

**MINUTES OF THE
REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE
CRESTED BUTTE SOUTH METROPOLITAN DISTRICT
June 24, 2026**

A regular meeting of the Board of Directors of the Crested Butte South Metropolitan District was held on Wednesday, June 24, 2026, at 6:00 p.m. at the office of the District, 280 Cement Creek Road, and via Zoom: <https://us02web.zoom.us/j/89273851470?pwd=1HmTvoZs56tBDmAvu5vDa5FehrKE.1>
Meeting ID: 892 7385 1470 Passcode: 646585

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 6:00 p.m.

II. Public Comment Period

- No public comments were received.

III. Approve May 28, 2026 Meeting Minutes

MOTION by Bellamy and seconded by Grogg to approve the minutes from May 28, 2026, with the layout edit as discussed. Motion passed unanimously.

IV. May 2026 Financial Reports and Current Bills

- May's major expenses included Capital One for credit card charges, Colorado Water & Power Development for the 2009 wastewater treatment plant expansion and the 2010 water tank #2 loans, EC Electric for the Gloria Place capital improvement project electrical work, and Falcon Environmental Corporation for a wastewater capital improvement pump.
- May bills and financial reports reviewed by the Board included Gloria Place capital improvement project expenses, drainage and analysis expenses in the Road Fund, repair and maintenance expense accounts across all operating funds, budgeted road maintenance expenses in the Road Fund, tap fee revenue in the Water and Sewer Capital Funds, and PTO expenses in all operating funds. The Board found all May bills and financial reports to be in order as presented.

MOTION by Grogg and seconded by Smiley to approve May's current bills. Motion passed unanimously.

V. Receipt of 2025 Financial Audit

- This item was tabled pending receipt of the final draft of the 2025 financial audit.

VI. Unscheduled Business

- Benson discussed future ditch and culvert maintenance to protect driving surfaces and asphalt maintenance activities, including crack sealing.

VII. Manager's Report

- Three miles of Perma-Zyme have been applied to dirt roads throughout the District, with the treatment focused on the primary thoroughfares: Cascadilla, Bryant, and Zeligman Roads. Overall, the application has been successful, and the treated roads are holding up well under normal use. One advantage of the product is that areas with minor washboarding can be regraded while maintaining the integrity of the treatment, unlike roads treated with magnesium chloride. The District has experienced challenges, however, with motorists driving through active work zones despite road closures being in place. This prevents the Perma-Zyme from fully curing, resulting in localized degradation of the treated surface. In addition, Perma-Zyme has not provided the same level of dust control as magnesium chloride. To help address dust concerns, the District is watering the treated roads twice per week.
- The Library and the POA signed a settlement agreement, and the District issued a tap fee permit on Tuesday, June 23rd. The Library is already connected to the District's sewer system.
- The construction of the cell tower has begun at 349 Teocalli Rd. but is currently on hold pending the recording of easements for the new water main location.
- A water leak was reported in the alley behind 60 Gillaspey. Upon investigation, it was determined that the property's water service line was leaking. This is a unique situation as the service for the property required a 4" tie-in to the main which includes an 8"x4" tee and an 8" solid sleeve to execute the tap. The leak was found on the 8" solid sleeve and was repaired on June 9th.
- The District has incurred increased legal fees.
- The District did not collect any tap fee revenue in May but has issued tap fee permits in June and anticipates meeting the budgeted amount.
- Benson updated the Board on the status of a potential well site and wetland mitigation efforts for additional office space.

VIII. Adjourn

MOTION by Grogg and seconded by Bellamy to adjourn the meeting at 7:31 p.m. Motion passed unanimously.



Drafted/Submitted By: Annie Parr