
RECORD OF PROCEEDINGS

**Minutes of the Regular Meeting
Of the Board of Directors
Catamount Metropolitan District
May 14, 2012**

A Regular Meeting of the Board of Directors of the Catamount Metropolitan District, Routt County, Colorado, was held May 14, 2012 at 3:00 p.m., at the Catamount Metro Ranch Shop, 34035 East Highway 40, Steamboat Springs, Routt County, Colorado, in accordance with the applicable statutes of the State of Colorado.

Attendance

The following Directors were present and acting:

- John Holloway
- Gary Ertl
- Eric Wilson
- Suzanne Turner (via conference call)

The following Directors were absent and excused:

- Darlinda Baldinger

Also in attendance were:

- John Smith
- Jim & Mimi McRoberts
- Bruce Allbright
- Brad Price, Catamount Club

Staff Personnel:

- Eric Weaver, Robertson & Marchetti, P.C.
- Joel Anderson, District Manager
- Kevin Collier, District Staff

Call to Order

The Regular Meeting of the Board of Directors of Catamount Metropolitan District was called to order by Chairman Holloway on May 14, 2012 at 3:00 p.m. noting a quorum was present.

Agenda Changes

The Board requested to move the financial section of the agenda in front of operations and move the Dam and Hydro item to the end of the agenda.

Oaths of Office

Director Holloway administered the Oath of Office to Gary Ertl. Oaths of Office will be administered to Darlinda Baldinger and to Suzanne Turner within 30 days.

Election of Officers

Upon motion duly made and seconded it was unanimously

RESOLVED to elect John Holloway as President, Eric Wilson as VP/Secretary, Darlinda Baldinger as VP/Treasurer, and Suzanne Turner and Gary Ertl as VP/Assistant Secretary/Treasurers.

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Minutes The Board reviewed the Regular Meeting minutes of the February 13, 2012 meeting. Upon motion duly made and seconded it was unanimously

RESOLVED to approve the Meeting minutes of February 13, 2012 subject to minor revisions.

2011 Audit Mr. Weaver presented the draft 2011 audit report prepared by Chadwick, Steinkirchner, Davis, and Co, in which the District received an unqualified or “clean” report. Upon motion duly made and seconded it was unanimously

RESOLVED to accept the 2011 audit as presented.

**March 31, 2012
Financial Report** Mr. Weaver reviewed the financial report for the period ending March 31, 2012 . Upon motion duly made and seconded it was unanimously

RESOLVED to approve the March 31, 2012 financials as presented.

Accounts Payable The accounts payable listing for January, February and March 2012 was reviewed by the Board. Upon motion duly made and seconded it was unanimously

RESOLVED to ratify the payables listing for January, February and March 2012 with two changes to expenditure descriptions.

**Accounts
Receivable** The Board reviewed the accounts receivable listing as of April 27, 2012. It was noted that seven accounts are at least 90 days past due with one of these recently closing. The remaining six will be sent reminders and further collection efforts will be considered at the next Board meeting. Upon motion duly made and seconded it was unanimously

RESOLVED to approve the accounts receivable listing as of April 27, 2012.

Fishing Update Director Ertl and several members of the community expressed their feeling that the Maribou Ranch membership is being used to outfit which is a violation of the agreement between the District and the Club. Mr. Price assured the group that the Maribou representative is bringing

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accompanied guests, is abiding by the same rules as other members, and is not being compensated for fishing at Catamount. Director Ertl and other members continue to disagree and feel that the Maribou membership should be refunded to them and that they no longer be able to access Catamount waters.

The Advisory Board of Governors (ABOG) has a meeting May 15, 2012 at 8:30 am and this issue is on their agenda. Mr. Price invited members of the Board and community to attend. Director Ertl does not think the ABOG can address the owner's concerns since the ABOG does not have any Catamount land owners on it.

