

PURGATORY METROPOLITAN DISTRICT
MINUTES OF BOARD OF DIRECTORS MEETING

A joint regular meeting of the Purgatory Metropolitan District and the Purgatory Metropolitan La Plata-San Juan Sub-District was held Wednesday, December 7, 2022 at the Purgatory Metropolitan District Community Center. Directors Sharon Henschen, Mark Gebhardt and John Ogier were present. DeeDee Carlson and Susan Voorhees attended via Zoom. Also in attendance were District Manager Eric Hassel, and District Finance Officer Frankie White and Attorney for the District, David Smith. There were no members of the public present.

Minutes

John Ogier made a motion to approve the November 16,2022 minutes with changes. Sharon Henschen seconded the motion. Motion passed.

Waste Water Treatment Plant update

Eric Hassel updated the board on the progress on the plant. Rick Johnson would like to give the Board his final report at the January 2023 board meeting, and to start the hiring process for the general contractor after that meeting.

2023 Budget

Frankie White and Eric Hassel went over the preliminary budget numbers. Frankie explained the issue with the loan for the new sewer treatment plant. In the 2008 election, the taxpayers approved using any funds to pay the debt off, including property taxes collected by both the district and the sub-district. However, property taxes are collected by the general fund, and the debt has been recorded in the Wastewater fund. Frankie White has gathered information from both David Smith and Ronny Farmer (District auditor) to verify that if the general fund receives property tax revenue and then transfers it to the wastewater fund to pay the debt the District will not be in violation of the TABOR statute. John Ogier made a motion to move the sub-district 15 mills reported on the mill levy certification from capital expenditures to contractual obligation, and to transfer 8.5 of the district mills reported on the mill levy certification from capital expenditures to contractual obligation, and to budget a transfer from the general fund to the wastewater fund of \$450,000 the amount of the 2023 debt service payment. Mark Gebhardt seconded the motion. Motion passed. Frankie White will submit the mill levy certification forms to the Board of County Commissioners by the December 15 deadline, the remaining portions of the 2023 budget will be approved at a meeting later in the month.

Managers' Report

Eric Hassel asked for approval to contract with Browns Hill Engineering to order the materials and complete install after the new year to integrate the new PRV to the existing SCADA software. The cost is \$11,915.00. Sharon Henschen made a motion to approve the contract with Browns Hill Engineering. Mark Gebhardt seconded the motion. Motion passed.

Eric presented the first reimbursement request from the Colorado Water Resources & Power Development Authority to draw from the loan proceeds. This request was for \$722,817.30, the amount the District has spent on owner supplied equipment. Mark Gebhardt made a motion to approve the reimbursement request. Sharon Henschen seconded the motion. Motion passed.

John Ogier reported that he has contacted Ian Loffert, Sr. Financial Analyst I at the Colorado Water Resources & Power Development Authority about the District being required to make a payment in 2022 when the District had yet to receive any loan funds. Ian has responded to John's questions and has clarified that the funds are on deposit at US Bank for the District and as such will earn interest that will be remitted to the District. John Ogier suggested we should request additional funds for all money spent to date that qualifies for reimbursement, if we have to make payments on the loan funds we should at least get those funds.

Eric Hassel presented resolution No. 2022-05 regarding taxing retail marijuana sales if a marijuana business were to open within the District. DeeDee Carlson made a motion to approve this resolution. Sharon Henschen seconded the motion. Motion passed.

Eric Hassel will be out of town December 16 to 23. Mike Cameron will cover operations during that time.

Financial Review

Frankie White presented the monthly financial information packet and reviewed bills being signed at the meeting. Sharon Henschen made a motion to approve the payments. Mark Gebhardt seconded the motion. Motion passed.

Frankie White went over the cost to the District of accepting electronic payments through the QuickBooks billing system the District currently uses. The board discussed the expected benefits of accepting electronic payments from the customers of the District in relation to the transaction costs. Frankie White explained that the biggest benefit will be the reduction in the number of payments received via incorrectly prepared checks. Susan Voorhees made a motion to approve accepting electronic payments from customers with no charge to the customer for the transaction fees charged to the District. DeeDee Carlson seconded the motion. Motion passed.

John Ogier made a motion to give the staff, Eric Hassel, Mike Cameron, Rick Johnson, Matt Mathers, David Smith and Frankie White, with an increase of \$50 over last year. Sharon Henschen seconded the motion. Motion passed.

The meeting adjourned. Next Monthly Meeting: January 18, 2023, PMD Community Center