MINUTES OF THE
REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE
CRESTED BUTTE SOUTH METROPOLITAN DISTRICT
May 28, 2026

A regular meeting of the Board of Directors of the Crested Butte South Metropolitan District was held on Thursday, May 28, 2026, at 6:00 p.m. at the office of the District, 280 Cement Creek Road, and via Zoom: https://us02web.zoom.us/j/81695836097?pwd=fvpMu9gGc2ybJHNWcYbAvCz2trQWAC.1
Meeting ID: 816 9583 6097 Passcode: 974106

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, Annie Parr - Recorder & Office/HR Manager, and Daniel Spivey – District Legal Counsel

I. Call to Order

- The meeting was called to order by Dethloff at 6:00 p.m.

II. Resolution 26-02 Regarding Virtual Board Meeting Security & Participant Entry Confirmation Procedures

MOTION by Bellamy and seconded by Smiley to approve Resolution 26-02 regarding virtual Board meeting security and participant entry confirmation procedures. Motion passed unanimously.

III. Public Comment Period

- An individual attempting to join the meeting via Zoom was asked to provide identifying information in accordance with virtual Board meeting security and participant entry confirmation procedures. The individual declined to do so and was subsequently removed from the Zoom meeting.
- No public comments were received.

IV. Approve April 29, 2026 Meeting Minutes and May 18, 2026 Special Meeting Minutes

MOTION by Bellamy and seconded by Grogg to approve the minutes from April 29, 2026 as drafted. Motion passed unanimously.

MOTION by Hein and seconded by Bellamy to approve the minutes from May 18, 2026 as drafted. Motion passed unanimously.

V. February 2026 Financial Reports and Current Bills

- April's major expenses included Capital One for credit card charges, Colorado Water & Power Development for the 2022 wastewater treatment plant expansion loan, and Substrata for perma-zyme used for road maintenance.
- April bills and financial reports reviewed by the Board included Dietrich Dirtworks and Construction for hauling road maintenance materials, Gunnison Valley Health for DOT medical exam, Tomichi Materials for road maintenance materials, Substrata for perma-zyme used for road

maintenance, tap fee revenue in the Water and Sewer Capital Funds, and the Gloria Place capital improvement expenses in the Water Capital Fund. The Board found all April bills and financials discussed to be in order.

MOTION by Smiley and seconded by Hein to approve April's current bills. Motion passed unanimously.

VI. Health Plan Deductible and Copayment Reimbursement Policy

MOTION by Hein and seconded by Smiley to approve the Crested Butte South Health Plan Deductible and Copayment Reimbursement Policy as amended per discussion. Motion passed unanimously.

VII. Executive Session

MOTION by Dethloff and seconded by Smiley, to enter Executive Session to discuss the roads in Crested Butte South (the "Subject Matter") pursuant to C.R.S. § 24-6-402(4)(b) for the purpose of receiving legal advice on specific legal questions from the District's general counsel on the Subject Matter, and pursuant to C.R.S. § 24-6-402 (4)(e)(I), to determine positions relative to matters that may be subject to negotiations, developing strategy for negotiations, and instructing negotiators with respect to the Subject Matter. Motion passed unanimously.

- The Board entered executive session at 6:07 p.m.
- The Board exited executive session at 7:41 p.m. No formal action was taken during executive session.

VIII. Action Regarding the Subject Matter Discussed in Executive Session

MOTION by Hein and seconded by Smiley to provide a written response to the Crested Butte Property Owners Association and Gunnison County regarding the Subject Matter discussed in executive session. Motion passed unanimously.

IX. Unscheduled Business

- No unscheduled business was discussed.

X. Manager's Report

- Benson reported the Gloria Place capital project was a great success. The District was able to meet all deadlines and begin to move water and fill the tank by the end of the week. The District is still troubleshooting some programming shortfalls and has been running the system manually. Benson received a concern over the aesthetics of the pump station. The footprint did not change but the new cabinet housing the equipment is approximately 18" taller. Benson will update the Board regarding this if applicable.
- The District collected $53,250 in tap fee revenue in April, which is 27.95% of the budgeted revenue.
- The District anticipates receiving a draft of the audit in early June and submitting the final audit report to the Board at the next regular Board meeting on June 24th, 2026.

XI. Adjourn

MOTION by Bellamy and seconded by Smiley to adjourn the meeting at 8:11 p.m. Motion passed unanimously.

Annie Parr

Drafted/Submitted By: Annie Parr