

# RECORD OF PROCEEDINGS

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## MINUTES OF THE SPECIAL MEETING OF HEADWATERS METROPOLITAN DISTRICT

HELD  
August 22, 2023

The Special Meeting of Headwaters Metropolitan District was held via Zoom and Teleconference on Tuesday, August, 22, 2023 at 9:00 a.m.

### ATTENDANCE

#### Directors in Attendance:

Roxanne Hoover  
Matthew Hoover  
Stephen Johnson

#### Directors Absent, but Excused:

Scot Johnson  
Susanne Johnson

#### Also in Attendance:

Blair Dickhoner, Esq., Erin Stutz; White Bear Ankele Tanaka & Waldron, P.C.  
Katie Jenner, David Richardson, Joann Sandifer, and Zach Meyer; Husch  
Blackwell LLP  
Shannon Randazzo and Kieyesia Conaway; Pinnacle Consulting Group, Inc.

### ADMINISTRATIVE ITEMS

Call to Order: The Special Meeting of the Board of Directors of the Headwaters Metropolitan District was called to order by Mrs. Randazzo at 9:00 a.m.

Declaration of Quorum/Director Qualifications/Disclosure of Potential Conflicts of Interest: Ms. Randazzo noted that a quorum was present, with three out of five Directors in attendance. All Board Members confirmed their qualifications to serve on the Board. Ms. Randazzo advised the Board that pursuant to Colorado law, certain disclosures by Board Members might be required prior to taking official action at a meeting. Mr. Dickhoner reported that disclosures for those Board Members who provided White Bear Ankele Tanaka & Waldron with notice of potential or existing conflicts of interest, if any, were filed with the Colorado Secretary of State's Office and the Board at least 72 hours prior to the meeting, in accordance with Colorado law, and those disclosures were acknowledged by the Board. Ms. Randazzo inquired into whether members of the Board had any additional disclosures of potential or existing conflicts of interest regarding any matters scheduled for discussion at the meeting. No additional disclosures were noted. The participation of the members present was necessary to obtain a quorum or to otherwise enable the Board to act.

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Approval of Agenda: The Board considered the approval of the agenda. Following review and discussion, upon a motion duly made by Director M. Hoover, seconded by Director R. Hoover, and upon vote, unanimously carried, it was

**RESOLVED** to approve the agenda, as presented.

Public Comment: There were no Public Comments received.

Director Comment: There were no Director Comments received.

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## CONSENT AGENDA

Mrs. Randazzo reviewed the items on the consent agenda with the Board. Mrs. Randazzo advised the Board that any item may be removed from the consent agenda to the regular agenda upon the request of any Director. No items were requested to be removed from the consent agenda. Upon a motion duly made by Director M. Hoover and seconded by Director R. Hoover, the following items on the consent agenda were unanimously approved, ratified and adopted:

- A. Minutes – June 15, 2023, Regular Meeting Minutes.
  - B. Amended and Restated Public Records Request Policy.
  - C. Amended and Restated Annual Administrative Resolution (2023).
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## EXECUTIVE SESSION

Mrs. Randazzo advised the Board that it was permitted, upon compliance with requisite statutory procedures under the Colorado Open Meetings Law, for the Board to convene an executive session, pursuant to § 24-6-402(4)(b), C.R.S., as it relates to the litigation filed by Granby Ranch Metropolitan District against Headwaters Metropolitan District (Case No. 2021CV030008) in the District Court, Grand County, Colorado, and, determining positions relative to matters that may be subject to negotiations, developing strategy for negotiations, and instructing negotiators pursuant to § 24-6-402(4)(e), C.R.S., as it relates to the litigation filed by Granby Ranch Metropolitan District against Headwaters Metropolitan District (Case No. 2021CV030008) in the District Court, Grand County, Colorado. Following review and discussion, upon motion duly made by Director M. Hoover, seconded by Director R. Hoover and, upon vote, unanimously carried, it was

**RESOLVED** for the Board to enter into an Executive Session at 9:05 a.m., pursuant to § 24-6-402(4)(b), C.R.S., for the purpose of receiving legal advice from general counsel and special counsel related to exercising eminent domain powers.

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Pursuant to Section 24-6-402(2)(d.5)(II)(B), C.R.S., no record will be kept of the portion of this executive session that, in the opinion of general counsel to District, constitutes privileged attorney-client communication pursuant to Section 24-6-402(4)(b), C.R.S. and Section 24-6-402(4)(b), C.R.S.

Also pursuant to Section 24-6-402(4), C.R.S., the Board of District did not adopt any proposed policy, position, resolution, rule, regulation or take formal action during execution session.

The Board reconvened in regular session at 9:13 a.m.

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### LEGAL ITEMS

Post Executive Session Discussion and potential Action regarding Litigation: Director. M Hoover moved to formally reject the verbal proposed settlement offer presented to Hush Blackwell on Wednesday, August 9<sup>th</sup>, which was rejected by GR Terra on Thursday, August 10<sup>th</sup>, and to also formally reject the second written settlement offer made by Granby Ranch Metropolitan District on Monday, August 14<sup>th</sup>. Following review and discussion, seconded by Director R. Hoover, and upon vote, unanimously carried, it was

**RESOLVED** to approve formally rejecting the verbal proposed settlement offer presented to Hush Blackwell on Wednesday, August 9<sup>th</sup>, which was rejected by GR Terra on Thursday, August 10<sup>th</sup>, and to also formally reject the second written settlement offer made by Granby Ranch Metropolitan District on Monday, August 14<sup>th</sup>.

Director. M. Hoover moved to delegate Roxanne Hoover to work with District Counsel and special litigation counsel to discuss and consider any additional matters related to the litigation, including any future settlement offers, provided, however, any final settlement documents would be subject to full Board approval. Following review and discussion, seconded by Director R. Hoover, and upon vote, unanimously carried, it was

**RESOLVED** to approve to delegate Roxanne Hoover to work with District Counsel and special litigation counsel to discuss and consider any additional matters related to the litigation, including any future settlement offers, provided, however, any final settlement documents would be subject to full Board approval.

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### DIRECTOR ITEMS

There were no Director Matters to come before the Board.

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### OTHER MATTERS

New Budget Hearing Date: Mrs. Randazzo presented the new Budget Hearing Date to the Board. Following review and discussion, upon motion duly made

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by Director M. Hoover, seconded by Director R. Hoover and, upon vote, unanimously carried, it was


**RESOLVED** to approve the New Budget Hearing Date of October 19, 2023, at 8:30 a.m. Mountain Standard Time.

ADJOURNMENT

There being no further business to come before the Board, upon motion duly made by Director M. Hoover, seconded by Director R. Hoover, and upon unanimous vote, the meeting was adjourned at 9:18 a.m.

The foregoing constitutes a true and correct copy of the minutes of the above-referenced meeting.

Respectfully submitted,

  
Kieyasia Conaway, Recording Secretary for the Meeting