DISTRICT COURT, COUNTY OF LARIMER, STATE

OF COLORADO

201 LaPorte Ave., Ste. 100, Ft. Collins, CO 80521

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FILING ID: 91FDFAD691D87
CASE NUMBER: 2025CV30255

Plaintiff: THE ESTES VALLEY VOICE, PBC, and

PATTI BROWN

v.

Defendant: RACHEL RYAN, in her official capacity as

the Records Custodian of ESTES PARK HEALTH, a political subdivision of the

State of Colorado

▲ COURT USE ONLY ▲

Attorney for Defendant:

Mark L. Sabey, #16319

HALL, RENDER, KILLIAN, HEATH & LYMAN, P.C. 999 17th Street, Suite 800, Denver, CO 80202 303-801-3538 / marksabey@hallrender.com

Case No. 2025CV30255

Division: 4A

<u>AMENDED</u> MOTION TO VACATE HEARING, WITHDRAWAL OF OPPOSITION AND STIPULATION TO ENTRY OF JUDGEMENT

Defendant, through undersigned counsel, hereby files this Motion to Vacate Hearing, Withdrawal of Opposition and Stipulation to Entry of Judgement, which has been amended as conferral resulted in no agreement as was assumed.

Certification of Conferral

The undersigned counsel certifies that the Rule 121 duty to confer has been met and that counsel for the parties have conferred extensively by phone and email communication about whether to proceed with the Show Cause Hearing, but have not been able to reach agreement as to all terms of a potential settlement to avoid this Motion.

In support of this motion, Defendant states as follows:

The Application filed by Estes Valley Voice ("EVV") requested, following a Show Cause Hearing, that the Court provide the following two types of relief: 1) "an Order directing Defendant

to provide Plaintiffs access to the LOI," and 2) "an Order awarding Plaintiffs their costs and reasonable attorney's fees associated with the preparation, initiation, and maintenance of this action."

Estes Park Health ("EPH") has disclosed to EVV the Letter of Intent ("LOI"), attached hereto as **Exhibit A**, and hereby withdraws its opposition to the relief requested and stipulates to entry of judgment in the amount of Plaintiff's reasonable costs and fees.

Since there is no need for a hearing on the Order to Show Cause, Defendant moves the Court to vacate the Show Cause Hearing scheduled for 1:30 p.m. this Thursday, May 22, 2025, and to proceed with a straightforward determination of the amount of reasonable costs and fees, with input from the parties, which Defendant agrees to pay. EPH does not want to continue to incur expenses related to this issue, and prefers to resolve this matter and move forward using public taxpayer funds for health care operations instead of unproductive litigation over an LOI that has been made public.

Factual Background

In 2023, the public overwhelmingly voted (over 80% in favor) for EPH to seek an affiliation with a nonprofit healthcare system. Following lengthy preliminary discussions, UC Health and EPH entered into a non-binding letter of intent, which has been followed by due diligence and continued efforts to negotiate a binding affiliation agreement.

The LOI was not a binding affiliation agreement but rather a "nonbinding" part of

the negotiation process, as clearly stated in the Resolution adopted by the Board. See **Exhibit B**. The LOI reflected an intention to work towards an agreement in good faith and outlined current thinking about some potential affiliation terms in a non-binding way. It also established

confidentiality of the negotiation process (including the LOI) to protect ongoing negotiations, somewhat akin to Rule 408 which recognizes that negotiations are hampered if the parties feel the negotiations can be used against them. The LOI also established exclusivity to justify the huge expense and effort of the due diligence and negotiation process involved in a very complex transaction.

On May 6, 2025, EPH announced that negotiations were successful in reaching Definitive Agreements that were disclosed for public consideration prior to two public meetings in which the Board would decide whether to sign the Definitive Agreements. See **Exhibits C** (news release) and **D** (summary of Definitive Agreements). The Summary of the Definitive Agreements stated:

Following the authorization by Park Hospital District voters in 2023 to have Estes Park Health (EPH) join a nonprofit health care system, the Park Hospital District Board and EPH CEO Vern Carda contacted UCHealth to begin negotiations. Those negotiations have now concluded. The Definitive Agreements define the process that both EPH and UCHealth believe will best preserve health care operations and the historic role of EPH in its community, while also allowing EPH to benefit from joining the UCHealth integrated health system.

In the second of the two public meetings, the EPH Board voted to approve and sign the Definitive Agreements, under which the name of EPH will change to UC Health Estes Valley Medical Center "UCHealth EVMC").

In response to EVV's CORA requests, Counsel for UC Health granted permission to EPH to disclose the LOI at the conclusion of negotiations and in conjunction with disclosure of the Definitive Agreements. See, Letter from Greg Boyle, Esq., Exhibit E. That letter explains why earlier disclosure would have risked a significant detriment to the negotiation process.

Argument

Under the fifty-year affiliation with UC Health, as stated in **Exhibit E**:

- The District will retain ownership of the land and buildings of Estes Park Health and lease them to UCHealth EVMC.
- The other District assets and operations will be transferred to UCHealth EVMC.

Therefore, future transactions related to operations will be conducted by UC Health, a private, non-profit entity, not by EPH. Under these circumstances, EPH elects to withdraw its opposition and stipulate to entry of a judgment for EVV's reasonable attorney fees and costs, rather than expending more resources on this litigation. EPH prefers to use its resources for productive health care related purposes, and prefers not to waste judicial resources with a Show Cause Hearing now that the requested relief is not opposed.

EPH wanted to take this action on public record because it has no confidence that EVV will characterize EPH's decision in a manner to which EPH would agree.

CONCLUSION

WHEREFORE, Defendant respectfully requests that this Court grant this Motion to Vacate the Show Cause Hearing and enter judgment against EPH for the reasonable costs and attorney fees, once that amount has been established by the Court following an

affidavit from EVV's counsel and an opportunity for EPH to briefly respond, if it feels the need to do so.

Respectfully submitted this 20th day of May, 2025.

HALL, RENDER, KILLIAN, HEATH & LYMAN, P.C.

By: /s/ Mark L. Sabey
Mark L. Sabey, #16319

Attorney for Defendant

CERTIFICATE OF SERVICE

The undersigned certifies that on May 20, 2025 a true and correct copy of the foregoing was filed with the Court and served electronically via Colorado Courts E-Filing System upon the following:

Steven D. Zansberg, #26634 Michael Beylkin, #40085 Zansberg Beylkin LLC 100 Fillmore St., Ste. 500 Denver, CO 80206 steve@zblegal.com mike@zblegal.com Attorneys for Plaintiffs

/s/ Amy H. Morris
Amy H. Morris, Paralegal