

---

## RECORD OF PROCEEDINGS

---

### **Minutes of a Regular Meeting Of the Board of Directors Cotton Ranch Metropolitan District May 10, 2022**

The Regular Meeting of the Board of Directors of the Cotton Ranch Metropolitan District, Eagle County, Colorado, was held on May 10, 2022 at 3:00 p.m., with participants attending via Zoom, in accordance with the applicable statutes of the State of Colorado.

**Attendance** The following Directors were present and acting:

- Chris Meister (Via Zoom)
- Beric Christiansen (Via Zoom)
- David Nordin (Via Zoom)
- Michael Pritchard (Via Zoom)
- Bob Rulon (Via Zoom)

Also in attendance were:

- Owen Lococo (Via Zoom)
- Ken Marchetti, Marchetti & Weaver, LLC (Via Zoom)
- Cheri Curtis, Secretary for the Meeting (Via Zoom)

#### **Call To Order**

The Regular Meeting of the Board of Directors of the Cotton Ranch Metropolitan District was called to order by Director Meister on May 10, 2022 at 3:00 p.m. noting a quorum was present.

#### **Disclosure of Potential Conflicts of Interest**

The Board discussed the requirements pursuant to Colorado Revised Statutes to disclose any potential conflicts of interest or potential breaches of fiduciary duty to the Board of Directors and to the Secretary of State. Director Meister requested that members of the Board disclose any potential conflicts of interest regarding any matters scheduled for discussion at this meeting.

It was noted that there had been filed with the District and Secretary of State a disclosure of potential conflict of interest statement for Chris Meister and that the statement had been filed in accordance with statute, indicating that Mr. Meister is the owner of Meister Builders, Inc., a building, operations and management firm and this company provides services to the District managing and operating the District's raw water irrigation system.

There are certain business transactions between the District and Cotton Ranch Homeowners Association (CRHOA) and Directors Christiansen and Nordin are also members of the Executive Board of CRHOA. While both the District and

---

## RECORD OF PROCEEDINGS

---

---

### Cotton Ranch Metropolitan District May 10, 2022 Meeting Minutes

---

CRHOA serve substantially the same constituency, transactions between the two entities could constitute a potential conflict of interest. The Board noted, for the record, that these disclosures are reported at this time with the intent of fully complying with laws pertaining to personal conflicts.

**Agenda** No changes.

**Minutes** The Board reviewed the Minutes of the November 9, 2021 Regular meeting. Director Meister noted Mr. Diggle has not responded back to the Board response regarding the request to change the piping of the ditch adjacent to the property. The new meters were received in April and Meister Builders is already selling meters for the District to property owners. By motion duly made and seconded it was unanimously

**RESOLVED** to approve the November 9, 2021 Regular Meeting minutes as presented.

**Public Input** There was no public input.

**Paying Agent**

**Agreement** After further review, Mr. Marchetti reported Bond Counsel believes the paying agent is necessary for the 2021 Series Bonds. By motion duly made and seconded it was unanimously

**RESOLVED** to approve UMB as the paying agent for the District.

**Election of**

**Officers** By motion duly made and seconded it was unanimously

**RESOLVED** to approve the officers as currently in place as follows:

Christopher Meister, President  
Beric Christiansen, Secretary  
David Nordin, Treasurer  
Robert Rulon, VP / Assistant Secretary-Treasurer  
Michael Pritchard, VP / Assistant Secretary-Treasurer

**Financial  
Report**

The March 31, 2022 financial statements were included in the packet. Mr. Marchetti reviewed the financials noting the debt service fund has been updated to include the 2021 bond issuance. It was noted the debt service mill levy for 2022 is 36 mills, which is the lowest it has been since the 1990's. The water utility

---

## RECORD OF PROCEEDINGS

---

---

### Cotton Ranch Metropolitan District May 10, 2022 Meeting Minutes

---

fund shows the 2022 rates at \$82 for the Valley Floor, \$41 for Sky Legend, and \$20.50 for the Villas, Cottages and Traditional homes.

