
RECORD OF PROCEEDINGS

**Minutes of the Regular Meeting
Of the Board of Directors
Catamount Metropolitan District
May 9, 2011**

A Regular Meeting of the Board of Directors of the Catamount Metropolitan District, Routt County, Colorado, was held May 9, 2011 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
- Darlinda Baldinger
- Gary Ertl
- Eric Wilson (via phone)
- Suzanne Turner (via phone)

Also in attendance were:

- Bruce Albright, property owner
- Leslie Albright, property owner
- Roger Ladd, property owner
- Brad Price, Club Manager

Staff Personnel:

- Eric Weaver, Robertson & Marchetti, P.C. (via phone)
- Joel Anderson, District Manager
- Kevin Collier, District Staff
- Matt Dalton, Grimshaw & Haring, PC (via phone)

Call to Order The Regular Meeting of the Board of Directors of Catamount Metropolitan District was called to order by Chairman Holloway on May 9, 2011 at 3:00 p.m. noting a quorum was present.

Agenda Changes The Board reviewed the agenda and added the following items

- CROA rent for storage space
- Road monitoring

Minutes The Board reviewed the Regular Meeting minutes of the February 14, 2011 meeting. Upon motion duly made and seconded it was unanimously

RESOLVED to approve the Special Meeting minutes of February 14, 2011 with minor revisions.

RECORD OF PROCEEDINGS

CATAMOUNT METROPOLITAN DISTRICT
May 9, 2011 Meeting Minutes

Dam and Hydro Project Update

Director Holloway stated that on April 20th Gates Gooding presented a grant proposal to the Colorado Water Conservation Board (CWCB), which could fund as much as 80% of the project costs. The feedback from the CWCB was mixed with the primary concerns being how the project would benefit the public at large and that the project was not primarily a water supply project which is a requirement of the CWCB. The meeting was the first of three potential meetings and Mr. Gooding will be working on revisions to the proposal and performing additional research in anticipation of attending the second meeting.

Director Holloway also noted that the District has been approved for up to \$1.3 million in loan proceeds from a government subsidized program which would lower the interest rates on the borrowing.

The Board also discussed the potential revenue stream if a Power Purchase Agreement (PPA) could be negotiated with the power company to purchase power from the District and the potential to include a third-party investor who could take advantage of tax credits potentially amounting to 30% of the cost of construction.

Since the FERC application due date is May 19th, the Board decided to continue exploring the PPA, asking Daniel Nemela to prepare the proposal and presentation. The Board also stipulated that project exploration costs should be capped at \$20,000, of which \$10,000 would be reimbursed from the previously approved matching grant funds.

Fishing on District Owned Properties

Mr. Dalton joined the meeting via conference call and to accommodate his arrival the Board moved to the legal section of the agenda.

During the meeting held on February 14, 2011 the Board asked Mr. Dalton to provide an opinion on whether the current easement agreement between the District and the Catamount Club allows for third party access.

Mr. Dalton addressed the Board stating that after reviewing the documents, some of the language was conflicting and could be interpreted in differing ways. Mr. Dalton stated that the 2004 deed of gift quit claimed all interests in Parcels 3, 5 and 6 to the District.

RECORD OF PROCEEDINGS

CATAMOUNT METROPOLITAN DISTRICT May 9, 2011 Meeting Minutes

Mr. Ertl stated that he believes the Wildlife Agreement also precludes allowing outfitters access since it states that only members, owners and their guest are allowed to hunt and fish.

Mr. Albright expressed concern about his exposure to liability with people fishing on his property and off of his dock. Access to the Dam is partially through his property and he has, at times, seen as many as twenty people fishing the area. Mr. Dalton said he would look in to this and report back to the Board.

No formal action was taken on the matter during this meeting. Mr. Dalton will do more research on the Wildlife Agreement and the plats for Parcel 6 and report back to the Board.

Mr. Dalton and Mr. Price exited the meeting.

Metro Ranch Shop and Office Update

Mr. Anderson reported to the Board that final work on the Metro Ranch Shop would begin on May 23rd to complete the building exterior, the parking lot, and landscaping.

CROA Storage

The Board and CROA have agreed for CROA to rent storage space for the Design Review Board files at a rate of \$50 per month. Upon motion duly made and seconded it was unanimously

RESOLVED to approve to rent the space to CROA at a rate of \$50 per month, to be billed annually.

Golf Course Cattle Guard

Mr. Anderson reported to the Board that the cattle guard at the entrance to the Golf Course was removed because of continual sinking and that it no longer served a functional purpose. It will be patched with asphalt.

