

---

# RECORD OF PROCEEDINGS

---

## Minutes of the Special Joint Meeting of the Boards of Directors of Headwaters Metropolitan District and Granby Ranch Metropolitan District Nos. 2 & 8 October 31, 2013

The Special Joint 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, Esq. White, Bear and Ankele, PC (via phone)
- Eric Weaver, Robertson & Marchetti, P.C. (via phone)
- Kathy Lewensten, Robertson & Marchetti, PC (via phone)
- Rusty Thompson, Granby Realty Holdings
- Marise Cipriani, Granby Realty Holdings
- Keri Dornbusch, GR Club Manager

### **Call to Order and Declaration of Quorum**

The 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. It was pointed out the location of the meeting is now referred to as the “Ranch Hall” so all references to the “Grange” hall shall be amended accordingly.

### **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

---

# RECORD OF PROCEEDINGS

---

---

## Headwaters Metropolitan District and Granby Ranch Metropolitan District Nos. 2 & 8 October 31, 2013 Meeting Minutes

---

conflicts of interest was necessary to obtain a quorum or otherwise enable lawful action to occur.

### Consideration of Agenda

Items 6(c) and 6(d) under legal were removed from the agenda.

### Consent Agenda

The items on the consent agenda were:

- Approval of Accounts Payable
- Approval Transportation, Road Maintenance, Streetscape Maintenance Agreements;
- Ratify Independent Contractor Agreements -  
The amount of the Overlook Mine LLC agreement should be \$142,369.47 for the Filing 6 road construction.

The Board considered a motion to approve the consent items with the revision noted to the Overlook Mine LLC Agreement. By motion duly made and seconded it was unanimously

**RESOLVED** to approve and ratify items on the consent agenda subject to final legal review.

### Minutes

The Board reviewed the minutes of the July 17, 2013 Special Meeting. Any references to “Grange Hall” will be revised to “Ranch Hall”. By motion duly made and seconded it was unanimously

**RESOLVED** to approve the July 17, 2013 minutes as revised.

### 2014 Annual Administrative Resolution

Director Harris reviewed the annual administrative resolutions included in the packet. These are updated and renewed annually and direct staff to comply with statutory matters. All references to the “Grange” hall shall be changed to “Ranch Hall”. Upon motion duly made and seconded it was unanimously

**RESOLVED** to approve the 2014 Annual Administrative Resolutions as revised.

### Public Disclosure §32-1-104.8,C.R.S.

Mr. Waldron reported the legislature passed a new requirement related to additional Special District reporting. The District will be required to record basic information with the County so it is readily available during a

---

# RECORD OF PROCEEDINGS

---

---

## Headwaters Metropolitan District and Granby Ranch Metropolitan District Nos. 2 & 8 October 31, 2013 Meeting Minutes

---

title search for property. Upon motion duly made and seconded, it was unanimously

**RESOLVED** to direct staff to comply with §32-1-104.8, C.R.S.

### **Executive Session**

The Board determined that an Executive Session was not necessary.

### **Financial Statements**

Mr. Weaver presented the preliminary September 2013 financial statements for HWMD and GR Nos. 2 & 8 which included 2014 Budget information and HWMD 2013 Amended budget information. Upon motion duly made and seconded it was unanimously

**RESOLVED** to approve the preliminary September 2013 financial statements.

### **2013 Amended Budget – HWMD**

Mr. Harris opened the public hearing for the 2013 Amended Budget for HWMD. Mr. Weaver explained the amendment was necessary to remove the Amenity fund and add the L.P.A. fund. 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 amended 2013 budget for HWMD.

### **2014 Budgets GR Nos. 2 & 8**

Director Harris opened the public hearings for the 2014 GR Nos. 2 & 8 budgets. Mr. Weaver pointed out the assessed valuation for both Districts decreased due to re-valuations. 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 2014 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 2014 Granby Ranch Metro District No. 8 budget, to set the mill

---

# RECORD OF PROCEEDINGS

---

---

## Headwaters Metropolitan District and Granby Ranch Metropolitan District Nos. 2 & 8 October 31, 2013 Meeting Minutes

---

levy rates, and to appropriate funds subject to receipt of the final assessed valuation.

### **2014 Budget HWMD**

Director Harris opened the public hearing for the 2014 HWMD budget. The Board took public comment. Director Packer requested several minor changes in the operations fund. The 2014 budgeted expenditures for capital improvements is approximately 445K. Ms. Cipriani stated Granby Ranch Holdings (GRH) intended to contribute funds of up to \$210,000 to cover the budgeted shortfall in the General Fund similar to this year. She expressed GRH's expectation that the Board manage expenses since GRH is not committing to funding overages. The public hearing was closed. By motion duly made and seconded it was unanimously

**RESOLVED** to approve the resolution to adopt the 2014 Headwaters Metro District budget, to set the mill levy rates, and to appropriate funds subject to receipt of the final assessed valuation including the revision to the general fund operations expenditures.

### **2013 HWMD Audit**

Mr. Weaver reviewed the 2013 audit proposals received. The proposals were requested with the change in the scope of the audit due to the removal of the amenity fund. After review the District chose to stay with Hiratsuka & Schmitt, L.L.P. Upon motion duly made and seconded, it was unanimously

**RESOLVED** to engage Hiratsuka & Schmitt, L.L.P. to perform the 2013 Audit.

### **GRMD Nos. 2 & 8 Audit Exemptions**

Director Harris referred to the 2013 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 2013 for GRMD Nos. 2 & 8.

### **Future Meetings**

The next regular meeting is scheduled for Wednesday, February 19, 2014 at the same time and location.

### **Public Comment**

No public comment was offered.

---

# RECORD OF PROCEEDINGS

---

---

Headwaters Metropolitan District and Granby Ranch Metropolitan District Nos. 2 & 8  
October 31, 2013 Meeting Minutes

---

**Adjournment**            Upon motion duly made and seconded, it was unanimously

**RESOLVED** to adjourn the meeting of the Headwaters  
Metropolitan District this 31st day of October, 2013.

Respectfully submitted,  
*/s/ Kathy Lewensten*

Kathy Lewensten  
Secretary for the Meeting