#### **2021 Draft**

##### **Audit**

Mr. Marchetti presented the draft 2021 audit to the Board. The District received a clean opinion. By motion duly made and seconded it as unanimously

**RESOLVED** to approve the 2021 audited financials as presented.

#### **Accounts**

##### **Receivable**

The list of outstanding accounts was reviewed. The Board agreed to waive the late fees for CRHOA. Staff will assist CRHOA to set up their account with AmCoBi to receive electronic invoices.

#### **Payments of**

##### **Claims**

The Board reviewed the payment of claims lists. By motion duly made and seconded, it was

**RESOLVED** to ratify approval of the May 10, 2022 payment of claims, as presented. Director Meister abstained from voting.

#### **Replacement**

##### **Meters**

Seventy-five meters have been received with an additional fifty meters ordered. Director Meister included a tap fee diagram for the new meters that property owners are required to follow when installing new meters.

#### **Operations**

##### **Report**

Director Pritchard questioned the District's ability to obtain additional water rights. Mr. Marchetti and Director Meister explained the challenges with trying to obtain additional water rights. The Board has decided to not pursue additional water rights at this time.

The pumphouse motors and pumps are operating properly. The filtration systems are both working properly. Water is running in the Chatfield and Bartholomew Lateral Ditch, the Grundell Brothers Ditch and the A. F. Grundell Ditch. Gate valves are being replaced as necessary. The Sky Legend pump house is running at 90 PSI and the lower pump house is running at 100 PSI.

The District has replaced lines as necessary on Lot 6 in preparation of construction on that lot. There are three lines located on the property that are all located in the easement.

---

## RECORD OF PROCEEDINGS

---

---

### Cotton Ranch Metropolitan District May 10, 2022 Meeting Minutes

---

#### **Broken Meter**

**Letters** The District will be sending the broken meter letters requiring owners with broken meters to replace meters by the end of May 2022. The Board agreed to allow residents until the end of June to replace meters before receiving the \$200 broken meter fee.

#### **Replacement of the**

#### **Raw Water**

**System** Director Meister requested the Action Item List be updated to include contacting the company who replaced the golf course irrigation system for a proposal in future years.

#### **Legal**

It was noted Matt Dalton, the District's legal counsel has retired. Lisa Mayer with Spencer Fane has assumed responsibility for Mr. Dalton's clients. Mr. Marchetti recommended the Board remain with Ms. Mayer as legal representative. The Board agreed to engage Ms. Mayer as legal counsel

#### **Action Item**

#### **List**

Item 119 – Brent Biggs is providing a proposal to complete the AutoCAD of the District's irrigation system. Jim Hancock reported the Town of Gypsum is not moving their share of the Chatfield Bartholomew ditch so the District is guaranteed water in the Red Fox Ponds.

Item 160 was removed showing it was completed on May 10, 2022.

Director Rulon stated the District should consider a use for the CTF funds. A potential recreation amenity was added to the action item list. Mr. Lococo suggested the Board talk with the Town of Gypsum on potential recreation options. They Town of Gypsum is working on plans for the Gypsum Creekside Clubhouse and the surrounding area. The Board agreed to discuss options with the Town of Gypsum. Directors Meister, Christiansen and Mr. Lococo will serve on the committee to work with the TOG.

#### **CRHOA**

The Board discussed the issues related to the possibility of the HOA terminating in 2025. Questions were presented regarding the future of the HOA funds, DRC, and covenant enforcement. Legal counsel will need to provide an opinion on the process to dissolve the CRHOA.

#### **Tap Fees**

---

## RECORD OF PROCEEDINGS

---

---

### Cotton Ranch Metropolitan District May 10, 2022 Meeting Minutes

---

**Schedules** The schedule of tap fees received was included in the Board packet. The status of the Villas payment of future taps was questioned. The Villas Developer has the ability to build six more units.

**Next Meeting** Unless there is a reason to call a special meeting, the next meeting is scheduled for August 9, 2022.

**Adjournment**

There being no further business to come before the Board and by motion duly made and seconded it was unanimously

**RESOLVED** to adjourn the Special Meeting of the Cotton Ranch Metropolitan District Board of Directors held this 10th day of May, 2022.

Respectfully submitted,



Cheri Curtis  
Secretary for the Meeting