

# **Larkspur, Inc.**

**September 21, 2011**

## **Minutes – Board Meeting**

A meeting of the directors of Larkspur, Inc. was held on September 21, 2011 commencing at 8:30 a.m., at 801 Swink Avenue, Rocky Ford, CO 81067 with the following directors present: Pete Moore, Leroy Mauch and Anthony Nunez. Also in attendance were Lynden Gill, Reeves Brown, Jay Winner, Bill Hancock, Bart Mendenhall and Brenda Fillmore.

Bart Mendenhall began the meeting explaining how the current directors were appointed and that according to the Bylaws of Larkspur, Inc., five Board members were needed. Director Mauch made a motion to appoint Lynden Gill and Reeves Brown to the Larkspur, Inc.'s Board of Directors. Director Moore seconded the motion and the motion was unanimously carried.

Brenda Fillmore presented the Board with a brief history of Larkspur, Inc., current shareholders, tax filings and meeting requirements.

Director Nunez made a motion to nominate Director Gill for President. The motion was seconded by Director Moore and the motion was unanimously approved. Director Nunez also made the motion to nominate Director Mauch for Vice-President. Director Moore seconded the motion and the motion was unanimously passed. A motion to nominate Brenda Fillmore for Secretary-Treasurer was made by Director Nunez and Seconded by Director Brown. The motion was unanimously carried. Director Mauch made a motion to appoint Jay Winner as Superintendent of the Ditch and Director Nunez seconded the motion. The motion was unanimously approved. Director Reeves made a motion to change the Registered Agent to Brenda Fillmore and to change the office for Larkspur, Inc. to 801 Swink Avenue, Rocky Ford, Colorado. Director Moore seconded the motion and the motion was unanimously approved.

A motion was made by Director Reeves to require two signatures on checks and to allow signature authority for the Larkspur, Inc.'s checking account to Director Moore, Director Gill, Jay Winner and Brenda Fillmore. The motion was amended to include all directors and staff. Director Nunez seconded the motion which was unanimously carried.

Bart Mendenhall noted that there may be a few minor changes to the Bylaws regarding meeting times and the requirement regarding the approval of bills. These changes will have to be sent to all shareholders along with the notice for the annual meeting which will be held the first Monday in December.

Jay Winner presented the Board with the possibility of a complicated land swap that could involve the Pueblo Board of Water Works (PBWW), the Forest Service and Larkspur, Inc. regarding the PBWW's plans to expand Clear Creek Reservoir. The issue is just now in discussion phases. Director Brown stated that he has been in discussions with San Isabel and may have to recuse himself from any votes on this issue.

**Resolution 11-1**

Larkspur, Inc. owns Larkspur Ditch transbasin water rights and the Lower Arkansas Valley Water Conservancy District (LAVWCD) has acquired approximately 73% of the outstanding shares of capital stock of Larkspur, Inc. LAVWCD intends to acquire the remaining outstanding shares of capital stock. Larkspur, Inc. and LAVWCD want to change the Larkspur Ditch water rights to add new types and places of use in the Arkansas River Basin. Larkspur, Inc. consents to and authorizes LAVWCD to file an application in water court as a co-applicant with Larkspur, Inc. to change the use of 100 percent of the shares of capital stock for the Larkspur Ditch water rights. Director Moore made a motion to accept the Resolution 11-1 and Director Nunez seconded the motion. The motion was unanimously approved

Director Nunez made a motion to appoint Bart Mendenhall as general counsel and Peter Nichols as special counsel for Larkspur, Inc. Director Brown seconded the motion which was unanimously approved.

With no further business to attend to at this time, the meeting was adjourned.



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President



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Secretary/Treasurer