
RECORD OF PROCEEDINGS

Minutes of the Joint Special Meeting of the Boards of Directors of Headwaters Metropolitan District and Granby Ranch Metropolitan Districts Nos. 2 & 8 October 22, 2014

The Joint Special Meeting of the Boards of Directors of the Headwaters Metropolitan District and Granby Ranch Metropolitan District Nos. 2 & 8, Town of Granby, Grand County, Colorado, was held at 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:

- Kyle Harris
- Julie Krueger
- Marylane Packer
- Lance Badger

Also in attendance were:

- Clint Waldron, White Bear Ankele Tanaka & Waldron (via phone)
- Eric Weaver, Marchetti & Weaver LLC
- Marise Cipriani, Granby Realty Holdings
- Rusty Thompson, Granby Realty Holdings

Call to Order and Declaration of Quorum

The Joint Meeting of the Boards of Directors of the Headwaters Metropolitan District (HWMD) and Granby Ranch Metropolitan District Nos. 2 & 8 was called to order by Director Harris 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

The agenda item related to the 2014 audit was changed to a discussion regarding requesting proposals for 2014 Audit services.

RECORD OF PROCEEDINGS

Headwaters Metropolitan District and Granby Ranch Metropolitan District Nos. 2 & 8 October 22, 2014 Meeting Minutes

Consent Agenda

The items on the consent agenda were:

- Approval of Accounts Payable
- Approval Transportation, Road Maintenance, Streetscape Maintenance Agreements;
- Ratify Independent Contractor Agreements -

It was noted the dates on the Grand County Asphalt Agreement should refer to 2014. The change order for Premier Earthworks had been approved at the July 16th meeting.

An updated AP listing and revised GRC Transportation and Streetscape agreements had been provided to the Board prior to the meeting. The Board considered a motion to approve the consent items with the revisions noted. By motion duly made and seconded it was unanimously

RESOLVED by HWMD to approve and ratify all items on the consent agenda as revised.

Minutes

The Boards reviewed the minutes of the HWMD July 16, 2014 Regular meeting and September 24, 2014 Special Meeting and the GR 2 & 8 October 31, 2013 Regular Meeting minutes. By motion duly made and seconded it was unanimously

RESOLVED by HWMD to approve the July 16, 2014 and September 24, 2014 minutes and

FURTHER RESOLVED by GRMD Nos. 2 & 8 to approve the October 31, 2013 minutes.

Initial Acceptance – NVH INV LLC

F1B Phase III Lots 16-24,35-38,48-49,57-59

The HWMD Board reviewed the Matrix Engineering letter recommending initial acceptance for Filing 1B Phase III improvements as described. Upon motion duly made and seconded, it was unanimously

RESOLVED by HWMD to approve initial acceptance of improvements as described in the letter provided by Matrix Design Group dated September 17, 2014.

Marijuana Policy

An overview was presented of the marijuana policy resolution which had been included in the packet. Director Harris stated the intent is to have a clear policy related to marijuana within the Districts. The policy prohibits consumptive use, growing of, or transportation of marijuana on District

RECORD OF PROCEEDINGS

Headwaters Metropolitan District and Granby Ranch Metropolitan District Nos. 2 & 8 October 22, 2014 Meeting Minutes

property as further described in the resolution. The policy mirrors the HOA policies which have been adopted recently. Violators are subject to escalating penalties. The resolution will be presented at the Granby Ranch and SolVista Metro District meetings for approval later today. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the Marijuana Policy Resolution.

2015 Annual Administrative Resolutions

The annual administrative resolutions included in the packet were reviewed. Upon motion duly made and seconded it was unanimously

RESOLVED to approve the 2015 Annual Administrative Resolutions.

Insurance Memo

Mr. Waldron presented the memo on insurance coverage that had been included in the packet. After discussion the Board appointed a committee to review coverage's currently in place and come back to the Board with recommendations for any changes.

Ms. Cipriani joined the meeting

Executive Session

The Board determined that an Executive Session was not necessary.

Financial Statements

Mr. Weaver presented the preliminary September 2014 financial statements including the 2015 budgets. Upon motion duly made and seconded it was unanimously

RESOLVED to approve the preliminary September 2014 financial statements.

2015 Budget HWMD

Director Harris opened the public hearing for the 2015 HWMD budget. No public comment was offered and the hearing was closed. After discussion and upon a motion duly made and seconded it was unanimously

RECORD OF PROCEEDINGS

Headwaters Metropolitan District and Granby Ranch Metropolitan District Nos. 2 & 8 October 22, 2014 Meeting Minutes

RESOLVED to approve the resolution to adopt the 2015 Headwaters Metro District budget, to set the mill levy rates, and to appropriate funds subject to receipt of the final assessed valuation.

2015 Budgets GR Nos. 2 & 8

Director Harris opened the public hearings for the 2015 GR Nos. 2 & 8 budgets. 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 adopt the 2015 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 2015 Granby Ranch Metro District No. 8 budget, to set the mill levy rates, and to appropriate funds subject to receipt of the final assessed valuation.

GRMD Nos. 2 & 8 Audit Exemptions

Mr. Weaver referred to the 2014 Audit Exemption Resolutions for GRMD Nos. 2 & 8 which were included in the packet. Upon motion duly made and seconded it was unanimously

RESOLVED to approve the Resolutions approving an Exemption from Audit for Fiscal Year 2014 for GRMD Nos. 2 & 8.

2014 Audit

Mr. Weaver recommended the District send out requests for proposals for the 2014 Audit. The Board agreed and appointed a committee of Mr. Weaver and Directors Packer and Krueger to review and select the auditor from the proposals received.

MWLLC Engagement Letter

Mr. Weaver explained the firm has recently changed its name to Marchetti & Weaver LLC and asked the Board to consider approving a new engagement letters. The fees will continue to be billed hourly. The Board requested some minor revisions which Mr. Weaver was agreeable to making. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the engagements letter with Marchetti & Weaver LLC as revised.

RECORD OF PROCEEDINGS

Headwaters Metropolitan District and Granby Ranch Metropolitan District Nos. 2 & 8 October 22, 2014 Meeting Minutes

Future Meetings The next regular meeting for HWMD is scheduled for Wednesday, February 18, 2015 at the same time and location.

Public Comment No public comment was offered.

Adjournment Upon motion duly made and seconded, it was unanimously

RESOLVED to adjourn the joint special meeting of the Headwaters Metropolitan District and the Granby Ranch Metropolitan District Nos. 2 & 8 this 22nd day of October, 2014.

Respectfully submitted,
/s/ Eric Weaver

Eric Weaver
Secretary for the Meeting