

RECORD OF PROCEEDINGS

MINUTES OF THE SPECIAL MEETING OF WATERFALL METROPOLITAN DISTRICT NO. 1

HELD
April 24, 2015

A Special Meeting of the Board of Directors of the Waterfall Metropolitan District No. 1 was held at the offices of McWhinney, 2725 Rocky Mountain Ave, Suite 200, Loveland, Colorado 80538 on April 24, 2015 at 11:00 a.m.

ATTENDANCE

Directors in Attendance Were:

Kim Perry, President
Cole Evans, Asst. Vice President & Asst. Secretary
Jay Hardy, Secretary
Tammi Lau, Treasurer & Asst. Secretary

Directors Absent and Excused:

Mike Bergerson, Vice President & Asst. Secretary

Also in Attendance Were:

Alan Pogue, Icenogle, Seavers & Pogue, P.C. (Via Teleconference)
Brendan Campbell and Carla Hawkins, Pinnacle Consulting Group, Inc.

CALL TO ORDER

The meeting was called to order at 11:03 a.m. by Director Perry as President, noting that a quorum was present. The Directors confirmed their qualifications to serve on the Board.

MEETING NOTICE

Ms. Carla Hawkins reported that notice of the meeting had been properly posted within each District's boundaries, and that notice was sent to the Larimer County Clerk and Recorder for posting. The notice also included agenda items.

CONFLICT OF INTEREST DISCLOSURE

Mr. Pogue, legal counsel, noted that notices of potential conflicts of interest for all Board Members disclosing any potential conflicts of interest, were filed with the Colorado Secretary of State's Office 48 hours prior to the meeting, and thus not within the statutory 72-hour advance filing requirement. Mr. Pogue advised the Board that pursuant to Colorado law,

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certain disclosures by the Board Members might be required prior to taking official action at a meeting. The Board reviewed the agenda for the meeting, following which each Board Member present confirmed the contents of the written disclosures 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. The Board will not take action on item III. A. at this meeting but may vote on VI. items, as no Board member has any potential conflict of interest related to the Section VI agenda items. Additionally, the Board determined that the participation of the members present was necessary to obtain a quorum or otherwise enable the Board to act.

APPROVAL
OF AGENDA

The Board reviewed the agenda. Upon motion duly made by Director Hardy, and seconded by Director Lau it was unanimously

RESOLVED to approve the agenda as amended.

APPROVAL OF
MINUTES

The Minutes of the October 31, 2014 Special Meeting were presented and reviewed. Upon motion duly made by Director Hardy, and seconded by Director Lau, it was unanimously

RESOLVED to approve the Minutes of the October 31, 2014 Special Meeting, as presented.

PUBLIC COMMENT

The Board opened the meeting to public comments. Upon receiving no comments, this portion of the meeting was closed.

RATIFICATION OF
PAYABLES

Mr. Campbell presented for ratification the schedule of payables for October 17, 2014 through March 17, 2015 totaling \$103,806.67 including check numbers 1376 through 1406 and presented for approval the schedule of payables for April 20, 2015 totaling \$3,350.37 including check numbers 1407 through 1412. Upon motion duly made by Director Hardy, and seconded by Director Evans it was unanimously

RESOLVED to ratify approval of the Schedule of Payable as noted above.

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FINANCIAL REPORT Mr. Campbell presented the Financial Report including the statement of revenues and expenditures through December 31, 2014. The Board reviewed the Budget to Actual Worksheet through March 31, 2015 handed out at the meeting.

LEGAL ITEMS Discussion of Amended and Restated Ground Maintenance Resolution: Mr. Pogue summarized for the Board the ground maintenance fee policy noting all budgeted expenses have been billed on a per acre basis since the resolution was adopted and recorded with Larimer County in 2008. Ms. Hawkins reviewed with the Board the grounds fee comparison worksheet illustrating the per acre assessment of budgeted expenses vs. site expenses being expensed directly to lot owners.

The Board further discussed the prorata share calculation of common area expenses for each property owner billing, noting that any contractual agreement between MBL34 and the Loveland Church of Nazarene related to the payment of common expenses does not involve the District but is between those two parties.

MANAGERS' REPORT Consideration of Holiday Lighting and Snow Removal Services Agreements with Grow Green Landscape and Maintenance: Ms. Hawkins presented for the Board's consideration the Holiday Lighting and Snow Removal Services Agreements with Grow Green Landscape and Maintenance. Upon motion duly made by Director Lau, and seconded by Director Evans, it was unanimously

RESOLVED to ratify the Holiday Lighting and Snow Removal Services Agreement as noted above.

Consideration of Landscape Inspection Addendum with OLM, Inc: Ms. Hawkins presented for the Board's consideration the Landscape Inspection Addendum with OLM, Inc. Upon motion duly made by Director Lau, and seconded by Director Evans, it was unanimously

RESOLVED to ratify the Landscape Inspection Addendum with OLM, Inc as presented.

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Consideration of Lighting Repairs Service Agreement with Gregory Electric: Ms. Hawkins presented for the Board's consideration a Service Agreement between the District and Gregory Electric parking lot. This item was tabled at this time.

Presentation of Landscape Maintenance Proposals and Consider Awarding a Contract for 2015 Landscape Maintenance Services: Ms. Hawkins presented the bid summary for landscaping services. The lowest responsive bidder is Integrity Lawn Professionals. After further discussion and upon motion duly made by Director Hardy and seconded by Director Evans, it was unanimously

RESOLVED to award the 2015 Landscape Services Agreement to Integrity Lawn Professionals.

Consideration of District Finance/Management Addendum with Pinnacle Consulting Group, Inc.: Ms. Hawkins asked the Board to consider a Pinnacle Consulting Group Inc. addendum for additional work for soliciting snow and landscaping bids and on the grounds maintenance fee revenue matter. The expenses will be monitored throughout the year and the Board agreed they would consider an addendum and possible budget amendment at the end of the year, if needed.

ITEMS FROM
DIRECTORS

No additional items were brought before the Board.

CONTINUED
MEETING

Upon motion duly made by Director Hardy, seconded by Director Lau and upon unanimous vote the meeting was continued to May 20, 2015 at 1:00 p.m.

Respectfully submitted,



Carla Hawkins
Secretary for the Meeting