

**MINUTES OF THE
REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE
CRESTED BUTTE SOUTH METROPOLITAN DISTRICT
October 29th, 2025**

A regular meeting of the Board of Directors of the Crested Butte South Metropolitan District was held on Wednesday, October 29th, 2025 at 6:00 p.m., at the office of the District, 280 Cement Creek Road, and via Zoom: <https://us02web.zoom.us/j/86919975721?pwd=ZX61YzR94XWKUHOAzXTD6XblVR867N.1>
Meeting ID: 869 1997 5721 Passcode: 836432

Board Members in Attendance: Margaret Dethloff – President, Steven Smiley – Vice President, Thomas Hein – Secretary Treasurer, Benita Bellamy – Director, and Roger Grogg - Director

Also Present Were: Ronnie Benson - District Manager and Annie Parr - Recorder & Office/HR Manager

I. Call to Order

- The meeting was called to order by Dethloff at 6:05 p.m.

II. Public Comment Period

- No public comments were received.

III. Approve Meeting Minutes from September 24th, 2025

MOTION by Grogg and seconded by Smiley to approve the minutes from September 24th, 2025 with the grammatical edit discussed. Motion passed unanimously.

IV. September 2025 Financial Reports and Current Bills

- September's major expenses included Capital One for credit card charges, Gunnison County Public Works for magnesium chloride, and Timber Line Electric for I-Global software annual renewal and SCADA no-call-out support.
- September bills and financials discussed by the Board included Stanford Computer and Technical Services to troubleshoot the SCADA no-call-out issue, the internet bridge and upgrades to the internet bridge between the District offices and the wastewater treatment plant, Exit Sign Warehouse for an updated exit sign that meets fire code, customer reimbursements for account credits due to payments received after closing, Dietrich Dirtworks & Construction for hauling one load of ¾" rock, Wagner Equipment for backhoe repair, interest revenue in the operating funds, water and sewer sales, property tax revenue, loan maturity dates, and miscellaneous income in the General Fund from the sale of a fleet truck, scrap metal, and credit card rewards.

MOTION by Bellamy and seconded by Hein to approve September's current bills. Motion passed unanimously.

V. 2026 Preliminary Budget

- To send funds to reserves for future needs, the updated budget limits the use of reserve funds for capital projects by increasing tap fee revenue with an additional 5 EQR's, increasing road maintenance material expenses by 8%, the additional 6-month employee (which may be reconsidered in 2026), and deferring the purchase of a new fleet truck. The additional employee and fleet truck would move to the 2027 budget.

- The updated proposed wage increase for 2026 was reduced by removing the additional employee for six months. The increase is based on current compensation data, the established salary schedule, and the District's competitive benefit package and four-day workweek.
- The updated 2026 proposed budget includes sending funds to reserves for future needs while still servicing District debt and funding \$205,000 of capital improvements.

MOTION by Smiley and seconded by Hein to approve the proposed budget for 2026 pending the final valuation on property taxes. Motion passed unanimously.

VI. Unscheduled Business

- The Board discussed current budget performance, employee compensation, bonuses, and the overall total compensation package.
- The Board requested that options for a one-time, end-of-year bonus for District employees be prepared for review at the next regular meeting.

VII. Manager's Report

- Ben Sweitzer tapped into the District's water system. The neighboring property is also looking into tapping into the District's water system and paying the tap fee in 2025 before the 2026 tap fee increase.
- The District lost pumping capability from one of the pumps at Gloria Place. These pumps are used to fill Tank 2, which is vital to District operations. During attempts to repair a broken pipe, it was determined that the existing pump station layout does not allow for the necessary work to be completed. The District is developing a plan that will support both future repairs and future system build-out. The District is proceeding with purchasing products available for this project in 2025 but the actual repair and improvement may not happen until 2026 due to weather.
- The District collected \$10,000 for an apartment tap fee that was previously unpaid and identified through a title company's request for water and sewer status.
- The tap fee for an unauthorized apartment at 367 Zeligman will be paid in full by January 1st, 2026. The first payment, due November 1st, 2025, was received October 12th, 2025.
- No updates were available regarding Hunter Family Real Estate LTD's potential connection to the District's sewer system
- Benson updated the Road Maintenance Agreement and will schedule a meeting with the District's Road Committee and Gunnison County once revisions are complete.
- November's regular meeting will be moved to Wednesday, December 10th. December's regular meeting will be cancelled.

VIII. Adjourn

MOTION by Grogg and seconded by Smiley to adjourn the meeting at 8:04 p.m. Motion passed unanimously.



Drafted/Submitted By: Annie Parr