
RECORD OF PROCEEDINGS

Minutes of the Regular Meeting Of the Board of Directors of Valagua Metropolitan District May 17, 2019

The Regular Meeting of the Board of Directors of the Valagua Metropolitan District, Gypsum, Eagle County, Colorado, was held on May 17, 2019 at 1:00 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:

- Don Janklow
- Brandon Causey
- Scott Green
- Jeffrey Petersen

The following Directors were absent and excused:

- Darrel Schmidt

Also in attendance were:

- Joan Fritsche, Shearer & Fritsche, P.C. (By telephone)
- Eric Weaver, Marchetti & Weaver, LLC
- Anne Clarke, Marchetti & Weaver, LLC
- Diane Kovalik, Secretary to the Meeting

Call To Order

The Regular Meeting of the Board of Directors of the Valagua Metropolitan District was called to order by Director Janklow on May 17, 2019 at 1:00 p.m. noting a quorum was present.

Disclosure Matters

Ms. Fritsche, who is the District's counsel, advised the Board that pursuant to Colorado law, certain disclosures by the Board members may be required prior to taking official action at the meeting. The Board reviewed the agenda for the meeting, following which each Board member disclosed his conflicts of interest, stating the fact and summary nature of any matters as required under Colorado law, to permit official action to be taken at the meeting. The Board determined that the participation of the members present was necessary to obtain a quorum or otherwise enable the Board to act.

Director Janklow reported that he is an owner of real property within the District and is on the Brightwater Club Property Owners Association Board of Directors. This disclosure is associated with approval of items on the agenda, which may affect his interests.

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Director Petersen reported that he is an owner of real property within the District. This disclosure is associated with approval of items on the agenda, which may affect his interests.

Director Causey reported that he is an owner of real property within the District and his wife Inga Causey is on the Brightwater Club Property Owners Association Board of Directors. This disclosure is associated with approval of items on the agenda, which may affect his interests.

Director Green reported that he is an owner of real property within the District and owns Shades of Green Landscaping that provides contracted landscaping services to the District and the Brightwater Club Property Owners Association. This disclosure is associated with approval of items on the agenda, which may affect his interests.

Written disclosures of these interests were filed with the Secretary of State and the Board prior to the meeting.

**Changes to the
Agenda**

There were no changes to the meeting agenda.

**Public
Comment**

There was no public comment.

**Director
Matters**

There were no Director matters

Minutes

The Board reviewed the meeting minutes of the September 21, 2018 Regular Meeting. Upon motion duly made and seconded it was unanimously

RESOLVED to approve the meeting minutes of the September 21, 2018 Regular Board meeting as presented.

**Legal
Matters**

Ms. Fritsche presented the Annual Administrative Resolution to the Board. Mr. Weaver noted that the District posts notices on the District's website and not at the Gypsum Town Hall. Diane Kovalik will replace Anne Clarke as the Designated Election Official for the District. Upon motion duly made and seconded it was unanimously

RESOLVED to approve the Annual Administrative Resolution of Valagua Metropolitan District subject to changes stated.

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Ms. Fritsche presented the Consumer Data Privacy Resolution HB 18-1128. Upon motion duly made and seconded it was unanimously

RESOLVED to approve the Consumer Data Privacy Resolution HB 18-1128 as presented.

Ms. Fritsche disclosed her law partner was retiring as of June 30, 2019 and she was opening her own practice, Fritsche Law. The Board determined the District would transfer the files to Fritsche Law and a new engagement letter was not necessary.

Operations The Board reviewed the Shades of Green landscaping contract, presented by Scott Green, addressing street median & easement maintenance, fisherman’s path maintenance and irrigation. Upon motion duly made and seconded with Director Green abstaining, it was unanimously

RESOLVED to approve Shades of Green Landscaping contract as presented.

Mr. Weaver stated he received an email from the Town of Gypsum inquiring as to why the District did not snowplow the Valley Road bike path. Mr. Weaver informed the Town that the District doesn’t snowplow the bike path since it is not connected to any other paths and therefore seldom used. The Board agreed to not snowplow the bike path unless the Town persists.

Mr. Weaver disclosed that GCH has turned on the water but only plans to water Golf Holes #1 and #9 and will not irrigate the driving range or holes #2 thru #8.

Audit Mr. Weaver presented the 2018 draft audit, noting that the District once again received an unqualified or “clean” opinion. It was noted the District was not able to make the full bond payment but has complied with all requirements to keep the Bonds out of a default status. Upon motion duly made and seconded it was unanimously

RESOLVED to accept the 2018 draft audit as presented.

Financial Matters

Mr. Weaver presented the preliminary April 30, 2019 financial statements with an itemized review of the balance sheet and statement of revenues and expenditures. He reviewed the historical context for the current state of the bond payments. The District’s debt service mill levy is capped at 50 mills, which has been adjusted for Gallagher to 51.390 mills for 2019. As long as the District is assessing the maximum mill levy allowed under its Service Plan for debt service, the District is

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not in default on the bonds for underpayment of required annual debt service required payments under the Bond Indenture.

Payments

Of Claims

The payment of claims from September 15 through December 31, 2018 was presented to the Board. Upon motion duly made and seconded it was unanimously

RESOLVED to accept the April 30, 2019 financial statements and approve payment of claims through December 31, 2018.

Adjournment There being no further business to come before the Board, upon motion duly made and seconded it was unanimously

RESOLVED to adjourn the Regular Meeting of the Valagua Metropolitan District Board of Directors this 17th day of May, 2019.

Respectfully submitted,

Diane M Kovalik
Secretary for the Meeting