

WOODY CREEK METROPOLITAN DISTRICT
MEETING OF THE BOARD OF DIRECTORS – MAY 1, 2017

RECORD OF PROCEEDINGS

A regularly scheduled meeting of the Board of Directors of the Woody Creek Metropolitan District, Pitkin County, Colorado was held Monday May 1, 2017 beginning at 6:00 PM at the Woody Creek Community Center, 0006 Woody Creek Plaza, Woody Creek, Colorado.

The meeting notice and agenda had been published at least 72 hours in advance at three (3) designated locations within the District Boundaries, published in the Aspen Times Weekly and posted in the Pitkin County Clerk and Recorder's Office.

Members of the Board of Directors in attendance included the following:

Margaret O'Brien
Guy Fulfer
Donny McAllister
Colleen Brown
Audrey Krill

Also in attendance were the following people:

Andrew McGregor, District Administrator
Gus Filiss
Lanny Curtis
Janine Guerrero
Lafayette Burns
John Edwards
Mary Ann Thompson

1. Call To Order

Chairman Krill calls the meeting to order noting that there is a quorum of the Directors in attendance.

2. Consideration of the Agenda

Chairman Krill moves Item #11 Public Comment to the 3rd item on the agenda.

The chairperson mentions the need to discuss infrastructure upgrades at the meeting. Director O'Brien requests an opportunity to discuss the Holy Cross/Palardi easement with the BOD as well as snowplowing concerns raised by the Woody Creek Tavern.

3. Public Comment

- a. Mary Ann Thompson submitted a written list of questions to the BOD.
Chairperson Krill briefly addressed the questions but indicated a thorough

response could be prepared noting that questions about management, capital improvements will be addressed later on tonight's agenda. She also noted that irrigation water will be turned on by Memorial Day.

- b. Lanny Curtis – Requests a meeting with the BOD. Audrey offers a meeting with two BOD members not at a regular meeting of the BOD.

4. Consideration of Minutes of the February 6, 2017 regular meeting of the BOD.

Chairperson Krill asks for a motion regarding the minutes. Board member O'Brien requests an amendment to the minutes. The amendment as proposed as follows "All unpaid HOA assessments (aka: arrears or accounts receivable) have been transferred to the Metro District and are past due to the Metro District. The month's utility fee shall be due on the first of the month, and delinquent on the 5th of the month. There will be a delinquent penalty of \$15.00 for late payment. A late fee of 15% of the total outstanding balance as of December 1st will be charged on December 1st Outstanding utility fees, interest on accounts receivable transferred from the HOA to the Metro District, plus accumulated delinquent penalties, will be turned over to the County Treasurer for collection in the next property tax. All payments will credited first to the oldest accounts, then to penalties and fees, then to the current utility fee. A penalty holiday will last through the end of April 2017. Commencing May 1, if arrears exist and/or late payments occur, penalties and fees will apply." Guy suggested another amendment to the minutes. His recommendation was that actual dollar amounts not be reflected, only show delinquency. He suggested that the language "including dollar amounts" be deleted. A motion was made to approve the minutes, subject to the two proposed amendments by Peg and Guy, was made by Guy. Donnie seconded the motion and it carried unanimously.

5. Acceptance of Board member Margaret O'Brien's letter of resignation.

Chairperson Krill read Peg's letter of resignation into the record. The members thanked Peg for her service.

6. Board Vacancy Replacement.

Chairperson Krill noted that this item was originally #7 on the agenda. John Edwards has expressed interest in the position. Audrey makes a motion, seconded by Guy to appoint John Edwards to the BOD. The motion is approved unanimously. Chairperson Krill administered the oath of office.

In an unrelated comment, Chairperson Krill noted that the BOD should review the 2018 meeting schedule and consider school vacations, off season and holidays.

7. Audit Exemption Waiver.

Gus Filis noted that we have pursued this exemption using our bookkeeper (Ivan Perrin) and a CPA firm (Reese Henry in ASPEN). The use of these professionals was mandated by the necessity to file a "long form exemption". No response from the state has been received to date. Guy asked if we had received the tax exemption letter from the IRS yet. Andrew replied affirmatively.

8. Treasurer's report.

Guy gave his report. Taxes are being forwarded to the Metro District from Pitkin County. Operating expenses are in the black. Balance in the money market account is \$105,000.00 +/- and in the Capital Reserve the balance is approximately \$88,280.91. The District is experiencing growing pains. We are over the budgeted amount for legal fees,

due to the one- time expenses for the conveyance of assets from the HOA to the Metro. District. There are no surprises. Snow removal, gas, electric, water all moved over. Peg noted that the district is setup so that when the capital reserve balance reaches its target, around \$450,000, the BOD may reduce the tax mil levy. Gus noted that the goal is to move HOA monies over to capital improvements. Repairs will be made to the irrigation system in the next 2 to 3 weeks with the goal of being operational by Memorial Day. Donnie asked how the County distributes tax payments. Peg replied that they issue checks on March 10, April 10, May 10 and June 10th. Audrey noted that the membership needs to know about the delinquency notice and payment status.

9. **Infrastructure Improvements** (originally #10 on the agenda).

Audrey opened by saying that the majority of the remaining work is phone and cable. Peg stated that she recruited Josh Rice for a proposal. His bid came back high. The district needs a project manager. Gus Fillis could do the job. This would be at the discretion of the BOD. Donnie suggested that we survey who actually uses phone and cable to see if it is necessary? Peg replied that it was a part of the original infrastructure plan. Pitco suggests finishing the project and leaving as much capacity in the conduit as possible for future fiber placement. Gary Krill noted that all the infrastructure was promised and to date, those promises have not been fulfilled. Gus noted that he is considering this possibility of managing the project but hasn't done a cost estimate or review the as-built drawings. After additional discussion, Audrey asked Gus to put together a proposal for coordinating the completion of this outstanding work..

10. **Property Manager Staffing.**

Chairperson Krill expressed her concern about the appearance of conflict of interest. She would like to request that we continue with a similar contract with Sandy. Donnie distributed a draft proposal and scope of services. Peg reads an applicable section of the Colorado Revised Statutes pertaining to conflict of interest. Chairperson Krill stated that we don't want to lose Donnie as a Board member or as a custodian/property manager. The Board discussed their concerns regarding the need to avoid any appearance of conflict of interest going forward. After additional discussion Donnie suggested that he will continue on as a Board member and not request reimbursement for his caretaking duties for the time being.

11. **Future Agenda Items.**

Peg introduced and Gus explained that the Woody Creek Tavern had requested relief from his bill for snow removal because he pays for snow removal independently. The BOD discussed this and the consensus was not to remove this item from the Tavern's bill, due to the use of the roads of the Metro District by vehicles serving the Tavern, including garbage haulers and taxis/limos, among other reasons.

The Board discussed prospective agenda items for the August meeting. The following items were requested:

- a. Fire Department issues including the need to meter the buildings' water use and the need for an accessible fire flow connection. Donny offered to reach out to the Aspen Fire District, to invite a representative of the Aspen Fire District to the next Metro District meeting for better collaboration and communication between the AFD and WCMD.
- b. Discount for insurance premiums as a benefit of membership in SDA of CO.

- c. Research how to eliminate the need to carry work comp.
- d. Address questions raised in Mary Ann Thompson's memo.
- e. Homestead exemption for seniors?
- f. 2018 Meeting calendar.

12. Adjournment

The meeting was adjourned at 9:15PM after a unanimous vote by the Board members in attendance.

This Record of Proceedings for the May 1, 2017 meeting was reviewed and approved by the Woody Creek Metro District Board of Directors at their August 7, 2017 meeting.