to enter into negotiations with Special District Solutions, Inc. and Kurt Schlegel and will inform TCMD under the 2019 Cooperation Agreement between EMD

and TCMD that EMD will be changing its District Manager effective as soon as a Service Agreement for these services is fully executed. The Motion was seconded by Director Hawthorne and passed unanimously.

V. ADJOURNMENT

There was no further business to come before the Board of Directors. Upon a motion from Director Kennedy, seconded by Director Woods and carried unanimously, the meeting adjourned at 9:21 PM.

The next Regular Meeting is scheduled for Tuesday, September 20, 2022, at 7:00 PM and shall be noticed in accordance with CRS 32-1-902 and 24-6-402, on the District's webpage <https://ebertmd.colorado.gov>

Please reach out to Westwind Management Group for questions and concerns related to Green Valley Ranch North.

Association Business Manager

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