
RECORD OF PROCEEDINGS

Minutes of the Special Meeting Of the Board of Directors Cotton Ranch Metropolitan District September 22, 2010

A Special Meeting of the Board of Directors of the Cotton Ranch Metropolitan District, Eagle County, Colorado, was held on September 22, 2010 at 8:00 a.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
- Timothy R. Garton
- Bob Rulon
- Art Hoehn
- Doug Sterkel

Also in attendance were:

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

Call To Order

The Special Meeting of the Board of Directors of the Cotton Ranch Metropolitan District was called to order by Director Meister on September 22, 2010 at 8:10 a.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 and 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.

Water Rules And Regulations

The Board reviewed Article V Sections 5.9 and 5.10 of the District's Water Rules and Regulations and after discussion and by motion duly made and seconded it was unanimously

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RESOLVED to approve the revisions to Section 5.9, Revocation of Service, and remove Section 5.10, Revocation of Tap Rights, and replace it with Section 5.11, Turn-ons/Turn-offs of Service.

Mendoza Excess

Water Usage Director Meister reported that he had received an email about the Mendoza's high irrigation bill. According to Mr. Mendoza the irrigation system for his yard had been serviced to prevent the sprinkler heads from watering the sidewalk however the repairman also adjusted the time clock system which caused the sprinklers to turn on more frequently and as a result he used over 100,000 gallons of water during the 30 day period. Mr. Mendoza did not notice the excess usage until he received his most recent irrigation statement. The Board discussed the problem and by motion duly made and seconded it was unanimously

RESOLVED to approve reducing the cost of Mr. Mendoza's tier 2 excess water usage in half.

Ms. Olson will contact American Conservation and Billing Solutions to inform them of the Board's decision.

Shut Down Irrigation System

The Board discussed shutting down the District's irrigation system for the winter and directed staff to coordinate efforts with the Gypsum Creek Golf Course and Sky Legend.

Accounts Payable

The Board reviewed the August 25th accounts payable list and by motion duly made and seconded, it was unanimously

RESOLVED to ratify approval of the August 25th accounts payable list as presented.

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

RESOLVED to approve the September accounts payable list as presented.

Executive Session

By motion duly made and seconded, it was unanimously

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RESOLVED to enter into executive session pursuant to C.R.S. 24-6-402(4)(e) for the purpose of discussing matters that are the subject of negotiation. The Board entered into Executive session at 8:33 a.m. and returned to open session at 8:55 a.m.

Upon returning from Executive Session, by motion duly made and seconded it was unanimously

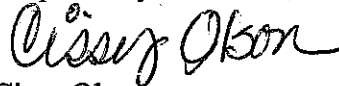
RESOLVED to send Mr. Mussmann a certified letter informing him that his irrigation water will be disconnected if he does not pay his delinquent bill for irrigation service provided to 160 Mara Court.

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 this 22nd day of September, 2010.

Respectfully submitted,



Cissy Olson

Secretary for the Meeting