
RECORD OF PROCEEDINGS

Chatfield Corners Metropolitan District March 21, 2017 Meeting Minutes

**Minutes of the Regular Meeting
Of the Board of Directors
Chatfield Corners Metropolitan District
March 21, 2017**

The regular meeting of the Board of Directors of the Chatfield Corners Metropolitan District, Eagle County, Colorado, was held Tuesday March 21, 2017 at 5:30 p.m. at the Gypsum Public Library located at 47 Lundgren Drive, Gypsum, Eagle County, Colorado in accordance with State regulations.

Attendance The following Directors were present and acting:

- David Barton
- Grant Murphy
- Joe Schwan
- Sherri Wilde-Sisneros
- Mike Woods

Also in attendance were:

- Chris Huffman, Sagebrush Services
- Beth Johnston, Marchetti & Weaver, LLC, Secretary for the Meeting
- Scott Tarrant, Brush Creek Landscaping
- Nick Close, Brush Creek Landscaping

Call to Order

The Regular Meeting of the Board of Directors of Chatfield Corners Metropolitan District was called to order by Director Murphy noting a quorum was present.

Conflict Disclosure

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

Minutes

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

RESOLVED to approve the November 1, 2016 meeting minutes as presented.

Landscaping Report

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Mr. Tarrant from Brush Creek Landscaping presented the 3-year contract proposal to the Board stating it would lock in pricing for contract term, provide continuous care for the District assets and eliminate the need for an RFP each year. Mr. Tarrant and Mr. Close reviewed projects for the 2017 season including removal of the rocks and revegetation of the Step Pond, tree care and pruning, and the front entrance project approved last fall. Mr. Tarrant also confirmed that thistle and weed removal of the native areas, especially along the ditches, would be added this season.

Mr. Close advised a direct nutrient injection for the 3 evergreen trees located in the front entrance island with pruning and possible removal of one of the trees to ease overcrowding in the future. Ms. Johnston requested that an estimate for the injections be sent for consideration by the Board. Mr. Tarrant commented that ready access to the irrigation water allowed more irrigation system audits during last season which was beneficial to the overall success of the turf and recommends the same schedule this coming season.

Irrigation System Report

Mr. Huffman with Sagebrush Services reported that the main ditch had been burnt and the head gate repairs were completed in preparation for spring runoff. Mr. Huffman stated that the Variable Frequency Drive had been received and would be installed once the current drive failed.

Mr. Huffman updated the Board on the status of a leak in the small Pond 2 that was found in late fall of 2016. Mr. Huffman received a preliminary bid of over \$100,000 from Ewing Trucking to replace the clay liner. Another contractor suggested waiting until spring to see if the area of the leak could be determined and possibly patched instead of a full replacement of the liner. Mr. Huffman said he was going to monitor the situation with the contractor to determine the best and most cost effective course of action.

A tentative date to turn on the irrigation pump system was set for May 5th with water available to homeowners on May 8th, weather and system dependent. Mr. Huffman reviewed with the Board a new pre-emergence chemical to control water weeds that he was planning to use in the ditches this year. Mr. Huffman also recommended that the ponds and center ditches be burned next spring for weed and vegetation control.

Mr. Huffman, Mr. Tarrant, and Mr. Close left the meeting at 6:15 pm.

District Manager's Report

Ms. Johnston reviewed the District Manager's report for the Board.

Accessory Dwelling

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Unit Discussion

Director Murphy gave a brief summary of the Accessory Dwelling Unit (ADU) proposal being discussed by the Town Council of Gypsum stating that the Town was likely to allow ADUs within the Town and provide a brief period for people with existing ADUs to come forward and obtain the necessary permits. Ms. Johnston pointed out that Chatfield Corners did not have anything that specifically addresses ADUs but there was some verbiage in their organizational documents that could potentially be used for regulating ADUs within the community, if the Board chose to do so. Since this issue is still pending with the town of Gypsum, it was decided to direct the Covenant Enforcement Officer in what to look for and monitor the situation in the near term.

24-hour Posting Location Resolution

Ms. Johnston explained that notice of Metro District meetings were required to be posted in 3 locations within the District and an agenda posted 24-hours prior to any meeting per State statute. The Board reviewed the locations, and upon motion duly made and seconded, it was unanimously

RESOLVED to approve the 24-Hour Posting Location Resolution.

Metro District Assumption of Owners Association duties

Ms. Johnston reported that the Gypsum Town Council approved the Service Plan Amendment at their December meeting and that the Agreement between the Owner's Association and Metropolitan District went into effect January 1, 2017. Ms. Johnston reported that the transition has been smooth and there has been very little response from the Community.

Director's Surety Bond

Ms. Johnston explained that the District's attorney strongly suggested a Director's Surety Bond be purchased in addition to the Director's Crime policy included in the CSD Property and Liability policy the District currently holds. The Surety Bond purchased is for a three year term from 2017 through 2019 and was distributed to all Board members in November for review and comment. Upon motion duly made and seconded, it was unanimously

RESOLVED to ratify the purchase of the RLI Director's Surety Bond.

Vendor Contracts

After general discussion, and upon motion duly made and seconded, it was unanimously

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RESOLVED to approve the Brush Creek Landscaping 3-year contract pending review and minor changes by the attorney McGeady Becher.

Financial Statements and Accounts Receivable

Ms. Johnston reviewed the financial statements ending December 31, 2016 stating that they were used to prepare the 2016 Application for Exemption from Audit. Ms. Johnston explained that the Working Capital and refundable DRB Deposits from the Owner's Association were added to the balance sheet and that the majority of the Owner's Association Fund balance was added to the General Fund balance to close out the Owners Association. Ms. Johnston reported that the General Fund, Debt Service Fund, and Water Fund all ended the year under the amended budget.

Ms. Johnston then reviewed the Owners Association financial statements ending December 31, 2016 stating that they were used to prepare the 2016 Federal and State tax returns. Ms. Johnston stated that a small balance remained in the Owners Association due to the continuing collections on past due assessments. Ms. Johnston reviewed the status of the Accounts Receivable and collection efforts on behalf of the Owners Association.

Ms. Johnston reported that the Residential Assessment Rate was expected to decrease in 2017 and presented projections for 2018 tax collections. Ms. Johnston reviewed the history of the Residential Assessment Rate and the impact the decrease could have on the District.

2016 Application for Exemption from Audit

As directed by the Board, Marchetti & Weaver, LLC prepared the 2016 Application for Exemption from Audit. The completed Application was reviewed by the Board. Management was directed to file the 2016 Application for Exemption from Audit with the Office of the State Auditor by the due date of March 31, 2017. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the Resolution Approving an Exemption from Audit for Fiscal Year Ending 2016.

Copies of the formal resolution adopting the 2016 Application for Exemption from Audit are incorporated herein by reference and shall be retained in the District's permanent records.

Accounts Payable

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

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

Future Meetings

The 2017 meeting calendar was reviewed and the next meeting date of June 20, 2017 was confirmed.

Adjournment

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

RESOLVED to adjourn the Regular meeting of the Chatfield Corners Metropolitan District Board of Directors this 21st day of March 2017.

Respectfully submitted,

Beth Johnston
Secretary for the Meeting