
RECORD OF PROCEEDINGS

Minutes of the Regular Meeting Of the Board of Directors Cotton Ranch Metropolitan District August 9, 2016

A Regular Meeting of the Board of Directors of the Cotton Ranch Metropolitan District, Eagle County, Colorado, was held on August 9, 2016 at 3:00 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
-) Tom Pohl
-) Craig Jagger

The following Director was absent and excused:

-) Beric Christiansen

Also in attendance were:

-) Tim McCarty, Tamarack Consulting
-) Shane Bergman, Tamarack Consulting
-) 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 9, 2016 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

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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.

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.

Public Input

Tamarack Consulting – Tim McCarthy and Shane Bergman with Tamarack Consulting gave a presentation on their GIS software that could be beneficial to the District and Association. The proposed system would allow the District to capture data for the water irrigation system, storage ponds, and even covenant enforcement. The initial costs to set-up the District on the system would be between \$3,000 - \$10,000 and the ongoing cost would be \$49.95 monthly per user. The Board suggested that Tamarack Consultants contact the Town of Gypsum to make a presentation. The Board agreed to consider using the GIS system presented.

Changes to the Agenda

There were no changes presented.

Minutes

The Board reviewed the Minutes of the May 10, 2016 Regular meeting. After discussion and by motion duly made and seconded it was unanimously

RESOLVED to approve the May 10, 2016 Regular Meeting minutes as presented.

Water Billing Issues

Buckelew – The Board agreed to waive overage charges, one time, since the meter was replaced promptly.

Lovins – Director Meister reported the owner is adding landscaping over the 1,600 square feet allowed. Director Pohl suggested educating property owners on irrigation restrictions when plans are submitted to the Design Review Board. The Board will request historical usage on the lot and determine whether there should be any adjustments.

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Cunningham –New meter readings will be obtained and the owner will be charged based on his historical usage.

Executive Session

By motion duly made and seconded it was unanimously

RESOLVED to enter into executive session at 3:42 p.m. for matters related to negotiations per §24-6-402(4)(e) C.R.S.

The Board adjourned form executive session at 4:29 p.m.

Irrigation Extension to Sky Legend Island

Sky Legend Homeowners Association has requested that the District provide irrigation water to the island at the Sky Legend Entrance. Director Meister had a conversation with the company doing the boring for the Golf Course to inquire about the cost to bore under the road to provide water to that island. Director Pohl suggested only proceeding with the boring if the Sky Legend Homeowners Association has committed to completing the project.

Financial Statements

Mr. Marchetti presented the June 30, 2016 financial report. The Board reviewed the water rights on the balance sheet. The preliminary 2017 budget was reviewed during the review of the profit and loss statement. Mr. Marchetti reported the 2006 bonds will become callable this year and the District might be able to refinance and restructure the bonds.

Accounts Payable

The Board reviewed the May to August 2016 accounts payable lists. Director Meister reported the pressure was reduced in the lower irrigation system and there have been fewer leaks in the system this year. By motion duly made and seconded, it was

RESOLVED to approve the August accounts payable list and ratify the May to August 2016 accounts payable lists, as presented.

Accounts Receivable

The accounts receivable list was included in the Board packet for review.

Action Items List

The action item list was reviewed and updated.

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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 9th day August, 2016.

Respectfully submitted,



Cheri Curtis
Secretary for the Meeting