

Draft
Edgemont Ranch Metropolitan District
Meeting of the Board of Directors
Minutes

The regular meeting of the Board of Directors of the Edgemont Ranch Metropolitan District was called to order on Thursday, August 18, 2022 at 4:01 PM at 5972 CR 234, Durango, Colorado.

Directors in attendance were: Steve Martin, Al Winzerling, Richard Butler, and Larry Mongelli. Andrew Rapiejko was excused. Metro staff members in attendance were: Robert Ludwig, Kurtis Martinez, Mike Lancianese, Marilyn Heide and Annette Hutchins. Also David Bray, Tom O'Neil, Linda Herz and Lynn Beck were in attendance.

Mr. Winzerling moved to approve the Regular Metro Board meeting minutes from June 16, 2022, seconded by Mr. Mongelli, and was carried unanimously.

Marilyn reviewed the 2nd Quarter Financial Report: ERMD Interim Financial Report June 30, 2022; ERMD Consolidated Balance Sheet, June 30, 2022; ERMD Consolidated Statement of Cash Flows, June 30 2022 YTD, and ERMD Analysis of Reserve Activity, June 30, 2022. (See Attachment) Marilyn explained the costs of the new wastewater facility; they have stuck with the budget. The loan's interest rate is a low 2.95%.

Mr. Martinez reported that the new wastewater plant has been up and running for three weeks. Mr. Martinez explained there is a learning curve in maintaining this new facility. They seeded "bugs" to jumpstart the new plant. (Microscopic organisms that process the sludge) Two of the three ponds have been decommissioned. Pond one sludge was transferred to pond 2 and then moved to the third pond. The process engineers consider this new plant a showcase for America and will have demonstrations for other Metro Districts as they consider this system for their future needs. Metro will have an open house August 24th at the new waste water plant for the Edgemont residents and select others to see how the new plant works.

Mr. Ludwig gave an update on the water plant. The filter train has been installed as well as the piped filter. The electrician has completed his work. There was an added capacity of 500 gallons water per minute. This is a "no loss of water" system. There are no chemicals in the system. Amputation release is 15% more. Release 15 acre. We're not on-call. In October we will refill our reservoir. Influent into the Lemon Dam, 1500 acre foot. For our water rights case - a judgement was given to the city of Durango from 1996 which includes the Durango airport and 1983 for us when Edgemont Ranch started.

Mr. Ludwig and Mr. Winzerling reported meeting with the water attorney. They discussed La Plata County water supply requirements for the remaining units within ERMD, and an evaluation of maximum water supply available from water rights & facilities. The goal is to upsize from the current 30 acre foot to 70 acre foot from Spring Valley to Edgemont Reservoir to supply the water plant. There was only one entity – the city of Durango – who opposed the issuance of the water right. They prepared a letter to the county describing Metro as having an adequate water supply to meet the buildout demand. Mr. Butler stated that the District has plenty of water, though we may be looking at a draught upon draught situation and the water rights are in place to determine a solution. Mr. Ludwig defined "conditional state" as having a plan to use the water– though not available right now, and "absolute state" as everything is in place now. When the paper work is out – Metro will have the rights in place. Goff Engineer is looking at future water availability – a preliminary plan to expand the land. Mr. Butler said Metro plans on building another water tank first – it will be a bond issue. The next water court hearing is July 8th – Metro

is hopeful that there will be a storage decree by the state of Colorado for our storage water on that date.

Mr. Ludwig gave an update on the wastewater treatment plant. He related that Integrated Water System was testing the test station and firing up all the basin. It runs on aeration and moves the sludge and will be treating the plant by the end of the month. The health department is happy about this process. We are on schedule with the new technology. The state has a permit writer for this new plant. With this new technology Metro will be releasing even cleaner water into the river. The financing will be fully funded before the end of the month. There have been issues getting stainless steel for the facility. Elevated Water Systems has carried the bid in spite of issues in the supply chain. There will be an open house of the new facility sometime in August.

Mr. Martinez reported on the Timbers – Phase 3 update. They are close to the last stage. Staff has checked on the drainage flows on Red Canyon Trail. The asphalt was in good shape. A guard rail will be put in along Red Canyon Trail. Mr. Lancianese said the fire hydrants were in and they had a fire-flow test which passed with the fire department. They need to clean up the shoulder work with seeding and patch work as well as cleaning out culverts and dealing with check-dams, and rip-rapping the ditches, because of the 10% to 12% steep grading in some places. Metro will be having patch road work done on Highlands Drive and also in the Bluffs with slurry sealant on El Diente Drive, and Antero Avenue.

Mr. Martin asked about the number of homes that have been built in Edgemont. Marilyn listed the new phases that have been added recently. Timbers - 20 lots, Meadows - 18 lots, and Lot 121 in the Highlands with 18 lots. There will be approximately 880 units at full buildout. Mr. Butler commented there has been some lot consolidations reducing the total. Once there is a consolidation they cannot be deconsolidated.

The EPOA, (Edgemont Ranch Property Owners Association), will be getting a new separate web site address from the Metro. The Metro's web address will continue to be www.edgemonranch.com. This separation needed to happen due to new regulation

Mr. Martin noted his concern for the traffic safety issues with CR 240 passing through Edgemont Ranch. The update – a daily volume of vehicles was recorded. There are approximately 7700 vehicles a day that drive past Edgemont. It was determined that it was not a high enough amount to warrant a stop light, though they have a plan in place when it does get to that level.

There are plans to build a coffee shop/bistro market in the Meadows on lot 84, 688 Hay Barn Road. The market will be on the first floor with an apartment upstairs. The market will also offer meals-to-go. A separate endeavor will be the community picnic grounds on the lot to the right of the market including restrooms, food preparation area, volleyball and tetherball.

Mr. Winzerling asked about the drainage issue. Mr. Ludwig will be contacting the asphalt company and getting road repairs done.

Lastly,

A motion was made and approved to adjourn the meeting at 4:35 PM.

Respectfully submitted,

Annette Hutchins,

Administrative Assistant