The Board of Directors Joint Special Meeting of the Headwaters Metropolitan District and Granby Ranch Metropolitan District Nos. 2 & 8 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 Director was present and acting:

- Lance Badger

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)
- Kathy Lewensten, Recording Secretary (via phone)
- Jim Goodwin, Ten Mile Builders
- Nick Raible, Property Owner within Granby Ranch
- Natascha O’Flaherty, Property Owner within Granby Ranch
- Dustin Lombard, Granby Ranch
- Colleen Hannon, Granby Ranch
- Rick Kron, Spencer Fane LLP (via phone)

**Call to Order and Declaration of Quorum**

The Joint Meeting of the Boards of Directors of Headwaters Metropolitan District (HWMD) and Granby Ranch Metropolitan District Nos. 2 & 8 (GRMD Nos. 2 & 8) was called to order by Director Badger at 10:00 a.m. noting a quorum was present.

**Disclosure of Potential Conflicts of Interest**

The Board reviewed the agenda for the meeting. The Board 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**

An agenda item “h” was added under legal to discuss “Qualified Builder Status”.

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Board Director Appointment: It was reported the inclusion petitions which would qualify individuals for the vacancies which exist on the HWMD Board have not yet received Court approval. No action was necessary and the matter was tabled.

Minutes: Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the November 1, 2017 Minutes.

Legal Amendment to August 22, 2016 Letter Agreement: Mr. Waldron reported the August 22, 2016 Letter Agreement and related agreements have been updated and amended as necessary. These pertain to the refinancing of Granby Ranch Metropolitan District (GRMD) debt. He reported all related agreements had been approved by GRMD at their last meeting. Mr. Kron stated he was attending as counsel to GRMD Nos. 2 though 8 for the matter and expressed no objections to approval of the various agreements or the amendment to the letter agreement. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the Amendment to August 22, 2016 Letter Agreement (HWMD, GRMD 2, GRMD 8) subject to final legal review, and

FURTHER RESOLVED to approve the Intergovernmental Agreement Re Road Maintenance and Snow Removal (HWMD, GRMD 2, GRMD 8) subject to final legal review, and

FURTHER RESOLVED to approve the Easement Agreement (Road Access)(HWMD) subject to final legal review, and

FURTHER RESOLVED to accept the Easement Agreement (Road Access)(GRMD 2, GRMD 8) subject to final legal review, and

FURTHER RESOLVED to approve the Agreement Re Waiver and Release of Claims (HWMD, GRMD2, GRMD 8) subject to final legal review, and

FURTHER RESOLVED to approve the Termination of Intergovernmental Agreement (HWMD, GRMD 2, GRMD 8) subject to final legal review.
First Amendment to Granby Ranch Road Maintenance Funding Agreement (HWMD): Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the First Amendment to Granby Ranch Road Maintenance Funding Agreement (HWMD).

2018 Joint Annual Administrative Resolution: Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the 2018 Joint Annual Administrative Resolution (HWMD, GRMD 2, GRMD 8).

Public Records Request Policy: Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the Public Records Request Policy (HWMD, GRMD2, GRMD8).

May 2018 Election

Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the May 2018 Election Resolutions (HWMD, GRMD2, GRMD8).

Shuttle Bus

Director Badger explained HWMD will not be continuing transportation services in 2018. It is expected the services will be transferred to Granby Ranch Conservancy (GRC). Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the Agreement Regarding Shuttle Buses with Granby Ranch Conservancy subject to final legal review.

Management Agreement: Director Badger stated the District will be looking into the process of requesting proposals for management services for the ski and golf amenities after the current ski season. During public comment Mr. Raible questioned whether it would be prudent to begin the process for the management of golf operations in early 2018 instead of waiting for the conclusion of ski season. After discussion it was agreed that Director Badger shall have authority to work with the developer or necessary community members to investigate initial steps related to the amenity services management to get the process in motion.
Qualified Builder Status: Director Badger reviewed the requirements to be a “qualified builder” within the Districts. A “qualified builder” does not have to pay amenity fees until the property is transferred to an end user. There is a form and agreement that the builder provides annually for approval. Upon motion duly made and seconded, it was unanimously

RESOLVED by HWMD to appoint a committee of Director Badger to be authorized to approve “qualified builder” status to applicants.

Motion to Intervene Mr. Waldron reported a Motion to Intervene was filed by Ms O’Flaherty et al related to the property inclusions for HWMD. He stated the District needs to respond to the motion and recommended engaging outside litigation counsel, offering the firm of Cambridge Law LLC, Colorado for consideration. Upon motion duly made and seconded, it was unanimously

RESOLVED by HWMD to approve engaging Cambridge Law LLC, Colorado.

Executive Session No executive session was necessary.

GRMD Refinance It was reported D.A. Davidson continues to work diligently on refinancing of GRMD debt. No closing date is known at this time.

Financial Statements Mr. Weaver presented the preliminary October 2017 financial statements which included the 2018 budgets. Upon motion duly made and seconded it was unanimously

RESOLVED to accept the preliminary October 2017 financial statements.

2017 Amended Budget HWMD The public hearing for the HWMD 2017 amended budget was opened. No public comment was offered and the hearing was closed. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the resolution to Amend the 2017 budget of Headwaters Metro District.
2018 Budget – HWMD

The public hearing for the 2018 HWMD budget was opened. Mr. Weaver reviewed the revenues and expenditures. He stated the budget had been prepared with the assumption the roadway and transportation services are transferred to GRC. Ms O’Flaherty asked several questions regarding the budget calculations. Mr. Weaver stated $5,000 will be added in 2018 to the line item unbudgeted Request/tasks for outside counsel expenses. The public hearing was closed. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the resolution to adopt the 2018 Headwaters Metro District budget as revised, to set the mill levy rates, and to appropriate funds subject to receipt of the final assessed valuation as discussed.

2018 Budgets

GR Nos. 2 & 8

The public hearings for the 2018 GR Nos. 2 and 8 budgets were opened. GRMD No. 2’s mill levy will remain at 50 mills. GRMD No. 8’s mill levy will need to be aligned with the Granby Ranch MD mill levy once it is known. The public hearings were closed. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the resolution to adopt the 2018 Granby Ranch Metro District No. 2 budget, to set the mill levy rates, and to appropriate funds subject to receipt of the final assessed valuation, and

FURTHER RESOLVED to approve the resolution to adopt the 2018 Granby Ranch Metro District No. 8 budget, to set the mill levy rates to align with that of Granby Ranch Metropolitan District for operations, and to appropriate funds subject to receipt of the final assessed valuation and GRMD mill levy.

Accounts Payable

Upon motion duly made and seconded, it was unanimously

RESOLVED to approve and ratify the accounts payable list.

Public Comment

Mr Raible stated he would like to see more property owners eligible for the HWMD Board.

Ms. O’Flaherty agreed with Mr. Raible and offered several other comments related to the Districts.
Future Meetings  The next regular meeting is scheduled for Wednesday, February 21, 2018 at 10:00 a.m. in the same location.

Adjournment  Upon motion duly made and seconded, it was unanimously

**RESOLVED** to adjourn the joint meeting of the Headwaters Metropolitan District and Granby Ranch Metropolitan District Nos. 2 & 8 this 30th day of November, 2017.

Respectfully submitted,

*Kathy Lewensten*

Secretary for the Meeting