
RECORD OF PROCEEDINGS

Chatfield Corners Metropolitan District October 28, 2021, Meeting Minutes

Minutes of the Regular Meeting of the Board of Directors Chatfield Corners Metropolitan District October 28, 2021

A meeting of the Board of Directors of the Chatfield Corners Metropolitan District, Eagle County, Colorado, was held Thursday October 28, 2021, at 5:30 p.m. at the Eagle Valley Rod and Gun Club, 100 Gun Club Road, Gypsum, Eagle County, Colorado, with an option to attend via remote Zoom meeting, in accordance with the applicable statutes of the State of Colorado.

Attendance The following Directors were present and acting:

- David Barton
- Grant Murphy
- Joe Schwan
- Mike Woods
- Patrick Johnson

Also in attendance were:

- Chris Huffman, District employee and Sagebrush Services
- Beth Johnston, Marchetti & Weaver, LLC, Secretary for the Meeting
- Ken Marchetti, District administrator
- James Fritz, Fitz Landscaping
- Mike Humphrey, owner
- Pinky Sirois, owner
- Nick Close, The Ground Up and owner

Call to Order The meeting of the Board of Directors of Chatfield Corners Metropolitan District was called to order at 5:58 pm by Director Murphy noting a quorum was present.

Board members were asked to disclose any potential conflicts of interest in accordance with State Statute. There were no potential conflicts disclosed by any of the Board members.

**Changes to
Agenda**

There were no changes to the agenda.

Public Input The Board invited the attending landscaping contractors to present their proposals. Mr. Fitz introduced himself stating that he has been in business over 40 years and has worked with Edwards Metro District for several years. He reviewed highlights of his proposal which was included in the meeting packet and answered questions from the Board. Mr. Fitz worked with Chris Huffman on the irrigation needs. The Bluegrass aeration and fertilization would be provided by a separate spray company. He will concentrate on thistle removal in the native areas and there was discussion on preparing a comprehensive noxious weed program for the District.

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Fitz Landscaping does not have an arborist on staff and recommends Vail Turf Masters. The included proposal for planting beds is for minimal maintenance only however Mr. Fitz recommends revamping several of the beds and plant material. Mr. Fitz explained he has many long term returning employees and would have sufficient staff during the season to provide the mowing and plant maintenance services.

Mr. Close introduced himself as the owner of The Ground Up, that he provides snow removal for the District and is also an owner so he is vested in the appearance of the District and its property. Mr. Close told the Board he did a review of the trees and that they are healthy. His proposal recommends periodic monitoring for health and pests, fertilizer treatments to keep them healthy and pest free, and maintenance pruning. Pest control would be additional cost as needed. The areas and trees to be included in the proposal were verified and it was confirmed that the pocket park areas were the responsibility of the Town of Gypsum

There was no other public input.

Landscape Proposals

The Board discussed the presentations and proposals received. Following discussion and upon motion duly made and seconded, it was unanimously

RESOLVED to engage Fitz Landscaping for 2022 Landscaping and irrigation services; and

FURTHER RESOLVED to engage The Ground Up for tree care services.

Minutes

Upon review and by motion duly made and seconded it was unanimously

RESOLVED to approve the June 29, 2021, meeting minutes as presented; and

FURTHER RESOLVED to approve the September 20, 2021 meeting minutes as presented.

District Manager's

Report

The Board reviewed the District Manager's Report included in the packet. There was discussion on the lack of service and difficulties with Brush Creek Landscaping and burning the ditches in the spring to address overgrowth issues.

Committees

Discussion

Ms. Johnston reviewed the Covenant Enforcement Annual Report for 2021 noting that there was a significant decrease in violation letters sent due to people complying after being sent a courtesy notice. There was no comparative data for

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courtesy notices sent in 2020. The violation letters that were sent were mostly to a few properties that had multiple ongoing violations.

Ms. Johnston reviewed the Design Review Projects log submitted during 2021 explaining that this is the first year a tracking log was kept.

Locates Specialist

Report

Mr. Huffman reported that locates were slowing down and overall went well over the summer. There were 157 locates to date for 2021. Ms. Johnston confirmed that a new employee Ricardo Moran, who was recommended by Chris, was hired and is being trained to assist with locates next year. Upon motion duly made and seconded, it was unanimously

RESOLVED to ratify hiring Ricardo Moran as part-time, on-call Locates Specialist.

Raw Water System

Report

Mr. Huffman reported

- The District used 63,145,000 gallons of water in 2021.
- It was a high use year with hot temperatures and little precipitation.
- The Pond 2 and Step Ponds were low due to the lack of water.
- The system had minimal down days when the system went down or kicked off due to low levels.
- The system ran smoothly during the season and all repairs and projected maintenance were completed.
- There were some issues with the blowout and it took longer due to owners piggy-backing to blowout their own systems. The notification to owners for the system shutdown needs to be changed to not include blowout dates but just a date that water will no longer be available.
- The dredging project pumped out 6,000 square feet, 8 inches deep of silt. Two full silt bags were pumped from the step pond.
- The ponds are now all lined; the Step Pond has a thick rubber liner, Pond 1 has a thin rubber liner, and Pond 2 has a clay-bentonite liner.
- There was general discussion on capital, west pumps replacement, and other projects recommended to be completed in 2022.
- The spin filter will need to be replaced in 2023.

Mr. Huffman proposed a new trapezoid ditch liner for the irrigation ditch bringing water to the District as a capital project and distributed related materials for the Board's review. Mr. Huffman explained that testing of the ditch determined that about a third of the water is lost due to ground absorption. Piping the ditch would not be beneficial since it is too flat and would be difficult to clean out sediment build up. The trapezoid ditch liner would be open and easy to clean out but significantly reduce water loss due to ground absorption.

