

# RECORD OF PROCEEDINGS

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## MINUTES OF THE COORDINATED REGULAR MEETING OF THREE SPRINGS METROPOLITAN DISTRICT NO. 1 THREE SPRINGS METROPOLITAN DISTRICT NO. 2 THREE SPRINGS METROPOLITAN DISTRICT NO. 3 AND THREE SPRINGS METROPOLITAN DISTRICT NO. 4

HELD

APRIL 11, 2017

The Coordinated Regular Meeting of the Boards of Directors (“Board”) of the Three Springs Metropolitan District No. 1 (“District No. 1”), Three Springs Metropolitan District No. 2 (“District No. 2”), Three Springs Metropolitan District No. 3 (“District No. 3”) and Three Springs Metropolitan District No. 4 (“District No. 4”, and together with District No. 1, District No. 2 and District No. 3, the “Districts”) was held at 65 Mercado Street, Suite 250, Durango, Colorado, on April 11, 2017 at 3:00 p.m.

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ATTENDANCE

Directors in Attendance Were:

Patrick Morrissey  
Tim Zink  
Gary Whalen

Absent (excused):

Patrick S. Vaughn  
Regina Dunn

Also in Attendance:

Dan Brown, GF Properties (“GF Properties”)  
Jon Penny, GF Properties  
Ross Wieser, GF Properties  
Kurt Prinslow, GF Properties \*attendance where noted  
Paul Cockrel of Collins Cockrel & Cole, via telephone  
Sarah H. Luetjen of Collins Cockrel & Cole, via telephone

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NOTICE

It was noted that Notice had been properly posted in accordance with statutory requirements.

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DISCLOSURE OF  
POTENTIAL CONFLICT  
OF INTEREST

Mr. Cockrel reported that general conflict of interest statements had been received from all directors and previously filed with the Secretary of State at least 72 hours in advance of the meeting, disclosing potential conflicts of interest as follows.

Chairman Morrissey is the Senior Vice President of and employed by GF Properties Group, LLC (“GFP”), a Colorado limited liability company, which is affiliated with GRVP, LLC (“GRVP”), a Colorado limited liability company, which is the owner and master developer of all or a significant share of the developable real property within each of the Districts. Additionally, he is an authorized representative of Tierra Group, LLC (“Tierra”), which is the sole member of (i) GRVP and (ii) Tierra Vision Homes, LLC, Tierra Custom Homes, LLC, GFP Mercado, LLC, Confluence Durango, LLC and GFP 3S Apartments, LLC, related entities which own or will own and improve properties within the Districts. GFP, GRVP and Tierra are each indirectly owned by the Southern Ute Indian Tribe (the “Tribe”). The Tribe is the sole member of GFMC, LLC (“GFMC” and together with the Tribe, GFP, Tierra and GRVP, the “Companies”), which is also the manager of each of the Companies. He is regularly authorized by GFMC to carry out various management activities of the Companies. Although he is an officer, employee and agent of the Companies, he is not an owner or creditor of the Companies, nor does he have any other substantial financial interest in the Companies.

Directors Whalen and Zink are also employed by GFP. Additionally, Director Whalen is the Vice President of GFP.

All Directors present stated that the participation of at least three of them in the meeting was necessary to obtain a quorum of the Board or otherwise enable the Board to act; that written disclosures of such potential conflicts of interest of each Director had been filed with the Board and the Secretary of State in accordance with statutory requirements; and that the nature of each Director’s private interests related to their employment and/or officership positions with the

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above-mentioned entities. After each Director had summarily stated for the record the fact and nature of his private interests and had further stated that the determination to participate in voting or take any other action on any contract or other matter in which he may have a private interest would be made in compliance with Section 24-18-201(1)(b)(V), C.R.S., on an ad hoc basis, the Board turned their attention to the agenda items.

All Disclosure of Potential Conflict of Interest Statements previously filed are deemed continuing for all purposes and are incorporated into the record of the meeting

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### MINUTES

The Board reviewed the minutes of the February 7, 2017 Continued Regular Meeting. After discussion and upon motion duly made by Director Whalen, seconded by Director Zink and unanimously carried, the minutes of the meeting were approved as revised.

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### FINANCIAL REPORT

Dan Brown presented a summary of invoices totaling \$49,700.86 for ratification and payment, which summary is attached hereto and incorporated herein by this reference. After discussion and upon motion duly made by Director Zink, seconded by Director Whalen and unanimously carried, the Board ratified disbursements and payment of various District costs totaling \$49,700.86 as set forth on the summary.

