
RECORD OF PROCEEDINGS

Minutes of the Regular Meeting Of the Board of Directors Catamount Metropolitan District October 10, 2016

A Regular Meeting of the Board of Directors of the Catamount Metropolitan District, Routt County, Colorado, was held October 10, 2016 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
- Suzanne Turner
- Darlinda Baldinger (By Telephone)
- Donna Kerr (By Telephone)
- Eric Wilson (By Telephone)

Also in attendance were public and staff personnel:

- Colleen Williams
- Bruce Allbright
- Bruce Enever
- Bill Gay
- James and Margaret McRoberts
- Eric Weaver, Marchetti & Weaver, LLC (By Telephone)
- Cheri Curtis, Marchetti & Weaver, LLC
- Joel Anderson, District Manager
- Kevin Collier, Assistant District Manager

**Call to
Order**

The Regular Meeting of the Board of Directors of Catamount Metropolitan District was called to order by Director Holloway on October 10, 2016 at 3:00 p.m. noting a quorum was present. [Directors Baldinger and Kerr joined the meeting at 3:30 p.m.]

**Changes to the
Agenda**

Discussion of Yampa Valley Land Trust activities at Rehder Ranch was added to the agenda.

Minutes

The Board reviewed the Regular Meeting minutes of the August 8, 2016 meeting as amended. Upon motion duly made and seconded it was unanimously

RESOLVED to approve the August 8, 2016 Regular Meeting minutes as amended.

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Source Water Protection

Plan Colleen Williams with the Colorado Rural Water Association's (CRWA) gave a presentation on the benefits of protecting the District's water through the Source Water Protection Program (SWPP). The District's wells are surrounded by ground water which could potentially create watershed issues. Ms. Williams discussed the differences for potential issues with the wells at the Lake and on the Ranch locations. The SWPP would look at potential contaminant to water sources at each location. Ms. Williams is willing to prepare a study and could schedule it as early as the beginning of 2017. There are grants available to the District for the study that would require participation from those who would benefit from the study. The more participation, the more benefits to the District.

The Board stated they would need to discuss the desire to participate in the SWPP before making a decision. Director Turner and Mr. Anderson questioned the uses of the grants and whether funds could be used for planning or programs. Ms. Williams stated those decisions would be made during the grant approval process. The Board is in support of the SWPP and requested a quote from Ms. Williams. Director Wilson questioned the number of people needed on the steering committee to participate in the SWPP. Ms. Williams noted it would be dependent on the number of people available.

Directors Kerr and Baldinger joined the meeting at 3:30 p.m.

Operation Matters

County Road 18C – During the Green Creek Ranch application process it was recommended vacating a portion of County Road 18C from just past the bridge to the Gay cabin. The Routt County Commissioners recommend vacating all of County Road 18C from County Road 18 all the way to Elaine Gay's house.

Mr. Anderson has asked Routt County what options are available for Catamount and Green Creek Ranch. It was agreed no one wants responsibility of the bridge over the Yampa River. Routt County could make it a minimum maintenance road with no snowplowing. If the entire road is vacated, the maintenance costs could be shared from County Road 18 to the Bridge. It would require a survey of the property lines and the installation of a gate. The County could ask for a turnaround and excess snow storage area if the road is not vacated. Mr. Allbright suggested looking at the ability to move the road back and take over maintenance of the road.

Director Holloway suggested the District support vacating the Road 18C. The bridge has a 94 rating and should not be of a concern. If the road were vacated it

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would make the area more private from outsiders, especially near the river. There was an overlay done on the road recently and the District and Green Creek Ranch could share the maintenance costs. Director Turner questioned the installation of another gate with the recently built gate. Director Turner agrees with Director Holloway to encourage the County to vacate the road since the road is adjacent to the District's existing wells.

Bill Gay reminded Mr. Anderson the developers had made an agreement with adjacent property owners and the District owns the easement to the south. Mr. Allbright suggested the District get this approved at the October Commissioners meeting. Tom Michelle has expressed concerns with the District taking on more expenses on a County Road. By motion duly made and seconded it was unanimously

RESOLVED to notify the county Commissioners the District would be willing to take responsibility of the maintenance of County Road 18C if the road is vacated by the County.

Bruce Enever and Bill Gay left the meeting at 3:40 p.m.

Lake Usage – Signage will be installed at Catamount Lake notifying property owners that all guests need to check-in at the Outfitter Center before using the lake. Anyone launching a boat on the lake also needs to notify the Outfitter Center.

Lake Algae –The Solar Bee representative was onsite in August when the algae were very prevalent. It was determined the proposed system would not be effective due to the depth of the water near the intake. Data was taken to make another presentation to the Board at a later date. Director Turner questioned the health issues related to algae. The Board requested Mr. Anderson provide them with recent water samples conducted by the Club and to continue to look into possible algae treatment and the potential health risks of the algae present.

Lake Bank Stabilization – All dock owners were notified by email regarding the lake draw down. Owners will be able to schedule bank stabilization projects while the lake level is down. Director Wilson reported he is installing a Gabion wall structure and a concrete block walkway to the dock. The District's only stipulation is any structure has to be built on private property. Director Wilson is leaving existing landscaping for additional stabilization.

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Stop Log Project – Mr. Anderson reported a contractor may perform a couple of small concrete repairs at the dam if their schedule opens up. AECOM will proceed with the bidding process for the stop log project that will be presented to the State, per the requirements. The plan is to proceed with the dam stop log project during the summer of 2017.

