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## RECORD OF PROCEEDINGS

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### **Minutes of the Regular Meeting Of the Board of Directors Cotton Ranch Metropolitan District August 11, 2015**

A Regular Meeting of the Board of Directors of the Cotton Ranch Metropolitan District, Eagle County, Colorado, was held on August 11, 2015 at 3:30 p.m., at the offices of Marchetti & Weaver, LLC, 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:

- Chris Meister
- Chris Sauro
- Beric Christiansen
- Tom Pohl
- Bob Rulon (Via Conference Call)

Also in attendance were:

- Ken Marchetti, Marchetti & Weaver, LLC
- Cheri Curtis, 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 August 11, 2015 at 3:30 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. The Board noted, for the record, that this disclosure is restated at this time with the intent of fully complying with laws pertaining to personal conflicts.

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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 Sauro and that the statement had been filed in accordance with statute, indicating that Mr. Sauro is a principal of Sunnyside Gardens, a landscaping firm and this company provides services to the District managing and operating the District's raw water irrigation system. The Board noted, for the record, that this disclosure is restated at this time with the intent of fully complying with laws pertaining to personal conflicts.

**Minutes** The Board reviewed the Minutes of the June 9, 2015 Special meeting. Director Meister questioned the ability to combine the District and Association Boards. Director Pohl stated he is interested in hearing the advantages and disadvantages of combining the Boards. The tennis courts will be repaired in August. Director Pohl stated he is not in favor of installing a speed bump and would prefer a speed display device. After discussion and by motion duly made and seconded it was unanimously

**RESOLVED** to approve the June 9, 2015 Regular Meeting minutes as revised.

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

**Operations** \$4,000 was budgeted for a magnetic flow water meter in the upper pump house. The upper pump house meter has been reprogrammed and is working properly and can be read by staff. A new magnetic flow water meter is scheduled for installation in the lower pump house.

The Town of Gypsum has separated the pump station for the golf course from the pump station for the raw water irrigation system for the residences. The pump house pipe lines will be reconfigured for placement of the proposed new Mag meter during the process of transferring the lower pump house to the District.

Weekly water usage is submitted to Zancanella and Associates who then submits water usage to the State of Colorado for the District. Main line thrust blocks were installed where needed. The mainline pipe size is 8" outside the lower pump house which then reduces to 6" and then further reduces to 4" for most of the property. In some areas the mainline is 3".

There was a leak on Legend Drive that was repaired. Director Meister questioned how the District is doing on actual expenditures compared to the budget. Ms. Curtis noted currently the expenses are within the approved budget.

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Saddle taps are being used on new construction main line taps with a new gate valve being installed for all new taps if needed. Homeowners are responsible for all "service" lines and the meter from the first gate valve off the mainline onto their property.

There have been no outages with the system after the two new pumps were installed in July. Director Meister reported that the Variable Frequency Drive control panel (VFD control) will cycle through the pumps so all four pumps are being utilized uniformly. A new VFD control panel is planned since the old VFD is twenty years old. Director Meister is checking on a rebate from Holy Cross Electric Company which is available to help offset cost of new VFD. Currently the pump houses are checked twice a week to ensure proper operation.

Director Pohl questioned the ditch issues with the Chatfield/Bartholomew Ditch. Director Meister reported there have been discussions with the School District to enclose the Ditch. Since the School District might want to make improvements or sell the property, they could be required to pipe the ditch which would reduce the District's maintenance cost of the ditch. The flows in the Chatfield Bartholomew Ditch this summer are good but the flows in the Grundel Brothers and A.F. Grundel ditches are lower than normal due to the water availability in Gypsum Creek.

The raw water irrigation line was extended to the Village at Cotton Ranch on the north side of their property. The Village developer believes they can obtain better water pressure by tying into the District's 6" main line on the south side of their property line and have requested that this be considered.

#### **Financial Statements**

The July 31, 2015 financial report was included in the Board packet and discussed. The Board discussed the 2016 budget for the water fund and discussed possibly looping the water system at the Village at Cotton Ranch.

#### **Accounts Payable**

The Board reviewed the June to August 2015 accounts payable lists and by motion duly made and seconded, it was

**RESOLVED** to approve the August accounts payable list and ratify the June to July accounts payable list, as presented with Directors Meister and Sauro abstaining from voting.

#### **Accounts Receivable**

The accounts receivable list was included in the Board packet.

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#### Board

**Members** Director Rulon has a conflict and is interested in resigning from the Board. There are two property owners who are interested in serving on the Board. By motion duly made and seconded it was unanimously

**RESOLVED** to appoint David Nordin to the vacancy created by the resignation of Director Rulon, subject to verification of Mr. Nordin's qualification as an elector in the District.

#### Action Item

**List** The action item list was reviewed and updated.

**Tap Fees** The Cotton Ranch and Sky Legend tap fees schedules were reviewed.

#### 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 August, 2015.

Respectfully submitted,



Cheri Curtis  
Secretary for the Meeting