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## RECORD OF PROCEEDINGS

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### Minutes of the Regular Meeting Of the Board of Directors of Valagua Metropolitan District May 20, 2022

The Regular Meeting of the Board of Directors of the Valagua Metropolitan District, Gypsum, Eagle County, Colorado, was held on May 20, 2022 at 1:00 p.m. The meeting was held as a teleconference.

**Attendance** The following Directors were present and acting via teleconference:

- Don Janklow
- Brandon Causey
- Maury Keller
- Scott Green

Also in attendance via teleconference were:

- Joan Fritsche, Fritsche Law LLC
- Don Jennings, New Developer Entity and Brightwater Homeowner
- Eric Weaver, Marchetti & Weaver, LLC
- Erin McCauley, Marchetti & Weaver, LLC
- Justin Roach, Brightwater Homeowner

#### **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 20, 2022 at 1:02 p.m. noting a quorum was present.

#### **Disclosure Matters**

Ms. Fritsche, 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 disclosing 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 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.

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.

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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.

Director Keller 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.

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 September 19, 2021 Regular Meeting. Upon motion duly made and seconded it was unanimously

**RESOLVED** to approve the meeting minutes of the September 19, 2021 Regular Board meeting as presented.

**Legal**

**Matters**

Ms. Fritsche presented the Annual Administrative Resolution to the Board. Upon motion duly made and seconded it was unanimously

**RESOLVED** to approve the 2022 Annual Administrative Resolution of Valagua Metropolitan District.

**Director**

**Matters/Election**

Ms. Fritsche provided a review of the May 3, 2022 election, two directors were up for re-election, Brandon Causey and Jeff Peterson. Jeff Peterson did not run for re-election. Brandon Causey was elected via acclamation and the election was cancelled. The Oath of Office for Director Causey has been completed and filed.

Election of directors took place. Upon motion duly made and seconded it was unanimously

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**RESOLVED** to elect the following officers of the Valagua Metropolitan District Board:

Donald Janklow, President, Term exp 2023  
Scott Green, Asst Secretary/Treasurer, Term exp 2023  
Maury Keller, Asst Secretary/Treasurer, Term exp 2023  
Brandon Causey, Secretary/Treasurer, Term exp 2025

Affidavits of Qualification and Conflict of Interest Disclosure forms have been sent to each Director.

The Board vacancy was discussed, one position is vacant for a term ending in 2025. Any interested parties could be appointed at the Board meeting on September 30, 2022.

**Introduction of New  
Ownership Group**

Mr. Don Jennings introduced himself and his involvement with the new Brightwater ownership group. The group is currently working on a master plan for development at Brightwater which should be announced in the next few months, no plans are available to the public at this time.

**Audit**

Mr. Weaver presented the 2021 draft audit, noting that the District 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 2021 draft audit as presented.

**Financial  
Matters**

Mr. Weaver presented the March 31, 2022 financial statements with an itemized review of the balance sheet and statement of revenues and expenditures. The financials include a preliminary 2023 budget; 2023 is not a revaluation year for purposed of property valuations.

**Accounts  
Payable**

The Accounts Payable report was presented to the Board by Mr. Weaver. Upon motion duly made and seconded it was unanimously

**RESOLVED** to approve the March 31, 2022 financial statements and ratify and approve the Accounts Payable.

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The next meeting will take place on September 30, 2022 to adopt the budget and set the Mill Levy for 2023.

**Operations**

Mosquito control for 2022 was discussed, including frequency of treatments and pricing. Vector Disease Control will again be used to treat for mosquitoes.

**Bond Refinance**

Mr. Weaver was contacted by DA Davidson about a possible refinance of the bonds. DA Davidson is the underwriting firm that sold the bonds initially to investors. Bond investors heard of the purchase of Brightwater by the new development group, and are interested in discussion about a potential work out deal on the bonds. More information will come as the new development group is able to provide more information on the development plans.

**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 20<sup>th</sup> day of May, 2022.

Respectfully submitted,

*Erin McCauley*

Erin McCauley  
Secretary for the Meeting