Barn Demolition – Duckels plans to demolish the barn in November of 2016. Mr. McRoberts questioned why the District was tearing down a barn. Mr. Anderson explained the foundation is failing and no one was interested in painted barn wood.

Administrative

Matters **2017 Meetings** – The 2017 calendar was presented for approval. Director Kerr questioned moving the February meeting to February 6, 2017. The Board agreed to amend and approve the 2017 meeting calendar with the February 6, 2017 date.

2016 Audit – The Board reviewed the 2016 audit engagement letter with Crady Puca and Associates. By motion duly made and seconded it was unanimously

RESOLVED to approve the 2016 audit engagement letter.

Financial

Matters **September 30 Financial Statement & 2017 Budget** – Mr. Weaver reviewed the September 30, 2016 financials. Most of the District's funds are in ColoTrust and earning 0.8% interest. One tap fee was received in 2016 that was higher than the amount budgeted for tap fees. The 2017 budget proposes keeping the mill levy consistent with the 2016 mill levy and the Service Fee will remain consistent at \$1,500 in 2017. The expenses are being forecast positive to the adopted budget. The District should be able to use existing funds for the dam project due to having the funds available and cost of project is projected to be less than originally budgeted. The 2004 bond was paid off in June and the related reserve account is released for use in capital projects. Historical averages are being used for the 2017 operations budget.

The capital revenues are contributions from the operations fund. There has never been an overlay on Danvers Trail and it will require extra work. An overlay on Watersedge Court, Watersedge Trail, and Lakeshore Trail from Cabins One to Five are budgeted for in 2017. In 2018 the road maintenance budget will decrease. Mr. Anderson will work with Mr. Weaver to use the reserve study for the budgeting process. Mr. Collier suggested considering chip sealing between overlays to extend the life of the overlay. Staff will obtain bids from contractors

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for chip sealing for consideration by the Board. The dam stop log project is estimated at \$250,000, subject to adjustment after the bids are received.

The proposal to run power to the Ranch Water treatment plant with the mixer is \$38,000. The proposal to run power to the Lake Water treatment plant with the mixer and SCADA system is \$54,000. The proposal to add the booster pump station for the seven lots above the water treatment plant to the SCADA system is \$8,793. The proposal to add the Cabin plant to the SCADA System is \$8,462. It was noted the Cabin plant has softer water. There is a costs savings to the District to purchase both systems at one time. After these improvements, there is only one more improvement needed at the lift station and potentially one more improvement at the waste water treatment plant. The Board approved doing both improvements to the SDACA system. It was not noted the electric for the system runs through the existing street lights.

2017 Budget and Rate Increase Hearing – The public hearing on the 2017 budget and water/sewer rate increase was opened for public comment. Hearing no public comment the public session was closed. Director Kerr questioned the revenue allocation that was explained by Mr. Weaver. There are fewer events at the Ranch so there is less usage. Director Kerr suggested holding the water rates consistent with 2016 rates. Mr. Weaver explained the water fees are not covering expenditures and capital replacement funding so it is better to have small increases annually than a major increase in future years. There was increased water usage in the third quarter of 2016. Mr. Anderson indicated most property owners do not exceed the first tier for water usage. It was agreed anyone using additional water should pay the costs since it could eventually affect the District's water rights and does put more wear and tear on the system. The Board discussed educating property owners on water conservation and do a comparison of neighboring communities. By motion duly made and seconded it was unanimously

RESOLVED to approve the September 30, 2016 financial statements, accounts receivable, and accounts payable as presented, and;

FURTHER RESOLVED to adopt the 2017 budget and the 2017 fee schedule; to set the debt service mill levy at 9.057 mills, the operating mill levy at 30.000 mills, and a temporary mill levy credit of 5.057 mills for a total net mill levy of 34.000 mills; and to appropriate funds for spending in 2017, all as documented in the formal budget resolution but subject to minor adjustment for any further adjustments to the assessed values. A

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copy of the formal budget resolution is incorporated herein by this reference and;

FURTHER RESOLVED to adopt the 2017 fee schedule.

Director Baldinger left the meeting at 4:45 p.m.

Other Business

Health Insurance - Mr. Weaver noted CEBT is available for Board members, if interested. There will be a 3.5% increase in health insurance premiums in 2017.

Easement Agreement – An Easement Agreement to allow YVEA to run power from utilities to Green Creek Ranch was presented and approved.

Rehder Easement – Emmy King has expressed concerns with the amount of activity at Rehder Ranch with the increased improvements by the Land Trust and the Nature Conservancy. The Kings are opposed to increased traffic on their property. The Land Trust and Nature Conservancy are looking for matching funds for improvements to the property. Mr. Allbright questioned whether they could increase activity without public input. Director Holloway agreed to research the agreements with Rehder and Neish. The Board will request information from the Foundation to guarantee usage is not being increased. Mr. Allbright suggested the District send a letter from their attorney to Susan Dorsey requesting information. The Foundation should be carbon copied on the letter. Director Holloway agreed to discuss the Foundation Work with Matt Dalton and CROA after the Road Easement is vacated.

Adjournment

Hearing no further business, and upon motion duly made and seconded it was unanimously

RESOLVED to adjourn the Regular Meeting of the Catamount Metropolitan District Board of Directors this 10th day of October, 2016.

Respectfully submitted,



Cheri Curtis
Secretary for meeting