



**MINUTES OF THE
REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE
CRESTED BUTTE SOUTH METROPOLITAN DISTRICT**

July 28th, 2021

A regular meeting of the Board of Directors of the Crested Butte South Metropolitan District was held Wednesday July 28th, 2021 at 6:00 p.m., at the office of the District, 280 Cement Creek Road, Crested Butte South.

Board Members in attendance: Tom Dill Kurt Feltus
Margaret Dethloff Tom Hein
Bill Oliver

Also present were: Ronnie Benson, District Manager
Annie Parr, Secretary of the Board

I. Call to Order

- The meeting was called to order by Dill at 6:03 p.m.

II. Public Comment Period

- No citizens presented comments.

III. Approve Meeting Minutes from June 30th, 2021

MOTION by Dethloff and seconded by Feltus to approve the June 30th, 2021 minutes as drafted. Motion passed unanimously.

IV. June 2021 Financial Reports and Current Bills

- June's major expenses were JVA for wastewater headwork improvement, Pinnacle Construction for hauling road maintenance materials, Wright Water Engineers for Water Efficiency Plan, water rights, and Avalon water needs analysis.
- Oliver questioned the credit card charges to Telluride Fly Fish and Dragonfly Anglers. Benson explained they were for Dole's retirement gift.
- Oliver asked why the outside work revenue was higher than usual. Benson explained it was for private driveway improvements and reimbursements from the Avalon Development for expenses incurred.

MOTION by Oliver and seconded by Dethloff to approve June's current bills. Motion passed unanimously.

V. 2022 Benefit Structure

- Benson presented the 2022 proposed benefit structure to stay competitive and invest in the District's employees.
- The proposed 2022 benefit structure would increase holidays, paid time off, uniform allowances and retirement. It would be a .79% increase on the overall budget.
- Hein would also like Benson and the Board to consider housing for employees due to limited properties available to rent or buy at an affordable rate.
- Feltus was in favor of investing in the employees and the proposed 2022 benefit structure if it worked within the budget.
- Item tabled pending further Board review.

VI. Proposed 2022 Tap Fee Structure and Increase

- The proposed 2022 tap fee structure for 1 EQR would be 2,000 sqft or less with 3 bedrooms, 2 bathrooms, and 1 kitchen. Additional bedrooms, bathrooms, and kitchens would be additional EQRs, but the square footage would be backed out of the total.
- The tap fee base rate for 1 EQR would increase from \$18,000 to \$20,000.

MOTION by Oliver and seconded by Dethloff to approve the 2022 tap fee structure and base rate increase to \$20,000. Motion passed unanimously.

VII. Audit Letters to The Board

- The Board reviewed the 2019 and 2020 Audit Letters to the Board from Mayberry & Company, LLC.
- The Board did not have any further questions or comments regarding the letters.

VIII. Rate Increases

- The Board discussed the minimum rate increase of 8.6% on water and sewer needed to cover the District's future operating expenses, a rate increase of 11.10% on water and sewer that would also put 2.5% towards the projected long term debt shortfall, and another rate increase of 13.60% on water and sewer that would also put 5% towards the projected long term debt shortfall.
- The Board reviewed the analysis of revenue generated over ten years with putting 2.5% towards projected long term debt versus putting 5% towards projected long term debt.

MOTION by Oliver and seconded by Hein to move to public notice a 2022 rate increase of 13.60% on water and sewer. Motion passed unanimously.

IX. Manager's Report

- Benson explained the POA would be hiring a park planner to develop a new park plan and they are recognizing the lots 16-19 block 17 on Brackenbury as potential space. The Board discussed allowing the POA to improve the property knowing that the improvements may have to be removed due to the District's easement if the space is needed in the future.

- The District collected \$263,775.52 in tap fees for June.
- Benson could present the 2022 budget as early as August if larger capital project expenses are presented.

II. Adjourn

MOTION by Oliver and seconded by Dethloff to adjourn the meeting at 7:33 p.m. Motion passed unanimously.



Annie Parr – Secretary of the Board