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### DISTRICT WEBSITE

Chairman Morrissey reviewed the new District website with the Board.

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### DEVELOPMENT REPORT

Jon Penny presented a contract for approval, a summary of which is attached hereto and incorporated herein by this reference:

Aztec Landscaping, Inc.:                    \$144,014

Mr. Penny next presented the following Change Order for approval, a summary of which is attached hereto and incorporated herein by this reference:

Azteca Landscape, Inc.:  
CO #1    \$6,000

After discussion and upon motion duly made by Director Zink, seconded by Director Whalen and unanimously carried, the Board approved the Contract and Change Orders as presented and appropriation of funds therefor.

\*Kurt Prinslow then arrived at the meeting.

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### BOARD APPOINTMENT

A Notice of Vacancy was published, and no submissions of interest to serve on the District Nos. 2, 3 and 4 Boards were received by the Districts. Upon motion duly made, seconded and unanimously carried, the Board appointed Jon Penny, subject to qualification, to the Board of each District to serve until the next regular election in 2018, filling the vacancy left by Regina Dunn who resigned and whose term would expire in 2018. Once Ms. Luetjen receives Mr. Penny's Contract to Purchase Property, she will file the Oaths of Office with the Division of Local Government and District Court. Conflict of interest letters will be prepared.

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TRANSFER OF  
DISTRICT NO. 1  
DEDICATIONS TO  
DISTRICT NO. 3

Upon motion duly made, seconded and unanimously carried, the Board approved the Bargain and Sale Deed, transferring the District No. 1 dedications to District No. 3. Once executed, Chairman Morrissey will coordinate the Deed's recordation with the County Clerk and Recorder.

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MEETING  
ADJOURNED

There being no further business to come before the Board at this time, the meeting was adjourned.

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Sarah H. Luetjen, Secretary for the Meeting