Paving Proposal

Mr. Anderson presented a proposal received from Connell Resources for paving a variety of surfaces within the District which totals roughly \$84,000. The budget for this work is \$65,000 but Mr. Anderson felt that all of the repairs were needed. Mr. Anderson informed the Board that other proposals had been obtained, with Connell Resources submitting the most cost effective bid. Mr. Weaver recommended reducing the current

RECORD OF PROCEEDINGS

CATAMOUNT METROPOLITAN DISTRICT May 9, 2011 Meeting Minutes

year funding of the replacement reserve by this difference to allow the repairs to be made. Upon motion duly made and seconded it was unanimously

RESOLVED to approve the proposal submitted by Connell Resources and to reduce the funding of the reserve fund by the \$19,000.

Entrance Landscaping

The Board discussed having the entrance areas professionally landscaped again this year and in the process would like to have additional shrubs planted in the area. The Board instructed Mr. Anderson to obtain bids from vendors for a complete renovation of the entrance and will consider the bids during the 2012 budgeting process. No formal action was taken.

Ratification of Road Acceptance

The Board reviewed the Bargain and Sale Deed Agreement between the District and the CROA which conveys roads lying within the District from the CROA to the District. Upon motion duly made and seconded it was unanimously

RESOLVED to ratify the Bargain Sale and Deed Agreement.

Related to the conveyance, the Board discussed once again having a security company patrol the entrances and roads. CROA has indicated that since the roads are now owned by the District that they felt it should be a District responsibility and therefore was not interested in sharing in the costs. The District Board felt that this service was needed to inform the general public that the roads are private and upon motion duly made and seconded it was unanimously

RESOLVED to hire the security company to patrol the area on the Memorial Day, July 4th, and Labor Day weekends.

Water Rights Update

The item was tabled as no action was needed.

RECORD OF PROCEEDINGS

CATAMOUNT METROPOLITAN DISTRICT May 9, 2011 Meeting Minutes

Yampa Valley Land Trust Agreement

Mr. Anderson stated that there has been no progress with negotiating an agreement with the Land Trust. The Board expressed concern that there were several issues related to cars parking on the roads last summer and that with the verbal understanding was that the District would not be charging a fee for the roads as long as this would not happen. Mr. Anderson and Director Holloway stated that they would follow up with the Land Trust.

2010 Audit

Mr. Weaver presented the 2010 audit report, noting that the District had once again received an unqualified or “clean” report and that the District is in good financial health. Upon motion duly made and seconded it was unanimously

RESOLVED to accept the 2010 audit report.

District Website

Mr. Weaver stated that the website at www.catamountmetro.org is up and running and for the minimal cost provides a great resource to current and prospective owners to learn more about the District.

Billing Alternatives

Mr. Weaver stated that his office has begun outsourcing the water and sewer billing function to a billing company called AMCOBI for several of their other clients. AMCOBI will bill on a flat fee basis per billing and he feels that they can perform the service at a lower cost to the District while at the same time offering customers the ability to pay online and via automatic withdrawals and credit cards. Mr. Weaver reviewed the proposal with the Board and upon motion duly made and seconded it was unanimously

RESOLVED to contract with AMCOBI to perform the water, sewer, and annual fee billing functions for the District.

Transfer of Funds To Vectra

Mr. Weaver stated that in accordance with the 2004 Bonds the District needs to transfer funds to Vectra Bank to cover the final payment on the bonds. Upon motion duly made and seconded it was unanimously

RESOLVED to approve the transfer of \$11,050 to Vectra Bank.

RECORD OF PROCEEDINGS

CATAMOUNT METROPOLITAN DISTRICT May 9, 2011 Meeting Minutes

March 31, 2011 Financial Report

Mr. Weaver reviewed the financial report for the period ending March 31, 2011 noting that the District is on track with budget with no concerns at this time. Mr. Weaver also reviewed the preliminary 2012 budgets, which includes an estimated 24% decline in property taxes which would require the annual fee to increase from \$500 in 2011 to \$1,650 in 2012. The budget will be reviewed in more detail at upcoming meetings. Upon motion duly made and seconded it was unanimously

RESOLVED to approve the March 31, 2011 financials as presented.

Accounts Payable

The accounts payable listing for February and March 2011 was reviewed by the Board. Upon motion duly made and seconded it was unanimously

RESOLVED to ratify the payables listing for February and March 2011 as presented.

Accounts Receivable

The Board reviewed the accounts receivable listing as of May 2, 2011, noting that all but one owner is now current. On motion duly made and seconded it was unanimously

RESOLVED to approve the accounts receivable listing as of May 2, 2011.

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 9th day of May, 2011.

Respectfully submitted,



Eric Weaver
Secretary for the meeting