



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

June 29<sup>th</sup>, 2022

A regular meeting of the Board of Directors of the Crested Butte South Metropolitan District was held Wednesday June 29<sup>th</sup>, 2022 at 6:00 p.m., at the office of the District, 280 Cement Creek Road, Join Zoom Meeting [https://us02web.zoom.us/j/88208294031?pwd=KnrIcmwDGHW3u\\_YuMZEx9E8zxd7Cy1.1](https://us02web.zoom.us/j/88208294031?pwd=KnrIcmwDGHW3u_YuMZEx9E8zxd7Cy1.1) Meeting ID: 882 0829 4031 Passcode: 344705

Board Members in attendance: Tom Dill Margaret Dethloff  
Tom Hein Benita Bellamy  
Kurt Feltus

Also present were: Ronnie Benson, District Manager  
Annie Parr, Secretary of the Board  
Lillian Tolve, JVA Dustin Foss, Stanek  
Joe Dumond, Stanek

**I. Call to Order**

- The meeting was called to order by Dill at 6:02 p.m.

**II. Public Comment Period**

- No citizens presented comments.

**III. Approve Meeting Minutes from February 23<sup>rd</sup>, 2022 and May 25<sup>th</sup>, 2022**

**MOTION** by Feltus and seconded by Hein to approve the minutes from February 23<sup>rd</sup>, 2022 as drafted. Motion passed unanimously.

**MOTION** by Hein and seconded by Dethloff to approve the minutes from May 25<sup>th</sup>, 2022 as drafted. Motion passed unanimously.

**IV. May's 2022 Financial Reports and Current Bills**

- March's major expenses were JVA for wastewater treatment plant expansion engineering, Capital One for credit card charges, and Lacy Construction for repairing water line with no pressure at 256 Elcho Avenue.
- The bill questioned was Lacy Construction in the amount of \$3,920.00 and the budget line for dues and memberships because it was over the budgeted amount by 57%. Increased costs were influencing dues and memberships and incorrect coding. The Board found all questioned items to be in order.

**MOTION** by Hein and seconded by Dethloff to approve May's current bills. Motion passed unanimously.

V. **90% Guaranteed Maximum Price – JVA & Stanek**

- Stanek Constructors and JVA presented the guaranteed maximum price (GMP) based on drawings and specifications at 90% competition.
- The 90% GMP is \$5,522,501 with \$200,000 for contingency.
- The District would fund the project approximately 1,700,000 out of reserves which also includes the cost of additional engineering fees.
- The Board questioned the large increase in electric. There large discrepancy between electrical quotes on the 30% GMP and it was addressed and both bids are almost the same in the 90% GMP which increased costs. The costs of the electrical also includes the added cost of excavation.
- Both JVA and Stanek felt the amount of the contingency was good especially when working within an existing wastewater treatment plant.
- Stanek felt the \$200,000 contingency would cover any additional costs from 90-100%.
- Stanek’s pricing from the 30% GMP to the 90% GMP did not change unless the scope of work changed.
- The Board questioned the amount for the rotary lobe pump due to the large increase. The large amount includes the costs from all the items below and Stanek would push for an itemized breakdown to get a better idea on individual line item costs.
- The Board also questioned the large increase in cost for coatings. Stanek felt it was quoted with PVC and felt that price would be reduced.
- Stanek could start the project the week of July 11<sup>th</sup> dependent on when the letter of intent was approved.

VI. **Letter of intent/Notice to proceed Stanek Contractors**

- The letter of intent executes the contract with Stanek based on the 90% GMP.
- Allowing JVA to complete design and Stanek to issue purchase orders and hire sub-contractors.

**MOTION** by Dethloff and seconded by Feltus to approve the letter of intent/notice to proceed to Stanek Constructors pending counsel approval of the document with the changes discussed. Motion passed unanimously.

VII. **2021 Audit (Draft #2)**

- The Board reviewed the 2021 Audit and did not have any further questions at the last regular meeting on May 25<sup>th</sup>.
- The final draft included the MD&A and has been reviewed by management and Board.

**MOTION** by Dethloff and seconded by Feltus to approve the 2021 Audit. Motion passed unanimously.


I. **Manager’s Report**

- The application of magnesium chloride has been cancelled for 2022. GMCO cancelled in May then cancelled the night before the rescheduled date of June 24<sup>th</sup>. They would not be able to reschedule the application until July 21<sup>st</sup>. The District has spent a vast amount of money and time prepping the roads for the application twice and does not feel the rewards of the application outweigh the cons at this point. The district will continue to maintain the roads and water the roads to control dust.

- The District completed the sanitary survey on Wednesday, June 22<sup>nd</sup>. This is the inspection of the District's water system, components and compliance that's performed approximately every three years by the State of Colorado. Everything appeared to go smoothly with minor changes to update employee names and documentation of similar nature.
- The District collected \$82,400 in tap fees for May and 77% of the projected budget.
- The District postpones the application of crack seal in 2022 because machines were not available to demo prior to purchase. The District budgeted buying a crack seal machine in 2022 for \$60,000 and the cost to hire a subcontractor to do the service is approximately \$20,000.
- The Board felt it was important to do crack seal to protect the asphalt and prolong the life of asset. Benson would look into options for renting equipment or hiring a subcontractor to do the application this summer.
- The District will be establishing the cul-de-sac on Gillaspey. This will allow for better snow storage, property management for the owners and additional parking as needed for the commercial area.
- The District is still working on funding options to pave and maintain pavement throughout the District. The District is currently waiting on an engineering proposal to correct the roads prior to pavement and for establishing an overall cost for the project.

## II. Adjourn

**MOTION** by Feltus and seconded by Dethloff to adjourn the meeting at 7:32 p.m. Motion passed unanimously.

  
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Drafted By: Annie Parr – Secretary of the Board