
RECORD OF PROCEEDINGS

Minutes of the Board of Directors Special Meeting of Headwaters Metropolitan District April 12, 2019

The Board of Directors Meeting of the Headwaters Metropolitan District was held in the Ranch Hall at Granby Ranch, 998 Village Road, Town of Granby, Grand County, Colorado, in accordance with State law.

Attendance The following Directors were present and acting:

- Lance Badger
- Dustin Lombard

Also in attendance were:

- Clint Waldron, Esq. White Bear Ankele Tanaka & Waldron (via phone)
- Megan Murphy, White Bear Ankele Tanaka & Waldron (via phone)
- Eric Weaver, Marchetti & Weaver LLC (via phone)
- Diane Kovalik, Recording Secretary (via phone)
- Nick Raible, Property Owner
- Natascha O'Flaherty, Property Owner (arrived at 10:10am)

Call to Order and Declaration of Quorum

The Meeting of the Board of Directors of Headwaters Metropolitan District (HWMD) was called to order by Director Badger at 10:00 a.m. noting a quorum was present.

Disclosure of Potential Conflicts of Interest

The Directors reviewed the agenda for the meeting, following which each Director confirmed the contents of any written disclosure previously made, stating the fact and summary nature of any matters as required under Colorado law to permit official action to be taken at the meeting. Each Director also confirmed that nothing appeared on the agenda for which disclosure certificates had not been filed. The Board noted, for the record, that these disclosures are restated at this time with the intent of fully complying with laws pertaining to potential conflicts. Additionally, the Board determined that participation by the Directors with potential conflicts of interest was necessary to obtain a quorum or otherwise enable lawful action to occur.

Consideration of Agenda

Mr. Waldron added an agenda item to discuss an IGA with the Town of Granby for Jetting and CV Pipe Sewer Line Service Contract.

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Minutes The Board reviewed the February 21, 2019 minutes. By motion duly made and seconded it was unanimously

RESOLVED to approve the February 21, 2019 minutes.

Operations Director Badger reported on the status of the following matters:

RFP for Amenities Management: The current RFP deadline is April 15, 2019. There have not been any responses to the RFP for Amenities Management. Upon motion duly made and seconded it was unanimously

RESOLVED to extend the deadline for RFP's for Amenities Management to June 15, 2019 and automatically extend to December 31, 2019 should no responses be received.

Should any responses be received, HWMD will evaluate as necessary. Granby Ranch Amenities is currently under contract and continues to manage the operations in preparation for summer operations and next ski season.

Roadway Project: HWMD tentatively awarded the Granby Ranch Filing Nos. 3, 6, 8 and 10 Roadway Rehabilitation project to Concrete Express Inc. (CEI). Director Badger proposed HWMD authorize him to proceed with the steps necessary to keep the project moving forward, such as the IGA with the Town of Granby and any project negotiations or scheduling as they are proposed to avoid any delays. Upon motion duly made and seconded it was unanimously

RESOLVED to authorize Director Badger proceed upon receipt and/or confirmation of funding, with necessary documentation and agreements related to CEI and the project including changes in scope and schedule.

Director Badger stated there is no certain funding date for the project but an escrow account exists to cover some of the expected costs. Developer funding, when received, would cover the remaining project costs.

Natascha O'Flaherty expressed concerns regarding the contractor selected and Mr. Raible expressed concern that the homeowners be protected with other alternatives should Developer not secure adequate funding. Director Badger stated references have been checked on the contractor and the Developer was responsible for the first round of funding and is meeting

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with the Town of Granby to discuss size and scope of the project. Due to the nature of the project, change orders are to be expected.

Upon motion duly made and seconded it was unanimously

RESOLVED to authorize Director Badger to act as necessary regarding the Town of Granby IGA for the Roadway Project.

Service Contract for Sewer Line: Director Badger stated two bids were received for this project. Snow Bridge from Breckenridge and Simon Pipeline Services LLC from Grand Junction. Simon Pipeline Services LLC came in at the lower bid and is currently working with the Town of Granby on other projects. Upon motion duly made and seconded it was unanimously

RESOLVED to ratify and authorize the service agreement with Simon Pipeline Services LLC for the project

Legal

Silverstar Condominium: Director Badger reported HWMD had been included in court filings related to a quiet title to the Silverstar Condominium project. Mr. Waldron filed an extension with the court and may need to respond to the quiet title. Mr. Waldron will coordinate with the HWMD insurance carrier to determine if insurance defense counsel will be assigned.

Service Plan Amendment: A committee is being formed and will meet next week.

2019 TABOR Election: Director Badger stated HWMD intends to participate in a November 2019 Election to allow a multi-year contract related to the Amenities Management Agreement. Mr. Waldron stated the Board will need to certify a question for a November ballot by early September 2019.

Financial

Upon motion duly made and seconded, it was unanimously

RESOLVED to approve and ratify the accounts payable list.

Public Comment

Ms. O'Flaherty suggested seeking an interim contractor for the Amenities Management Agreement. Director Badger explained this was not feasible at this time due to restrictions in the current agreement.

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Mr. Raible suggested an agenda item for an upcoming Board meeting discussing why Granby Ranch has several metro districts and could the metro districts be combined to one.

Future Meetings The next regular meeting is scheduled for Wednesday, May 15, 2019 in the same location.

Adjournment Upon motion duly made and seconded, it was unanimously

RESOLVED to adjourn the meeting of the Headwaters Metropolitan District this 12th day of April, 2019 at 10:50am.

Respectfully submitted,

Diane Kovalik

Secretary for the Meeting