

**MINUTES OF THE
REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE
CRESTED BUTTE SOUTH METROPOLITAN DISTRICT
December 10th, 2025**

A regular meeting of the Board of Directors of the Crested Butte South Metropolitan District was held on Wednesday, December 10th, 2025 at 6:00 p.m., at the office of the District, 280 Cement Creek Road, and via Zoom: <https://us02web.zoom.us/j/83169319869?pwd=iKZaUYIcQULk0HMbnK7QDI9FaoWita.1>
Meeting ID: 831 6931 9869 Passcode: 458050

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 Meeting Minutes from October 29th, 2025

MOTION by Bellamy and seconded by Smiley to approve the minutes from October 29th, 2025 with the edit discussed. Motion passed unanimously.

IV. October 2025 Financial Reports and Current Bills

- October's major expenses included Colorado Water & Power Development for the 2022 wastewater treatment plant expansion, Capital One for credit card charges, John Deere Financial for the 2018 HAMM roller loan payoff, and the City of Gunnison for September's water and wastewater samples, and sludge disposal.
- October bills and financials discussed by the Board included interest revenue in the operating funds, unused budgeted expenditures in all operating and capital funds, Standard Tire for new tires for the 2015 truck, and the overall performance of the 2025 budget.

MOTION by Hein and seconded by Grogg to approve October's current bills. Motion passed unanimously.

V. Inclusion of One Acre into the District

- Parcel #3257-223-00-004 is a one-acre parcel located adjacent to 223 Blackstock. The parcel is not currently included within the District, though Tract 1 is. The property owner is requesting connection to District water and sewer services. Connection would require either an extension of the District's service area, subject to double fees, or formal inclusion into the District by order of inclusion.
- The property owners are considering development of a single-family residence with an accessory dwelling unit (ADU) and may also pursue subdivision of the parcel into three lots. The maximum potential development would be two structures per lot, for a total of up to six structures.
- The Board discussed prior District inclusions and service area extensions. Benson confirmed that the District has sufficient capacity to serve the proposed development.

MOTION by Grogg and seconded by Smiley to approve issuance of an Availability to Serve letter to the property owners. The motion passed unanimously.

VI. Unscheduled Business

- The sanding box used for winter road graveling is failing after approximately twenty years of service. This equipment is vital to road maintenance operations. Due to its necessity and favorable 2025 budget performance, Benson requested approval to purchase a replacement sanding box that was not included in the 2025 budget, at an estimated cost of \$12,000–\$13,000. The purchase would be funded using underspent miscellaneous expenditures in the Road Fund.
- The Board supported the purchase in 2025, citing the critical nature of the equipment and current budget performance.
- The District calculated tap fees based on the design currently approved by the Crested Butte South Property Owners Association for the properties located at 26, 32, 38, and 46 Haverly Street, part of the project known as CBSB6 Townhouses. The project is currently on hold due to issues related to sidewalk placement. The property owner has requested to pay tap fees for the approved project at the 2025 rate, prior to the scheduled tap fee increase on January 1, 2026.
- Because the design has already been approved, the Board indicated it would allow payment of tap fees at the 2025 rate, subject to review by legal counsel and execution of an acceptable agreement.

VII. Resolution 25-05 Adopting the 2026 Budget

MOTION by Hein and seconded by Bellamy to approve Resolution 25-05 adopting the budget for the Crested Butte South Metropolitan District for the calendar year beginning January 1st, 2026 and ending December 31st, 2026. Motion passed unanimously.

VIII. Resolution 25-06 Appropriating Sums of Money

MOTION by Hein and seconded by Smiley to approve Resolution 25-06 appropriating sums of money to various funds and for the purpose of the Crested Butte South Metropolitan District for the 2026 budget year. Motion passed unanimously.

IX. Resolution 25-07 Levying General Property Taxes

MOTION by Hein and seconded by Grogg to approve Resolution 25-07 levying general property taxes for the year 2025 to defray the costs of government of the Crested Butte South Metropolitan District for the ensuing budget year, 2026. Motion passed unanimously.

X. Manager's Report

- 11 Upper Highlands paid tap fees to tap into the Districts water infrastructure November 25, 2025.
- As of mid-November, the 4DWW has reduced overtime costs by approximately \$16,500. District staff worked 325 hours on Fridays, equivalent to approximately 40 workdays, to ensure all required tasks were completed. Overall, operations continue to function at the same level as in 2024, with no identified concerns or red flags.
- District staff continue to view the 4DWW as a significant benefit and believe it is an effective tool for attracting and retaining employees.
- The Board discussed options for a one-time, end-of-year bonus for District employees and expressed support for issuing the same dollar amount to each employee as a one-time end-of-year bonus in December 2025.
- The District is proceeding with purchasing products available for the Gloria Place booster station project in 2025.
- The Road Manager and Heavy Equipment Operator resigned effective November 17, 2025. The District is currently in the process of recruiting qualified candidates and scheduling interviews. Historically, this position has been the most difficult to fill due to the specialized skill required to operate a motor grader.

- The District collected \$33,310 in tap fee revenue in October.
- Benson presented water production for 2025. Water production has reduced showing the significance of what the water meter program has accomplished.
- The District hosted “Discussions with the District” at Camp4 on Tuesday, December 9th, 2025. As a result, Benson requested to present ideas related to a road plan at the next regular meeting.
- 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 is waiting to schedule a meeting with the District’s Road Committee and Gunnison County once agreement is finalized.
- The Holiday dinner for the Board and District staff is scheduled for Friday, January 2nd.
- December’s regular meeting will be cancelled.

XI. Adjourn

MOTION by Bellamy and seconded by Smiley to adjourn the meeting at 7:58 p.m. Motion passed unanimously.



Drafted/Submitted By: Annie Parr