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APPROVED

  
Pat Morrissey

  
Tim Zink

  
Gary Whalen



00005675	LA PLATA ELECTRIC ASSOC. INC.	0217_2007768900	2/2/2017	\$	23.20	\$	23.20	\$	179.13	2-7245D MD	001-3S-MET3 030	M0030	72112	240 CLEAR SPRING AVE-IRRIG	ACCOUNT NO. 2007768900	2/6/2017	000483	2/9/2017
00005676	LA PLATA ELECTRIC ASSOC. INC.	0217_2012008300	2/2/2017	\$	29.15	\$	29.15	\$	179.13	2-7245D MD	001-3S-MET3 030	M0030	72112	485 PROSPECTOR AVE/POCKET PARK	ACCOUNT NO. 2012008300	2/6/2017	000483	2/9/2017
00005677	LA PLATA ELECTRIC ASSOC. INC.	0217_2007100301	2/2/2017	\$	30.27	\$	30.27	\$	179.13	2-7245D MD	001-3S-MET3 030	M0030	72112	250 THREE SPRINGS BLVD	ACCOUNT NO. 2007100301	2/6/2017	000483	2/9/2017
00005678	LA PLATA ELECTRIC ASSOC. INC.	0217_2012008400	2/2/2017	\$	50.11	\$	50.11	\$	179.13	2-7245D MD	001-3S-MET3 030	M0030	72112	350 PROSPECTOR AVE	ACCOUNT NO. 2012008400	2/6/2017	000483	2/9/2017
00005743	LA PLATA ELECTRIC ASSOC. INC.	0217_2008923000	2/23/2017	\$	35.09	\$	35.09	\$	166.07	2-7245D MD	001-3S-MET3 030	M0030	72112	168 Oxbow Circle	ACCOUNT NO. 2008923000	3/1/2017	000497	3/2/2017
00005744	LA PLATA ELECTRIC ASSOC. INC.	0217_2007612700	2/9/2017	\$	70.00	\$	70.00	\$	166.07	2-7245D MD	001-3S-MET3 030	M0030	72112	198 CONFLUENCE AVE IRR & LIGHT	ACCOUNT NO. 2007612700	3/1/2017	000497	3/2/2017
00005745	LA PLATA ELECTRIC ASSOC. INC.	0217_2016038100	2/9/2017	\$	30.98	\$	30.98	\$	166.07	2-7245D MD	001-3S-MET3 030	M0030	72112	171 PIONEER AVE POCKET PARK 13	ACCOUNT NO. 2016038100	3/1/2017	000497	3/2/2017
00005746	LA PLATA ELECTRIC ASSOC. INC.	0217_2007641100	2/9/2017	\$	30.00	\$	30.00	\$	166.07	2-7245D MD	001-3S-MET3 030	M0030	72112	343 CLEAR SPRING AVE-LANDSCAPE	ACCOUNT NO. 2007641100	3/1/2017	000497	3/2/2017
00005836	LA PLATA ELECTRIC ASSOC. INC.	2007100301-0317	3/2/2017	\$	25.46	\$	25.46	\$	281.19	2-7245D MD	001-3S-MET3 030	M0030	72112	250 THREE SPRINGS BLVD	ACCOUNT NO. 2007100301	3/14/2017	000499	3/16/2017
00005837	LA PLATA ELECTRIC ASSOC. INC.	2007612700-0317	3/9/2017	\$	48.00	\$	48.00	\$	281.19	2-7245D MD	001-3S-MET3 030	M0030	72112	198 CONFLUENCE AVE IRR & LIGHT	ACCOUNT NO. 2007612700	3/14/2017	000499	3/16/2017
00005838	LA PLATA ELECTRIC ASSOC. INC.	2007641100-0317	3/9/2017	\$	29.00	\$	29.00	\$	281.19	2-7245D MD	001-3S-MET3 030	M0030	72112	343 CLEAR SPRING AVE-LANDSCAPE	ACCOUNT NO. 2007641100	3/14/2017	000499	3/16/2017
00005839	LA PLATA ELECTRIC ASSOC. INC.	2007768900-0317	3/2/2017	\$	23.20	\$	23.20	\$	281.19	2-7245D MD	001-3S-MET3 030	M0030	72112	240 CLEAR SPRING AVE-IRRIG	ACCOUNT NO. 2007768900	3/14/2017	000499	3/16/2017
00005840	LA PLATA ELECTRIC ASSOC. INC.	2008764900-0317	3/2/2017	\$	23.20	\$	23.20	\$	281.19	2-7245D MD	001-3S-MET3 030	M0030	72112	386 CLEAR SPRING AVE - IRR	ACCOUNT NO. 2008764900	3/14/2017	000499	3/16/2017
00005841	LA PLATA ELECTRIC ASSOC. INC.	2012008300-0317	3/2/2017	\$	29.01	\$	29.01	\$	281.19	2-7245D MD	001-3S-MET3 030	M0030	72112	485 PROSPECTOR AVE/POCKET PARK	ACCOUNT NO. 2012008300	3/14/2017	000499	3/16/2017
00005842	LA PLATA ELECTRIC ASSOC. INC.	2012008400-0317	3/2/2017	\$	49.27	\$	49.27	\$	281.19	2-7245D MD	001-3S-MET3 030	M0030	72112	350 PROSPECTOR AVE	ACCOUNT NO. 2012008400	3/14/2017	000499	3/16/2017
00005843	LA PLATA ELECTRIC ASSOC. INC.	2012040200-0317	3/2/2017	\$	23.20	\$	23.20	\$	281.19	2-7245D MD	001-3S-MET3 030	M0030	72112	248 SAGE VIEW	ACCOUNT NO. 2012040200	3/14/2017	000499	3/16/2017
00005844	LA PLATA ELECTRIC ASSOC. INC.	2016038100-0317	3/9/2017	\$	30.85	\$	30.85	\$	281.19	2-7245D MD	001-3S-MET3 030	M0030	72112	171 Pioneer PP #13	2016038100	3/14/2017	000499	3/16/2017
