
RECORD OF PROCEEDINGS

**Minutes of the Regular Meeting
Of the Board of Directors of
Valagua Metropolitan District
September 30, 2022**

The Regular Meeting of the Board of Directors of the Valagua Metropolitan District, Gypsum, Eagle County, Colorado, was held on September 30, 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
- Eric Weaver, Marchetti & Weaver, LLC
- Erin McCauley, Marchetti & Weaver, LLC
- Matt Hayden, Elevated Colorado Management

**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 30, 2022 at 1:07 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.

Director Green reported that he is an owner of real property within the District and owns Shades of Green Landscaping that provides contracted landscaping

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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 May 20, 2022 Regular Meeting. Upon motion duly made and seconded it was unanimously

RESOLVED to approve the meeting minutes of the May 20, 2022 Regular Board meeting as presented.

Legal

Matters

The Board reviewed the Election Resolution included in the Board packet, calling for a 2023 District election and designating an election official. Mr. Weaver requested a minor modification to the wording surrounding the Designated Election Official and upon motion duly made and seconded it was unanimously

RESOLVED to approve the Resolution Calling for the 2023 Regular District Election and Appointing a Designated Election Official with the requested modification.

Ms. Fritsche presented the Annual Administrative Resolution to the Board. Mr. Weaver requested an update to the wording regarding the Designated Election Official and upon motion duly made and seconded it was unanimously

RESOLVED to approve the 2023 Annual Administrative Resolution of Valagua Metropolitan District with the requested update.

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Ms. Fritsche reviewed the 2023 Budget letter for the Board. No action was required on this matter.

Business The Board reviewed the Audit Engagement Letter included in the Board packet for fiscal year 2022. Upon motion duly made and seconded it was unanimously

RESOLVED to approve the Audit Engagement Letter from Chadwick, Steinkirchner, Davis & Co., P.C. for fiscal year 2022 for a fee of \$4,900.00.

The 2023 proposed meeting calendar was presented and dates were discussed. Upon motion duly made and seconded it was unanimously

RESOLVED to approve the 2023 meeting calendar for two regular meetings on May 19 and September 22, 2023.

**Financial
Matters**

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.

The Division of Local Government gave notice to the Town of Gypsum of the financial difficulty of Valagua Metropolitan District and Mr. Weaver explained this is valid due to the District not making bond payments. The report also stated the District has failed to file reports with the Town, however, this has not been requested by the Town so the District has not failed to meet any requirements per the Service Plan.

Mr. Weaver presented the September August 31, 2022 financial statements with an itemized review of the balance sheet and statement of revenues and expenditures. Mr. Weaver explained that as long as the District is assessing the maximum mill levy allowed under its Service Plan for debt service, the District is not in default on the bonds for underpayment of required annual debt service payments under the Bond Indenture.

**2023 Budget
Hearing**

The 2023 preliminary budget was distributed with the Board packet and made available to the public. Mr. Weaver provided a detailed review of the proposed budget and noted 2023 is not a reassessment year. The budget hearing was

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opened for public comment and upon hearing none, the public hearing was closed. After review and discussion, upon motion duly made and seconded it was unanimously

RESOLVED to adopt the 2023 budget as presented, to set the operating mill levy at 15.000 mills and the debt service mill levy at 52.337 mills for a total mill levy of 67.337, to appropriate funds for spending in 2023, all as documented in the formal budget resolution and subject to minor modifications which may result from the final certification of assessed values.

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 August 31, 2023 financial statements and ratify and approve the Accounts Payable.

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 30th day of September, 2022.

Respectfully submitted,

Erin McCauley
Secretary for the Meeting