Mr. Price stated that the online booking system is nearly up and running and will allow Club members as well as owners within Catamount who are not club members to reserve fishing times up to 2 weeks in advance. The group agreed to put up a sign-up sheet at both the entrance to the dam and at Harrison trail at least until the new system is functional.

The Board determined that they would evaluate the situation over the summer and call a special meeting if needed before the August meeting.

Gates Update

The construction of a gate at the entrance to Harrison Trail at the Lake, which is being funded through owner donations to the District, will begin in late May with work performed by Great Divide Fencing and Western Security. The building permit is in place and a letter was sent to the Land Trust with no response received. The gate is expected to be operational by mid-June and after being tested this summer another gate may be considered at the entrance to the Ranch.

Road Overlay Update

Elam came in with the low bid of \$220,000 which includes an overlay of Harrison Trail from the creek to the dam gate, Lakeshore Drive, and Lone Pine. The District has a budget of \$200,000 for the year and it was decided it would be better to delay the overlay of Lakeshore drive until the hydro plant is installed to avoid damage to a newly paved road. It was also decided that additional paving on More Lane and Thorne Lane would be appropriate as construction on those homes is either completed or several years out. The Board directed Mr. Anderson to negotiate with Elam to revise the contract and any remaining budget will be added to the capital replacement fund to be used towards a full overlay of Lakeshore Drive in a future year.

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District Manager House

The remediation to the house has been completed and is within the budget.

Use of Lake Water

Mr. Anderson approached the Board with the idea of allowing several owners that are located near the Lake to use the non-potable lake water for irrigation purposes rather than the treated water currently provided. This would reduce the water being consumed which is running at a higher rate per home than originally estimated. The Board felt that this could be a win-win situation and directed Mr. Anderson to investigate what the next steps might be to move in this direction.

GIS Update

Genus Zero has a \$500 set-up fee and \$25 monthly fee for web based mapping of the subdivision and infrastructure. This is much cheaper than previous quotes and the Board will look to include this in the 2013 budget.

PUD Water

The cabins are using a new landscaping company and there is a small leak in their system. Joel will coordinate with them to coordinate the repair as the Association maintains the lateral lines but the District maintains the main lines.

Yampa Land Trust Agreement

No updates.

Dam & Hydro Update

The FERC permit application has been submitted. The concept of burying the line in the lake is causing some hesitation from YVEA and others due to the inability to service the line. The new owners of the property below the dam have concerns of the vibration, noise and potential damage to habitat. All three issues are being addressed and should be easily resolved. The new owners are looking into trenching a line to the new structures they are planning to build below the dam and the District may be able to install the line to the dam in the same trench. The gravel pit is also interested in 3 phase power so the cost could potentially be shared with them as well.

The LLC, which was required to apply for the USDA Grant, was formed with Bruce Allbright as a 99% shareholder and John Holloway holding the remaining 1% interest. The grant application has been filed with the USDA with their being a total of 20 applicants nationwide. There is also legislation in the works to exempt 5 megawatt or lower systems from the

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FERC process which would be a huge reduction in both the application approval process as well as long-term operational requirements.

At the YVEA Board Meeting the contract with Xcel has been changed so that YVEA can purchase power directly from the District.

The District has been in contact with CWRPDA regarding obtaining a loan for the system which would bear an interest rate of 2% for a loan of up to \$2 million. To move forward with the application process the authority has asked the District what it would be willing to pledge as collateral on the loan. After discussion by the Board it was determined that the assets of the District should not be pledged as collateral. Formal approval of any pledge would have to come back to the Board for approval at a later date. Upon motion duly made and seconded it was unanimously

RESOLVED to pledge only the revenues generated by the plant and the hydro components of the system.

Adjournment

With business concluded, and upon motion duly made and seconded it was unanimously

RESOLVED to adjourn the Regular Meeting of Catamount Metropolitan District Board of Directors this 14th day of May, 2012.

Respectfully submitted,



Eric Weaver
Secretary for Meeting