
RECORD OF PROCEEDINGS

Minutes of the Regular Meeting Of the Board of Directors Catamount Metropolitan District February 10, 2014

A Regular Meeting of the Board of Directors of the Catamount Metropolitan District, Routt County, Colorado, was held February 10, 2014 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:

- Gary Ertl
- Suzanne Turner (via conference call)
- Darlinda Baldinger
- John Holloway
- Eric Wilson (joined via conference call at 3:10 pm)

Also in attendance were:

- Jim McRoberts, owner at Catamount
- David Baldinger, owner at Catamount
- Thomas L Henninger, owner at Catamount and representative of Windwalker Ranch
- Bruce Allbright, owner at Catamount
- Donna Kerr, owner at Catamount
- Bob Weiss, Windwalker Ranch Attorney (via conference call)
- Gates Gooding, hydro-electric consultant

Staff Personnel:

- Eric Weaver, Robertson & Marchetti, P.C. (via conference call)
- Kelly Young, Robertson & Marchetti, P.C. (via conference call)
- 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 February 10, 2014 at 3:00 p.m. noting a quorum was present.

Minutes

The Board reviewed the Regular Meeting minutes of the November 11, 2013 meeting. Upon motion duly made and seconded it was unanimously

RESOLVED to approve the November 11, 2013 minutes, subject to minor modifications.

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SDG Report and Dam Repair Update

Mr. Anderson reported that the engineer (SDG) has inspected the dam and is recommending that we replace the steel stop log channels within 2 years as they are now approximately 35 years old. As for the spillway, there are signs of some erosion and some core sampling is recommended to understand the depth of the erosion. At some point an actual overlay of the spillway chute will likely be needed due to erosion on the floor of the spillway. He recommends doing the core sampling with the ongoing, routine maintenance scheduled in the fall of 2014. The replacement of the steel stop log channels is currently forecasted as a 2015 expense in the amount of \$400,000, which would be funded via draws on the District's available debt and repaid over time. Director Baldinger requested that the District get two estimates for the proposed stop log replacement work to review at the next meeting.

Hydro Update

Director Holloway stated that the District has filed a request to extend the re-hearing process for 60 days, which has not yet been accepted by FERC. The extension was requested to allow additional time to work with Windwalker Ranch on a proposed solution. A non-native fish management plan, which is also required for FERC's acceptance, was also submitted. Mr. Weiss, representing Windwalker Ranch, stated that his client is not opposed to the Catamount Hydro project but is concerned about the impact on fishing and noise from the hydro generator. He hopes that everyone can agree on a design and if so, his client will withdraw all objections.

Discussion ensued regarding how the relationship between the District and CREP would be structured. Matt Dalton, legal counsel for the District joined the call to discuss the matter. Mr. Dalton clarified that the Metropolitan District has no authority to supply electricity services, but would be able to lease out the facility if the Board determined that this was in the best interest of the constituents. He also stated that the Metro District could engage in building a power plant if one was needed for Metro District purposes, but not with intent to compete with existing utilities. He agreed that it would however be acceptable to sell unused power to the Yampa Valley Electric Authority.

Discussions continued as to what the next steps should be to determine if the project should continue to move forward. The general consensus of

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the group was that the District should not be spending additional funds on the project until CREP can bring a proposal to the District showing the proposed structure of the project as it relates to the inter-workings with the District and a pro-forma showing the financial feasibility for both entities. With this, the District would then be in a position to analyze the pro's and con's and be able to approach the community to gather input on whether the District should proceed. Director Holloway warned the group that CREP does not have funding for these tasks and was not sure that this request could be met.

The discussion concluded with the formation of a committee to come up with recommendations on hydro-electric, stop log replacement, and fishery conservation. It was determined that Director Wilson would represent the District, Tom Henninger would represent Windwalker, Bruce Allbright would represent CREP, and Joel Anderson and Gates Gooding would be included for their knowledge of the project.

Mr. Dalton and several members of the community left the meeting.

- Reserve Study** The reserve study in progress with Civil Site Consultants will include a section on the dam construction. Currently, the report is scheduled to be completed in October. Director Holloway requested that the dam portion of the study be completed as soon as possible.
- Other Matters** The dock located near the outfitter center is maintained by the District for the use of all District constituents and the Division of Wildlife. Minor improvements will be completed by the end of the winter.
- Rehder Ranch** Mr. Anderson read an e-mail sent from the Yampa Valley Land Trust to Director Holloway. It described their current project to repair the building structures, and asked if individuals or the Metro District would be interested in making donations to the project.
- Legal** There were no legal matters for discussion.
- Election Resolution** The Board reviewed the 2014 Election Resolution. Subject to minor revisions and upon motion duly made and seconded it was unanimously

RESOLVED to approve the 2014 Election Resolution.

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Meetings The Board reviewed the Resolution Regarding Posting Notices for Meetings. Upon motion duly made and seconded it was unanimously

RESOLVED to approve the Resolution Regarding Posting Notices for Meetings

**Financial
Statements**

The Board reviewed the financial statements as of December 31, 2013. Upon motion duly made and seconded it was unanimously

RESOLVED to approve the financial statements as of December 31, 2013.

Mr. Weaver presented a current promotion on CD rates at Colorado Bank and Trust. Upon motion duly made and seconded it was unanimously

RESOLVED to open a CD with Colorado Bank and Trust in the amount of \$250,000, at a rate of 0.60%, with any of the Board members eligible to be authorized signers on the account.

Accounts Payable The Board reviewed the accounts payable listing for October-December 2013. Upon motion duly made and seconded it was unanimously

RESOLVED to ratify the payables listing for October-December 2013.

**Accounts
Receivable**

The Board reviewed the accounts receivable listing as of February 3, 2014. Upon motion duly made and seconded it was unanimously

RESOLVED to approve the accounts receivable listing as of February 3, 2014.

Calendar

The next meeting is scheduled for May 12, 2014.

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 10th day of February, 2014.

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Respectfully submitted,



Eric Weaver
Secretary for meeting