
RECORD OF PROCEEDINGS

Minutes of the Regular Meeting Of the Board of Directors of Valagua Metropolitan District September 16, 2016

The Regular Meeting of the Board of Directors of the Valagua Metropolitan District, Gypsum, Eagle County, Colorado, was held on September 16, 2016 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
- Jim Bittner

The following Directors were absent and excused:

- Scott Green
- Darrel Schmidt

Also in attendance were:

- Joan Fritsche, Collins Cockrel & Cole (By Telephone)
- Eric Weaver, Marchetti & Weaver, LLC
- Anne Clarke, 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 September 16, 2016 at 1:03 p.m. noting a quorum was present.

Disclosure Matters

Ms. Fritsche with Collins Cockrel and Cole, 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 Bittner 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.

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.

Minutes

The Board reviewed the meeting minutes of the May 20, 2016 Regular Meeting. Ms. Fritsche recommended a typographical correction. Upon motion duly made by Director Bittner and seconded by Director Causey it was unanimously

RESOLVED to approve the meeting minutes of the May 20, 2016 Regular Board meeting with the correction as discussed.

Director

Matters There were no Director matters to discuss.

Audit Engagement

Letter The 2016 Audit Engagement Letter was included in the Board packet for review. By motion duly made by Director Bittner and seconded by Director Causey it was unanimously

RESOLVED to approve the 2016 Audit Engagement letter with Chadwick, Steinkirchner, Davis and Company.

2017 Meeting

Schedule A calendar was presented to tentatively schedule the 2017 meetings. Expected dates are for May 19, 2017 and September 22, 2017 at 1:00 p.m. mountain time. These dates will be approved at the first meeting in 2017.

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Other Business

The Valley Road landscaping scope of services for 2017 was reviewed. Brightwater POA is entering a three-year agreement with Shades of Green, with prices to be held at the 2015 values. Valagua's pricing will also hold, understanding that the 1 year agreement is subject to annual appropriations.

Director Bittner requested an update on the three trees at the North Gate. Mr. Weaver reported that Shades of Green has been diligently watering them all summer and that this type of tree is struggling all over the county. A discussion concerning the appropriate tree species and possible replacement contractors ensued. Ultimately it is a decision of the Association and is being considered as part of their annual budgeting process. Upon motion made by Director Causey and seconded by Director Bittner it was unanimously

RESOLVED to proceed with the agreement for Shades of Green Lawn Maintenance services in 2017.

Financial Matters

Mr. Weaver presented the August 31, 2016 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. As long as the District is assessing 50 mills for debt service, the District is not in default on the bonds.

2017 Budget Hearing

The 2017 preliminary budget was distributed with the Board packet and made available to the public. The meeting was opened for public comment and upon hearing no public comment the public hearing was closed. After review and discussion and upon motion duly made by Director Bittner and seconded by Director Causey it was unanimously

RESOLVED to adopt the 2017 budget as presented at this meeting; to set the operating mill levy at 15.000 mills and the debt service mill levy at 50.000 mills, for a total mill levy of 65.000 mills; and to appropriate funds for spending in 2017, all as documented in the formal budget resolution but subject to minor adjustment for any further adjustments to the assessed values.

Payments Of Claims

The payment of claims from June 2016 to September 2016 was presented to the Board. Upon motion duly made by Director Causey and seconded by Director Bittner it was unanimously

R E C O R D O F P R O C E E D I N G S

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RESOLVED to accept the August 31, 2016 financial statements and approve payment of claims as presented.

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 16th day of September 2016.

Respectfully submitted,



Anne Clarke
Secretary for the Meeting