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# RECORD OF PROCEEDINGS

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## Minutes of the Special Meeting of the Board of Directors of the Red Sky Ranch Metropolitan Districts September 19, 2022

### Attendance

#### The following Directors were present:

- James Malernee
- Steve Stroker
- Eric Kurzweil
- James Benedict

#### The following Director was absent and excused:

- Ron Zapletal

#### Also in attendance were:

- Bill Ankele, Esq White Bear Ankele Tanaka & Waldron
- Ken Marchetti, CPA Marchetti & Weaver LLC
- Kathy Lewensten, Recording Secretary, Marchetti & Weaver LLC
- Peter Mason, RSR property owner
- Peter McClenahan, Esq. Ogborn Mihm
- D.J. Marcus, Ogborn Mihm

### Call to Order

The Special Meeting of the Board of Directors of the Red Sky Ranch Metropolitan District was called to order by Director Malernee noting a quorum was present.

### Potential Conflicts

The Board reviewed the agenda for the meeting. The Board confirmed that nothing appeared on the agenda for which disclosure certificates had not been filed. The Board noted, for the record, the intent of fully complying with laws pertaining to potential conflicts.

### Minutes

The Board reviewed the minutes of the July 18, 2022 meeting. Upon motion duly made and seconded, it was unanimously

**RESOLVED** to approve the July 18, 2022 minutes.

### Old Business

Mr. Ankele reported he had been contacted by Mr. Tom George requesting information regarding capacity at the current water plant that was to be provided to them. Mr. Ankele had responded by providing older information that was available. Director Kurzweil expressed frustration that the information had not yet been provided from Holland Creek Metro. He explained basic capacity information was readily available from John Volk. He had briefly discussed capacity with John Volk and is under the impression the plant could have expanded capacity with the addition of modules. As previously reported representatives from both HCMD and RSRMD had met with the parties to better

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understand what the general requests are. It was reported that no formal requests have been received by HCMD from the inquiring parties.

**Legal** No separate legal report was necessary.

**Financial** Mr. Marchetti presented the preliminary August 2022 financial statements. A draft 2023 budget had been included. Discussion followed regarding allowed uses for the sales tax revenues and any potential for mill levy relief. A question was asked if the revenues could be utilized to pay down debt. Mr. Ankele will review the statute and speak to bond counsel and report back at the next meeting. It is anticipated that special counsel expenses will exceed available general fund revenue in 2023. There may be a potential source of funds from the RSR Property Owners Association to help cover the shortfall.

**Accounts Payable** Upon motion duly made and seconded, it was unanimously

**RESOLVED** to approve and ratify the accounts payable listing as presented.

**Future Meetings** The next regular meeting is scheduled for Monday, October 17<sup>th</sup> at 4:00 p.m. The Board requested the meetings be held in person with an option to join by zoom.

**Executive Session** Upon motion duly made and seconded, it was unanimously

**RESOLVED** to enter into executive session citing §24-6-402(4)(e) for the purpose of developing positions related to negotiations for debt management and water matters. Mr. Mason was invited to attend. The Board entered into executive session at 4:55 p.m. and adjourned the executive session at 5:58 p.m.

Mr. Ankele, Mr. Marchetti and Ms. Lewensten exited the meeting at 4:55 p.m.

**Adjourn** Upon motion duly made and seconded, it was unanimously

**RESOLVED** to adjourn the September 19, 2022 Meeting of the Red Sky Ranch Metropolitan District Board of Directors.

Respectfully submitted,  
*Kathy Lewensten*  
Recording Secretary