

---

## RECORD OF PROCEEDINGS

---

### Minutes of the Regular Meeting Of the Board of Directors Cotton Ranch Metropolitan District May 11, 2010

A Regular Meeting of the Board of Directors of the Cotton Ranch Metropolitan District, Eagle County, Colorado, was held on May 11, 2010 at 3:30 p.m., at the offices of Robertson & Marchetti, P.C., 28 Second Street, Suite 213, Edwards, Eagle County, Colorado, in accordance with the applicable statutes of the State of Colorado.

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

- Christopher S. Meister
- Doug Sterkel
- Timothy R. Garton
- Bob Rulon

The following Director was absent and excused:

- Art Hoehn

Also in attendance were:

- Ken Marchetti, Robertson & Marchetti, P.C.
- Cissy Olson, Secretary for the Meeting

#### **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 11, 2010 at 3:32 p.m. noting a quorum was present.

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

It was noted that there had been filed with the Board and Secretary of State, disclosures of potential conflict of interest statements for Timothy R. Garton that the statements had been filed in accordance with statute, indicating the following conflicts: Timothy R. Garton owns 66 undeveloped lots within District. Additionally, Timothy R. Garton was assigned a 30% financial interest in the proceeds of the Cotton Ranch Metropolitan District bonds owned by the Cotton Ranch Bond Partners, LLC. The Board noted, for the record, that these disclosures are restated at this time with the intent of fully complying with laws pertaining to personal conflicts.

#### **Changes to the Agenda**

There are no changes to the meeting agenda.

---

## RECORD OF PROCEEDINGS

---

---

### Cotton Ranch Metropolitan District May 11, 2010 Meeting Minutes

---

#### **Executive**

**Session** No executive session was held.

**Minutes** The Board reviewed the Minutes of the February 9, 2010 meeting. After discussion and by motion duly made and seconded, it was unanimously

**RESOLVED** to approve the February 9, 2010 minutes as presented.

**Public Input** No public input was provided.

#### **Oaths of Office**

Directors Meister and Rulon were sworn into office and the Oaths of Office were administered.

#### **Election of Officers**

By motion duly made and seconded it was unanimously

**RESOLVED** to appoint Director Meister as President, Director Hoehn as Secretary/Treasurer, and Directors Sterkel and Rulon as Vice President/Assistant Secretary-Treasurer.

#### **Chatfield/Bartholomew Ditch**

**Update** Director Meister reviewed a list of items that he would like included on the Action Log list. Director Meister stated that the weeds in the Chatfield/Bartholomew ditch will need to be burned this summer in order to increase the water flow capacity within the ditch. A section of the Chatfield/Bartholomew ditch located near the school is lined and therefore should not be burned.

#### **Operations Agreement for Metro District Irrigation**

**System** A copy of the draft Operations Agreement has been provided to the Town for consideration but a response has not yet been received from the Town.

#### **Easement Agreement for Metro District Irrigation**

**System** An updated draft of the Easement Agreement was provided to the Town of Gypsum and their attorney is in the process of reviewing the language and locations of the easements.

---

## RECORD OF PROCEEDINGS

---

Cotton Ranch Metropolitan District May 11, 2010 Meeting Minutes

---

### A.F Grundell

**Diversion** Director Meister stated that according to State Statutes the District's diversion point on the A.F. Grundell Ditch may be moved within 199 feet upstream without having to file a point of diversion change in Water Court from its original point of diversion. Mr. Zancanella is working on the new point of diversion design.

### American Conservation And Billing Solutions

Mr. Marchetti gave a brief presentation of a utility billing company, American Conservation and Billing Solutions (AmCoBi) who is able to read the District's irrigation meters and process the monthly irrigation billing at a less expensive rate than Robertson & Marchetti, P.C. is able to provide. Mr. Marchetti stated he has interviewed the company, checked references, and reviewed with AmCoBi the District's requirements. AmCoBi's proposal includes reading meters, sending monthly invoices by mail or email, and collecting and depositing payments into the District's bank account. Additional reporting information can be provided upon request. Mr. Marchetti also reviewed their proposed Billing Agreement. After discussion and by motion duly made and seconded it was unanimously

**RESOLVED** to enter into the agreement with American Conservation and Billing Solutions to read all irrigation meters, send monthly invoices, and collect and deposit payments into the District's bank account.

AmCoBi recommended that the District consider increasing all late fees on past due balances from 1.5% per month to a rate of \$5 per month. After discussion and by motion duly made and seconded it was unanimously

**RESOLVED** to approve a late fee increase on past due balances from 1.5% per month to a rate of \$5 per month.

### Late Water Payment & Procedure/Irrigation

**Shut Off** Several of the District's residents have an outstanding balance for their 2009 irrigation water. Mr. Marchetti recommended that the Eagle County Treasurer's office could certify any outstanding balances on the property owner's next year's property tax certification. The Board reviewed the April Accounts Receivable Aging report and discussed the District's disconnection process. After discussion and by motion duly made and seconded it was unanimously

**RESOLVED** to implement a policy to turn off a property owner's irrigation water if there is an outstanding balance of more than \$100 and if the balance is more than 90 days in arrears, and

---

# RECORD OF PROCEEDINGS

---

---

## Cotton Ranch Metropolitan District May 11, 2010 Meeting Minutes

---

**FUTHER RESOLVED** to require a \$225 reconnection fee for all irrigation systems that are turned off due to lack of payment.

The Board agreed to send a certified letter informing delinquent property owners that payments must be received within ten (10) days from the date of the letter in order to avoid discontinuation of water service.

### **Mussman Communication**

**Resolution** The Board reviewed Mr. Mussman's correspondence and his recent note stating he is disputing charges related to his 2009 past due irrigation balance. Mr. Mussman directed AmCoBi to contact Mr. Phipps, a board member of the Cotton Ranch Homeowners Association who would be able to further explain Mr. Mussman's position. Staff tried to contact Mr. Phipps however he was unable to be reached.

### **2010 District Meeting Calendar**

The Board reviewed the District's 2010 meeting calendar and agreed to move the next meeting one week earlier to 3:30 p.m. on Tuesday, August 3<sup>rd</sup>.

### **Financial Statements**

Mr. Marchetti reviewed the March 31, 2010 financial statements with the Board. By motion duly made and seconded, it was unanimously

**RESOLVED** to approve the March 31, 2010 financial statements as presented.

### **2009 Audit Report**

The Board reviewed the 2009 preliminary audit draft. By motion duly made and seconded, it was unanimously

**RESOLVED** to approve the 2009 draft audit report as presented.

### **Accounts Payable**

The Board reviewed the March accounts payable list and by motion duly made and seconded, it was unanimously

**RESOLVED** to ratify approval of the March accounts payable list as presented.

---

## RECORD OF PROCEEDINGS

---

---

### Cotton Ranch Metropolitan District May 11, 2010 Meeting Minutes

---

The Board reviewed the April accounts payable list and by motion duly made and seconded, it was unanimously

**RESOLVED** to ratify approval the April accounts payable list as presented.

The Board reviewed the May accounts payable list and by motion duly made and seconded, it was unanimously

**RESOLVED** to approve of the May accounts payable list as presented.

**Action Log** The Board reviewed and updated the Action Log list.

**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 Regular Meeting of the Cotton Ranch Metropolitan District Board of Directors this 11th day of May, 2010.

Respectfully submitted,



Cissy Olson  
Secretary for the Meeting