

PURGATORY METROPOLITAN DISTRICT  
MINUTES OF BOARD OF DIRECTORS MEETING

September 19, 2018

A regular meeting of the Purgatory Metropolitan District and the Purgatory Metropolitan La Plata-San Juan Sub-District was held Wednesday, September 19, 2018, at Dalton Ranch. Directors John Ogier, Mark Gebhardt, DeeDee Carlson and Jeff Watson were present. Bob Oswald was excused. Also in attendance were District Manager, Eric Hassel and District Finance Officer, Frankie White. Jay Eagan and Gary Derck attended from DMR.

Minutes DeeDee Carlson made a motion to approve the August 2018 minutes with changes. Mark Gebhardt seconded the motion. Motion passed.

Outside Presentation

Mark Buono attended the meeting to discuss his past due accounts. Mark explained his plans to get the accounts current in the next three months, as well as the reasons for the delinquency. Mark's rental income was negatively impacted by the 416 fire. Mark is planning to close the inn portion of the building this winter, and only operate the main part of the building as a rental unit. Mark asked the Board to postpone the shut off planned for the next day. He has made two payments, and had another payment to apply to his account today. The Board pointed out to him that this is not the first time his accounts have been discussed in the District Board meetings. Jeff Watson made a motion to extend the disconnect date to December 2, 2018, provided the past due balance does not increase past the current balance after the check today is applied and the current balances are kept current. DeeDee Carlson seconded the motion. Motion passed.

Manager's Report

Eric Hassel presented a request from the Gelande Hotel project for a will serve letter. The hotel will have 103 rooms, restaurant, a ball room, Board room and two break out rooms. Eric has reviewed the plans and determined that the hotel will require 38.95 EQR's. Gary Derck went over the drawings and plans, explaining the project to the Board. This is a joint project between Chuck Cobb and James Coleman. The plan is to have the approvals necessary and the funding by March 2019, and to start construction in May 2019. Tap fees for this project are subject to the reimbursement agreement. DeeDee Carlson made a motion to issue the will serve letter. Mark Gebhardt seconded the motion. Motion passed.

Al Thomas has responded to the tap agreement amendment that was sent to him by David Smith last spring. Eric will go over Al's comments with David Smith.

Eric has located a snow plow and sander for the new truck, total cost will be \$11,400. Mark Gebhardt made a motion to purchase the plow and sander, DeeDee Carlson seconded the motion. Motion passed.

Eric explained to the Board that the snow removal contract with Canyon Construction expired this past spring. Eric will be sending out RFP's in the next weeks.

The Nordic license is a three year agreement with an automatic annual renewal. John Ogier made a motion to approve the renewal for this winter. DeeDee Carlson seconded the motion, motion passed.

Eric has received a revised rate study that he has yet to review. He will bring it to the Board next month.

#### Financial Review

Frankie White presented the monthly financial information packet and reviewed bills being signed at the meeting today. Mark Gebhardt made a motion to approve the bills presented for payment. Jeff Watson seconded the motion. Motion passed.

The 2018 assessed valuation has been received, and the District's total valuation has increased by \$432,000 this year.

Frankie White handed out copies of the 2017 audited financial statements. Mark Gebhardt made a motion to approve the audited statements, and for Frankie White to submit them to the State Auditor Office. John Ogier seconded the motion. Motion passed.

The Board reviewed an engagement letter from R. Farmer, LLC for the audit of the 2018 financial statements. DeeDee Carlson made a motion to sign the engagement letter. Jeff Watson seconded the motion. Motion passed.

There being no further business to come before the Board, the meeting was adjourned.

Next Meeting:           October 17, 2018 PMD Community Center 8:30 am