

San Juan River Village Metropolitan District
Regular Monthly Meeting Minutes
May 14, 2020

The meeting was called to order at 6:38 pm by Steve Wilkins, Vice President, via GoToMeeting video conference. The directors present were Doug Hampton, Carrie Wienckowski and Addi Greer. Homeowners, Bonnie Weathers and Jeff Hester, and Steve Omer, Plummer Engineering, were also present. Tim & David McRee, Maintenance Operators, were also present. Cynthia Purcell, District Manager, took minutes.

Steve moved to approve the minutes from March 12, 2020. Addi seconded and the motion carried.

Maintenance Building Construction Update: Jeff Hester presented a takeoff budget for the building project. He anticipates the project to cost \$356,625. The board had budgeted \$300,000. Options were discussed to bridge the deficit between budgeted and anticipated completion costs. Steve moved to authorize borrowing from the sewer reserve account, up to the anticipated budget deficit (\$56,625), to complete the construction project this year and to pay back the amount borrowed as quickly as possible in the subsequent year(s). Doug seconded and the motion carried. Jeff will provide a detailed explanation if he anticipates any portion of the project exceeding his budgeted line item. Jeff will also put together a cost estimate to dress up the shed with new siding to match the building for the board to review. The footers and stemwalls have been completed and the SIP panels should be delivered within a couple of weeks.

Rate Study Presentation: The current rates have been in effect since 2010, therefore a review is prudent. Steve Omer presented his draft rate study to the board. The study included a cost of service analysis that is based on a review of the expenditures and income during the previous five years. Rate equity was reviewed and changes were suggested to improve equity between the two consumer categories (full-time residents and short-term rentals) within the neighborhood. Achieving equity between groups of less than +/-5% is considered good practice. The current rate structure has a disparity as high as +/-7%. His suggested changes to the current rate schedule would achieve a predicted equity of +/-2% for water and +/-4% for sewer customers. A 10% rate increase was suggested for both the water and sewer funds. Customers that use over 4,000 gallons/month would see the biggest increase while those that use under this amount would see a relatively low increase. Doug requested that Steve Omer also include a peak impact fee for excessive water use on a daily basis. After discussion, the board was favorable to considering a \$15 fee for each occurrence of water usage \geq 750 gallons/day. This fee would be split equally between the water and sewer funds. Steve will incorporate this into his final report. In the meantime, Tim will begin collecting data on customers that exceed 750 gallons/day. The board will review the final report and consider implementing future rates increases at a later date.

Maintenance Operator's Report:

Road Department Report: Tim reported that he and David have been grading the roads and speed bumps have been installed on Swiss Village and Alpine Dr. They are waiting for road base to be delivered from CrossFire to begin the 2020 road maintenance plan and subsequent speed bump installation. Tim is still trying to contact the Earthbind representative to get a quote on dust abatement. The board reviewed Joe Jordan's request to make improvements on Little Beaver Place. According to the scheduled road maintenance plan, this road is slated to receive new road base next year. However, Tim & David will be filling in the potholes and grading/compacting the road this year.

Water Department Report: The water usage was reviewed for April – 279,600 gallons. Tim reported that he was contacted by Pagosa Central to turn the water back on at 40 Elk Ridge Place as they were remodeling some of the bathrooms. The water was turned on. The next day he received a call from them again requesting that the water be turned off due to flooding at the home. Tim reported that 23,600 gallons were used within that 24 hour period. Tim also reported on an option to upgrade the water plant computer to Windows10. Echo IT was consulted and they proposed cloning a hard drive with a 50% chance of completing the upgrade for \$1,200. Otherwise, PALL has given us a quote for around \$25,000 to complete the upgrade with a guarantee that everything will function properly. David reported that he has signed up to take his water and wastewater operator's exam on June 19th and June 26th in Durango. Tim reported that the District mapping project is complete and he is working with the company to upload videos of sewer line scoping he has done to the program. This will be a very useful tool moving forward. The POA has requested that a hydrant be installed behind the mailbox kiosk on Alpine Drive to water flowers that were planted around the sign at the entrance. Tim estimated that a 250 ft line would need to

be installed with a meter. Cynthia reported that the Conservation Trust fund could be used to finance the purchase of the materials needed, as this is a parks & rec project. Steve moved to install the water line/meter and fund the project through the Conservation Trust fund. Carrie seconded and the motion carried.

Sewer Department Report: Tim reported that the project on Soniat's property is complete. They also spread some seed on the area. Tim reported that Metro has violated a few times/year on e-coli. The original gas chlorination/dechlorination system is no longer functional. He has manually been dosing tablets to complete the disinfection process. Steve Omer reported that the gas system could probably be rehabilitated for around \$20,000. Tim will discuss options with Gene Tautges. Tim also reported that he was having problems with the lift station sensophone not sending out alarm calls. He had Water Technology come out and they installed some relays so the alarm is working properly now.

Parks & Recreation Report: Tim reported that the upper pond seeding is coming in good. They have watered the area and it should look good this summer. He will put another dose of die in the pond to inhibit plant growth. He and David will begin weed spraying next week. They will give the proper notification to those on the state no spray weed list.

Public Comment Period: Bonnie commented that she will be ordering some road base/gravel from a pit in South Fork. She offered to inquire about pricing, etc... for Metro to consider for future projects.

Administrative Report:

The District is in compliance. Cynthia reported that the election has been cancelled. There were not more candidates for director than offices to be filled. Therefore, the following candidates are declared elected: Steve Wilkins, 3 year term; Addi Greer, 3 year term; Carrie Wienckowski, 3 year term; and Doug Hampton, 2 year term. Each director took the oath of office and will sign, scan & email to Cynthia so it can be reported to the state.

Twenty-Two delinquencies totaling \$6,921.59 were noted. Cynthia reported that two customers have requested leniency on late fees due to the COVID-19 pandemic. The board was favorable to granting leniency to those who request it during this time.

Treasurer's Report:

Cynthia reported on the P&L's, Balance Sheet, General Fund, Sewer Fund, and Water Fund for April, 2020. Steve moved to accept the financials. Carrie seconded and the motion carried. There were no bills presented for payment.

Old Business: N/A

New Business:

The board discussed the four lots available to sell. The current stairs used by residents to access the river would not be accessible once these lots have been sold. They would only be accessible by one lot owner where the stairs abut to. Carrie moved to add a pedestrian easement of 10 feet across the back lot line of all four lots to allow all homeowners access to these steps. Steve seconded and the motion carried. Cynthia will work with the attorney to draft up the proper documents to be reviewed at the next meeting.

Bob Kimber requested that the board consider granting him a whole house water filtration rebate even though he installed his system a couple years ago before the rebate was established. The board was favorable as long as he could provide a picture of the installed unit and a receipt or listing of his unit with the price.

Cynthia reported that Bill was willing to continue his role in helping homeowners with new well permit applications. There were none to report this month.

Other Business:

Steve reported that the POA met on Tuesday and approved many building projects. They also adopted a bimonthly meeting schedule from October – April and a monthly schedule the rest of the year. They are holding Zoom meetings for now. A dumpster will be placed at the water plant in June for homeowners' use. They've also purchased several dog waste stations for the ponds.

There being no other business, Steve adjourned the meeting at 9:53pm.

Respectfully submitted,

Cynthia Purcell
District Manager