

**MINUTES
OF THE BOARD OF DIRECTORS OF
THE FOREST LAKES METROPOLITAN DISTRICT**

The regular meeting of the Board of Directors of the Forest Lakes Metropolitan District was held on February 14, 2017 beginning at 1:30 p.m. at the Forest Lakes Community Center, Bayfield, Colorado.

Present at the meeting were the following members of the Board of Directors:

Casey Cook, Director, President	--	Present
Richard Hillyer, Vice President	--	Present
Ronnie Foster, Director	--	Present
Brien Meyer, Director	--	Present
Charles Scavo, Director	--	Excused

Director Scavo advised Brian that he was unable to attend the meeting. Moved to approve Director Scavo's absence. The motion was seconded and it was unanimously approved.

Also present were Brian Sheffield, Manager for the District; Selina Gallero, Secretary; Rick Ludwig, Maintenance; and various residents.

APPROVAL OF AGENDA

With no additions, deletions, or corrections to the agenda, moved to approve the February 14, 2017 agenda. The motion was seconded and it was unanimously approved.

APPROVAL OF PREVIOUS MINUTES

There being no additions, deletions or corrections to the minutes of the regular meeting held on January 10, 2017, moved to approve the minutes. The motion was seconded and it was unanimously approved.

SPECIAL BUSINESS

REPORT FROM OFFICERS AND CONSULTANTS

MANAGEMENT REPORT - Mr. Sheffield reported the following:

1. **Equipment Operator.** We have hired Henry Gonzales to fill the Equipment Operator position. Henry started on January 23rd and has heavy equipment operating skills including crane operation. Henry has been a great asset and is a good fit with the crew.
2. **Website.** We considered going with a State sponsored platform but it was backlogged for 6 to 8 months so Brian met with a web designer and he has started some of the groundwork for a new website. Selina will work on our new website and we hope to have it up within a couple of months. Discussed posting the 2016 and current year minutes, agendas, and resolutions on the website. Moved to approve posting the minutes, agendas, and resolutions on the new website. The motion was seconded and it was unanimously approved.
3. **Gravel Crushing.** C&J Gravel will begin mobilizing material out of the pit on 2/20/17. This will allow the material to dry and the crushing will begin in July.
4. **Meter Read System.** We met with the Neptune representatives, who will be updating our meter reading system, and the project is scheduled for April 12 and 13. At this time they will install and test all of the equipment and software.
5. **Rules and Regulations.** Brian has started working on updating the FLMD Rules and Regulations. The current regulations require updating and change due to the different approved resolutions throughout prior years. Different notes and documentation are included with the old Rules and Regulations, but there is no current clean copy. Brian is working on incorporating all of the changes in the R&R.
6. **Audit.** Todd Beckstead will be here the week of March 27th to complete the annual audit.
7. **Southern Ute Indian Tribe Application to EPA.** Brian explained that the SUIT has submitted an application to the EPA to be considered as a State for purposes of operating their own water quality program and establishing water quality standards. Letters from various entities, including FLMD, have been submitted to the EPA stating our concerns. The opposition is primarily towards them establishing water quality standards that would be more strict or numerous than the ones that are already set by the State and the Feds.
8. **San Juan Basin Health** served a resident with a letter for violating sanitation requirements for an extended period. The notice was served by the La Plata County Sheriff's Office.
9. **Upper Pine River Fire Protection District** is working to track down the majority owner of Unit 3 to do mitigation.

Maintenance Report. Rick reported the following:

- The majority of January was spent plowing snow, chipping, cutting snow pack and pushing snow banks. The crews plowed a total of 13 times during January.
- The push tubes for the wing on the 1983 International plow truck wore out and had to be rebuilt.
- We leased a grader from Honnen Equipment for a month to help with slush removal and cutting pack off the roads. The use of the extra grader was a huge help and eliminated our need to rent a dozer.
- Potholes were fixed in between storms when the roads dried out enough.

FINANCIAL REPORTS

1. December property tax revenue received was at 100% of the levied property taxes for the year. Tax revenue can include penalties, special assessments and specific ownership taxes, which are not included in the property tax percent collected.
2. Water chart shows that we pumped 2,656,446 gallons of water and can account for 88% of the water used through metered billing for January.
3. If equally collected and expended over 12 months, expenditures and revenues would be at 100% through December. In the General Fund, revenue was at 71% and expenses were at 101%. In the Water Fund, revenue was 61% and expenses at 91%. In the Sewer Fund, revenue was at 53% and expenses at 61%. Combined funds budget expenditures were at 86%.

UNFINISHED BUSINESS

WATER RIGHTS

FLMD 2005 Conditional Filing: A newly revised draft decree and stipulation has been finished and presented to Pine River Irrigation District and Southern Ute Indian Tribe. Brian explained that the two entities have reviewed it and we are waiting for a response. A meeting will have to be scheduled for review at that time. Brian stated that this process has been active for 11 years and sometimes we were led to believe that we were making progress but it is not going anywhere. Chairman Cook explained that FLMD was trying to take some precautionary steps by being proactive and planning for the future. Brian explained that it might be likely that FLMD may need to file a new augmentation plan whenever new wells are drilled, but the matter needs to be resolved soon. FLMD is not asking for more water but just wants to expand the well field boundaries. After further discussion, it is agreed that the Board needs to visit with our attorney and water engineer at the April meeting, if possible, to decide how to end this matter. Some discussion about augmentation plans and water rights continued.

NEW BUSINESS - none

RESOLUTIONS

Item A. **Resolution 2017-03, Public Records Requests.** Brian explained that this updated resolution allows the District to charge an hourly fee along with a copy fee and established a detailed revised public records policy for FLMD. The resolution has been reviewed by legal counsel. Moved to approve Resolution 2017-03, which replaces Resolution 2009-03. The motion was seconded and it was unanimously approved.

ANNOUNCEMENTS

Discussion about the Gallagher Amendment and the impact it has had on property taxes, especially vacant lots and the possible challenges ahead of us.

No meeting is scheduled in March.

APPROVAL OF DISBURSEMENTS

The Board considered the bills of the District for payment. Moved that the bills be approved for payment subject to review at time of signing. The motion was seconded and it was unanimously approved.

ADJOURNMENT

There being no further business to come before the Board of Directors, the meeting was adjourned at 2:13 p.m.


Selina Gallero
Secretary to the Board of Directors
Forest Lakes Metropolitan District