

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, June 21, 2023 at the Purgatory Metropolitan District Community Center. Directors John Ogier, Sharon Henschen, Susan Voorhees and Mark Gebhardt were in attendance. Board member in attendance via Zoom, was DeeDee Carlson. Also in attendance Eric Hassel and Frankie White. Also attending via Zoom David Smith and Rick Johnson.

Minutes

Waste Water Treatment Plant Update

Rick updated the board on the bid package which includes the plans, specifications, and owner supplied equipment book. The bid was posted in the Durango herald on 6/11 with an anticipated bid opening of 7/24/23 at 1pm. There is currently one addendum that will go out prior to the pre-bid walk which will be onsite on July 10th at 1pm. So far bid sets have been sent out to three general contractors, Velocity, PCL and TKF all Colorado Based. We are not planning to post the project in online bid rooms currently, Rick is reaching out to other suppliers to get contacts for other possible bidders. There is a potential need to extend the bid date if the bidders are waiting on subcontractor or suppliers to get them pricing, we will monitor this closely with each bidder.

Eric gave an update on the fire departments review of the project plans, at this time the fire marshal's office has conceptionally aged to our plan for sprinkler coverage in the office, lab, and control room areas and not in the treatment areas of the facility. The district will need file for a Modification or variance as part of the review process, Rick and Eric are currently working on the application.

Rick gave an update on the building department plan review status, Laplata county had us hire a third-party plan reviewer to complete an architectural review. Lori Hanson with Eidos Architects is currently reviewing our plan set and compiling a report for the Laplata county building department. With a goal completion of 6/23/23.

John asked about the potential to find more bidders in Abq or Salt Lake, Rick said he would reach out to suppliers and see if he could get some contacts in those areas.

Rick and Eric are currently working on a final construction budget for the project the goal is to have a more accurate engineers estimate mid-July for use during bid opening, and to set a budget ceiling for the project.

Owner supplied equipment deliveries was discussed the idea is to have our contractor take possession of all equipment in August, Rick has been able to delay some of the delivers to give us more time for onboarding a contractor.

Rick hopes to send the District its final billing for the design services in the next week. The project is moving to the bid phase, and from there construction. Rick is prepared to provide services for the bid and construction processes on a time and material basis to the District. Several of the design contractors, including but not limited to odor control, structural and

electrical, will provide construction management services related to their design. Rick explained that for these types of projects, highly computerized, a project integrator is necessary to keep the project moving smoothly once started. Rick feels that Browns Hill, the electrical contractor, is best suited to this part of the project. The board gave Rick the go ahead to get the management companies he needs to manage the project.

Rick Johnson explained the need for a project integrator, this is an owner provided service. The integrator is required for the automation involved in the project and end result. Rick suggested that Browns Hill, our electrical contractor, would be best suited for the position. The board directed Rick to move forward with them for this position. Rick is still looking for a quality control manager.

#### LaPlata Electric Agreement

Eric Hassel presented the agreement for the District to review that will get power to the new treatment plant. Mark Gebhardt made a motion to approve the agreement with LaPlata Electric and to authorize John Ogier to sign on the district's behalf. Susan Voorhees seconded the motion. Motion passed.

#### Management Report

Eric Hassel reported that he has prepared loan reimbursement request #3 for \$270,332.00, which covers the design work to April 27, 2023. Susan Voorhees made a motion to approve the loan reimbursement request. Mark Gebhardt seconded the motion. Motion passed.

The District has been asked for a will serve letter for the Columbine Spring Structure. Eric has reviewed the plans and determined they will need 9.07 EQR's, Purgatory has 5.29 taps on standby, so would have to purchase 3.78 additional. The District has sufficient capacity to serve this project. Sharon Henschen made a motion to issue the will serve letter for 9.07 EQR's. Mark Gebhardt seconded the motion. Motion passed.

Eric reported that the Titan can't be fixed for the long term. He has looked at the Kelly Blue book value, \$20,070, and tru West Car Dealer has offered \$25,500. Eric would like to replace the truck via the state fleet services, through the Rural Water Association. Susan Voorhees made a motion to sell the titan and start looking for a replacement. John Ogier seconded the motion. Motion passed.

Eric reported that he has not heard back from Carrie Cline about the sales tax collection and payment. The District has no method to refund her the taxes she paid. Mountain Capital Partners was not collecting the tax and was not aware there was a tax. Eric and David Smith are addressing their complaint. David Smith reported that he has had a conversation with the attorney for Mountain Capital Partners and she seemed to appreciate the information he provided her.

#### District Manager Position

Eric Hassel has tendered his resignation from the position of District Manager. His last day will be July 31, he starts his new job August 1. The board thanked Eric for 8 years of great service to the District. Eric has worked up a job description and posted it on the Districts website, the Durango Herald, the SDA and Colorado Rural Water site. John Ogier has talked to Jim Hards about assistance on the mountain in the interim and Jim is willing to keep an eye open on the

District property along with Mike Cameron. John Ogier made a motion to contract with Jim Hards for his services at a pay rate that matches what he is being paid by other businesses he provides services to. Susan Voorhees seconded the motion. Motion passed. Rick Johnson suggested some names of people who may be interested in interviewing for the position. We need someone with at least a class B wastewater license and 2 years of experience. Eric has a few people who currently work for the ski area or the developer at the ski area who may be interested as well. Eric has set up the website to forward any resumes to him and to John Ogier. John Ogier and Susan Voorhees will be the pre-screening committee. Eric suggested the District include a ski pass in the employment package. Mike Cameron has agreed to increase his time to the District, but he is not willing to give up his other clients to manage the District.

Eric Hassel reported that he has submitted the District for SRF eligibility for funding help for water repairs on the Sheol Street water line. A portion of the line failed in January, and Eric is concerned that the remainder may fail sooner rather than later.

Eric gave the board his plans for snow removal for this year. He is willing to assist in October to make sure the plan he has in motion for this winter is carried out as best it can be. Eric had the snow plow and sander removed at the end of last snow season in a manner to make it easier to re-install in October.

### Financial Report

The board reviewed bills being paid today, with the addition of Durango Fire Protection District impact fee of \$4,864.32. Sharon Henschen made a motion to approve paying the bills. Susan Voorhees seconded the motion. Motion passed. Eric went over the cleaning and repairs he has done to the community center in the past few weeks. He explained that the playground equipment needs to be repaired, he is setting that in motion.

Frankie White presented the form to apply to the state for an extension until September 30 to file the 2022 audited financial statements. These are due June 30, 2023 and our auditor may need an additional few weeks to finalize it. The loan for the new treatment plant caused additional audit work. John Ogier made a motion to approve the extension. Susan Voorhees seconded the motion. Motion passed.

The meeting adjourned. Next Meeting: July 19, 2023, at 9:00 am in the Purgatory Metropolitan District Community Center, with an additional meeting scheduled for July 26 to review job applicants.