00005873	LA PLATA ELECTRIC ASSOC. INC.	0317_2008923000	3/28/2017	\$	34.66	\$	34.66	\$	34.66	2-7245D MD	001-3S-MET3 030	M0030	72112	168 Oxbow Circle		4/5/2017	000501	4/6/2017
<b>LA PLATA ELECTRIC ASSOC. INC. Total</b>					<b>\$</b>		<b>1,127.95</b>											
00005572	RUSSELL ENGINEERING INC.	17-10287	1/16/2017	\$	250.00	\$	250.00	\$	250.00	0000000012 2-2220D MD 355	001-3S-MET3 030	M0032	71001	District Engineer		1/17/2017	000005	1/23/2017
00005700	RUSSELL ENGINEERING INC.	17-10347	2/8/2017	\$	437.50	\$	437.50	\$	437.50	0000000014 2-2200D MD 355	001-3S-MET3 030	M0032	71001	District Engineer	Three Springs District Engineer	2/15/2017	000006	3/3/2017
<b>RUSSELL ENGINEERING INC. Total</b>					<b>\$</b>		<b>687.50</b>											
00005741	SPECIAL DISTRICT ASSOCIATION	17399	2/27/2017	\$	528.00	\$	528.00	\$	1,349.48		030	M0030	75026	SDA Membership 2017 TS3	17399	3/1/2017	000498	3/2/2017
00005742	SPECIAL DISTRICT ASSOCIATION	17398	2/27/2017	\$	337.03	\$	337.03	\$	1,349.48		030	M0030	75026	SDA Membership 2017 TS1	17398	3/1/2017	000498	3/2/2017
00005748	SPECIAL DISTRICT ASSOCIATION	2017022723300458	2/7/2017	\$	251.40	\$	251.40	\$	1,349.48		030	M0030	75026	SDA membership 2017 TS2	2017022723300458831	3/1/2017	000498	3/2/2017
00005750	SPECIAL DISTRICT ASSOCIATION	2017022718885924	2/27/2017	\$	233.05	\$	233.05	\$	1,349.48		030	M0030	75026	SDA membership 2017 TS4	20170227188859244	3/1/2017	000498	3/2/2017
<b>SPECIAL DISTRICT ASSOCIATION Total</b>					<b>\$</b>		<b>1,349.48</b>											
00005554	T. CHARLES WILSON INSURANCE	4870	10/15/2016	\$	475.00	\$	475.00	\$	1,900.00		030	M0030	75128	Agency Fee 2017	INV 4870	1/10/2017	000467	1/12/2017
00005555	T. CHARLES WILSON INSURANCE	4871	10/15/2016	\$	475.00	\$	475.00	\$	1,900.00		030	M0030	75128	Agency fee 2017-TS2	INV 4871	1/10/2017	000467	1/12/2017
00005556	T. CHARLES WILSON INSURANCE	4872	10/15/2016	\$	475.00	\$	475.00	\$	1,900.00		030	M0030	75128	Agency Fee 2017 TS3	INV 4872	1/10/2017	000467	1/12/2017
00005557	T. CHARLES WILSON INSURANCE	4873	10/15/2016	\$	475.00	\$	475.00	\$	1,900.00		030	M0030	75128	Agency Fee 2017 TS4	INV 4873	1/10/2017	000467	1/12/2017
<b>T. CHARLES WILSON INSURANCE Total</b>					<b>\$</b>		<b>1,900.00</b>											
00005870	UTILITY NOTIFICATION CENTER OF	217030007	3/31/2017	\$	39.15	\$	39.15	\$	39.15		030	M0030	75026	RTL transmissions	Member ID 10095 INV21703	4/4/2017	000007	4/7/2017
00005680	UTILITY NOTIFICATION CENTER OF	217010006	1/31/2017	\$	30.45	\$	30.45	\$	30.45		030	M0030	75026	RTL TRANSMISSIONS		2/7/2017	000484	2/9/2017
<b>UTILITY NOTIFICATION CENTER OF COLORADO Total</b>					<b>\$</b>		<b>69.60</b>											
<b>Grand Total</b>					<b>\$</b>		<b>49,700.86</b>											





**CHANGE ORDER**

CO # 1

Date of Issuance: 4/11/2017  
Name of Project: 2017 Snow Removal - Metro District  
Company: Three Springs Metropolitan District #3  
Contractor: Azteca Landscape, Inc.  
Contract #: AZT 0117 MD

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The following changes are hereby made to the ORIGINAL CONTRACT DOCUMENTS:

Description	Amount
Additional Snow Removal	\$ 6,000.00
Cost Code: MD 355 - 2 - 3245	
Total	\$ 6,000.00

**CHANGE IN CONTRACT PRICE**

Original Contract Price:	\$ 8,000.00
Net Increase/(Decrease) from previous Change Orders:	\$ -
Revised Contract Price prior to this change:	\$ 8,000.00
Net Increase/(Decrease) from this Change Order:	\$ 6,000.00
Revised Contract Price Including this Change Order:	\$ 14,000.00

**APPROVALS REQUIRED:**

Accepted by CONTRACTOR: \_\_\_\_\_ Date: \_\_\_\_\_

Accepted and Approved by COMPANY: \_\_\_\_\_ Date: \_\_\_\_\_

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