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Initial estimates to line approximately one mile of ditch came in around \$100,000 for materials with installation at \$4.00 per foot. Discussion continued on the benefit of lining the ditch versus piping, available grants, other revenue options including cost sharing with other ditch users, and water conservation efforts. The Board requested a timeline be prepared for planning for next year and to look into possible grant options.

Vendor Proposals

There was general discussion on the Springfield Island irrigation leak repair and island refurbishment. Following discussion, and upon motion duly made and seconded, it was unanimously

RESOLVED to ratify the Brush Creek Landscaping Proposal dated 9/10/2021 to refurbish Springfield Street Island.

There was general discussion on the other proposals and estimates included in the meeting packet. Following discussion, and upon motion duly made and seconded, it was unanimously

RESOLVED to accept The Ground Up proposal for snow removal for the 2021-2022 season; and

FURTHER RESOLVED to accept the Jabulani Services estimate No. 148 for installation and removal of holiday decorations; and

FURTHER RESOLVED to accept the Jabulani Services estimate No. 149 to provide Covenant Enforcement services for 2022; and

FURTHER RESOLVED to accept the Sagebrush Services proposal dated 9/28/2021 to provide seasonal on-site assistance in 2022; and

FURTHER RESOLVED to accept the Sagebrush Services proposal dated 9/28/2021 for Water System Operator services for 2022

Financial Statements

Mr. Marchetti reviewed the financial statements included in the packet. There was general discussion on the forecast for 2021 and that significant overages in Accounting and Admin and Legal were due to design review and compliance issues.

Water Rate Increase

Ms. Johnston stated that the notice of meeting to consider a rate increase had been posted on the District's website as required by State statute. The Board reviewed the water rates and the amounts projected to be needed in the future for capital

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improvements per the Reserve Study. Ms. Sirois provided comment on the proposed increase and overall high cost for irrigation water. Discussion continued on options to mitigate the future increases. After discussion, and upon motion duly made and seconded, it was unanimously

RESOLVED to approve a \$4.00 per month irrigation water rate increase from \$31.00 to \$35.00 beginning January 1, 2022.

Budget

Mr. Marchetti stated the meeting had been published as the public hearing to adopt the 2022 Budget and Amend the 2021 Budget, if needed. After review, it was determined that the 2021 budget did not need to be amended. The public hearing was opened to take comments on the proposed 2022 budget. Due to inflation, the recommended CPI increase used for most line items was 5%. Mr. Marchetti reported that the increase to the assessed valuation would allow the mill levy to stay about the same to cover the projected increases for a breakeven budget. The mill levy for the debt service fund was set to cover bond payments. Discussion turned to the water fund, additional revenue generated from the water rate increase, and the need to remain diligent with expenses to enable more gradual rate increases in the future. Following review and discussion, the public hearing was closed. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the Resolutions to Adopt the 2022 Budget as presented, subject to minor adjustments; and

FURTHER RESOLVED to approve the Resolution to Set the Mill Levies at 12.731 mills for operations and 21.392 mills for debt service; and

FURTHER RESOLVED to approve the Resolution to Appropriate Sums of Money for spending in 2022, subject to minor adjustments.

2021 Audit

Mr. Marchetti explained that the District was expected to fall within the thresholds to file an application for exemption from audit for 2021. Following discussion, the Board requested that Marchetti and Weaver, LLC, prepare an Application for Exemption from Audit for 2021.

Accounts Payable

Ms. Johnston reviewed the Accounts Payable list included in the packet noting that it included all payables since the last meeting in June. After discussion and review, by motion duly made and seconded it was unanimously

RESOLVED to approve and ratify the accounts payable list distributed in the Board packet.

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Election

Resolution Mr. Marchetti reviewed the new election requirement that Metropolitan Districts were required to send notice of the election to all active, register voters in the District. The election budget for 2022 included funds to cover a potential election. The resolution called the election, named the Designated Election Official, and allowed the DEO to cancel the election if there were no more candidates than seats available to fill. By motion duly made and seconded it was unanimously

RESOLVED to approve the 2022 Regular Special District Election Resolution.

Administrative

Resolution Mr. Marchetti reviewed the resolution explaining that it assigned responsibility for completing District administrative matters during the year. By motion duly made by Director Johnson and seconded by Director Barton it was unanimously

RESOLVED to approve the 2022 Annual Administrative Matters Resolution.

Amended and Restated Meeting

Resolution Mr. Marchetti reviewed the resolution included in the packet . By motion duly made and seconded it was unanimously

RESOLVED to approve the Second Amended and Restated Meeting Resolution.

Future Meetings

The Board cancelled the regular meeting scheduled for November 16, 2021. The Board then reviewed the proposed 2022 meeting calendar and upon motion duly made and seconded, it was unanimously

RESOLVED to approve the 2022 Meeting calendar as presented.

Executive Session

By motion duly made and seconded it was unanimously

RESOLVED to enter into Executive Session at 7:43 p.m. pursuant to §24-6-402(4)(e), C.R.S. for the purpose of determining positions relative to matters that may be subject to negotiations, developing strategy for negotiations, and instructing negotiators related to Design Review Board variance request enforcement.

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The Board adjourned from executive session at 7:52 p.m.

Following adjournment from executive session, the Board directed Legal Counsel to offer \$1,000 settlement to the owners of 770 Grundel Way to cover the cost to remove the non-compliant fence.

Adjournment There being no further business to come before the Board, by motion duly made and seconded, it was unanimously

RESOLVED to adjourn the meeting of the Chatfield Corners Metropolitan District Board of Directors this 28th day of October, 2021.

Respectfully submitted,



Beth Johnston
Secretary for the Meeting