

MINUTES OF A SPECIAL MEETING OF
THE BOARD OF DIRECTORS OF THE
GREATROCK NORTH WATER AND SANITATION DISTRICT (THE “DISTRICT”)
HELD
FEBRUARY 19, 2025

A special meeting of the Board of Directors of the Greatrock North Water and Sanitation District (referred to hereafter as the “Board”) was convened on Wednesday, February 19, 2025, at 4:30 p.m. at the Reverse Osmosis Water Treatment Plant, 16373 Rayburn Street, Hudson, CO 80642. This District Board meeting was also held virtually via Microsoft Teams and by conference call. The meeting was open to the public.

ATTENDANCE

Directors in attendance were:

John D. Wyckoff, President
Robert W. Fleck, Vice President
Lisa Jacoby, Treasurer
Brenda Adams, Assistant Secretary

Absent and excused was Director Brian K. Rogers.

Also, In Attendance Were:

Lisa Johnson and Shauna D’Amato; CliftonLarsonAllen LLP (“CLA”)
Nicholaus Marcotte, PE; Element Engineering LLC
Zachary P. White, Esq.; White Bear Ankele Tanaka & Waldron
Kurt Marshall; Ironex Corporation

ADMINISTRATIVE MATTERS

Agenda:

The meeting was called to order at 4:32 p.m. The Board reviewed the Agenda for the meeting. Following discussion, upon motion duly made by Director Wyckoff, seconded by Director Jacoby and, upon vote, unanimously carried, the Board approved the Agenda.

Disclosures of Potential Conflicts of Interest:

The Board discussed the requirements of Colorado law to disclose any potential conflicts of interest or potential breaches of fiduciary duty of the Board of Directors to the Board and to the Secretary of State. The members of the Board were requested to disclose any potential conflicts of interest with regard to any matters scheduled for discussion at this meeting and incorporated for the record those applicable disclosures made by the Board members prior to this meeting in accordance with statute. It was noted that disclosures of potential conflicts of interest provided to White Bear Ankele Tanaka & Waldron were filed with the Secretary of State for all directors, and no additional conflicts were disclosed at the meeting.

PUBLIC COMMENT

None.

LEGAL MATTERS

Executive Session Pursuant to Section 24-6-402(4)(b), C.R.S. to Receive Legal Advice on Specific Questions Related to the Construction Contract with Performance Energy Services, Inc.:

Pursuant to Section 24-6-402(4)(b), C.R.S. to receive legal advice related to the construction contract with Performance Energy Services, Inc., upon a motion duly made by Director Wyckoff, seconded by Director Jacoby and, and upon an affirmative vote of at least two-thirds of the quorum present, the Board convened in executive session at 4:36 p.m. for the purpose of receiving legal advice as authorized by Section 24-6-402(4)(b), C.R.S. Furthermore, pursuant to Section 24-6-402(2)(d.5)(II)(B), C.R.S., no record or electronic recording will be kept of those portions of the executive session that, in the opinion of the Board's attorney, constitute privileged attorney-client communication pursuant to Section 24-6-402(4)(b), C.R.S.

The Board reconvened into special session at 5:25 p.m.

FINANCIAL MATTERS

Payment to Subcontractors:

Consider Approval of Direct Payments to Subcontractors:

Following discussion, upon a motion duly made by Director Wyckoff, seconded by Director Jacoby and, upon vote, unanimously carried, the Board determined to defer action to a future Board meeting.

Consider Termination of Construction Contract with Performance Energy Services, Inc.:

Following discussion, upon a motion duly made by Director Wyckoff, seconded by Director Jacoby and, upon vote, unanimously carried, the Board directed legal counsel to notify PES of non-compliance of certain provisions of the construction contract, and that Pay Application No. 3 will not be released until all subcontractor payments are confirmed to have been paid from Pay Application Nos. 1 and 2.

ADJOURNMENT

There being no further business to come before the Board at this time, upon a motion duly made by Director Wyckoff, seconded by Director Fleck and, upon vote, unanimously carried, the meeting was adjourned at 5:29 p.m.

Date of Board Approval:

**Attorney Statement
Regarding Privileged Attorney-Client Communication**

Pursuant to § 24-6-402(2)(d.5)(II)(B), C.R.S., I attest that in my capacity as general counsel representing the Greatrock North Water and Sanitation District (the “District”), I attended the Executive Session on February 19, 2025, for the purpose of providing legal advice to the District’s Board of Directors regarding the construction contract with Performance Energy Services, Inc. as authorized by Section 24-6-402(4)(b), C.R.S. I further attest that it is my opinion that all or a portion of the executive session discussion constituted attorney-client privileged communication as provided by § 24-6-402(4)(b), C.R.S., and based on that opinion, no further record, written or electronic, was kept or required to be kept pursuant to § 24-6-402(2)(d.5)(II)(B), C.R.S.

Zachary P. White, Esq.