

SFTR METRO DISTRICT  
BOARD OF DIRECTORS REGULAR MEETING  
109 W. MAIN ST.  
TRINIDAD, CO.  
January 14, 2014 9:00 a.m.

*Board of Directors: Robert L. Scott, Nancy Allred, Rick Kinder, R.C.Ghormley, Jerry Withington*

- 1) CALL TO ORDER- 9:00a.m.
- 2) PROOF OF NOTICE-Noticed posted as required
- 3) INTRODUCTION AND ROLL CALL- All board members present except Jerry Withington – Guest Lynn McCreight, Jim Davis, John Parker and Rob Coopet
- 4) DETERMINATION OF A QUORUM- Yes
- 5) NEW BUSINESS
  - A. 2014 Election – The 2014 election process was discussed. An email from legal council was forwarded to the board members and Lynn re: the new laws for special district elections. Discussion on Spencer Fane handling the election for 8000. to 9000. or Lynn handling the election. Lynn agreed she could handle the election with the help of DOLA and the Special District Associations webinars. It was decided to have a mail ballot election with a ballot question to eliminate board term limits. A resolution was adopted by the board to conduct a mail ballot election.

Meeting adjourned 9:35a.m.

SFTR METRO DISTRICT  
BOARD OF DIRECTORS SPECIAL MEETING  
109 W. MAIN ST.  
TRINIDAD, CO.  
April 1, 2014 9:00 a.m.

*Board of Directors: Robert L. Scott, Nancy Allred, Rick Kinder, R.C.Ghormley, Jerry Withington*

- 1) CALL TO ORDER- Meeting called to order at 9:30a.m.
- 2) PROOF OF NOTICE-Notices were properly posted
- 3) INTRODUCTION AND ROLL CALL- All board members were present except Jerry Withington- Guest John Noard and Lynn McCreight
- 4) DETERMINATION OF A QUORUM-Yes
- 5) NEW BUSINESS
  - A. Tank Repairs – There could be a need to repair the bottom of the water tanks to prevent leakage. Engineering America has quoted an inspection of \$ 6450.00. The repairs would be \$2800.00 per tank for a total of \$ 14850.00.It was suggested but decided not a good option to pour concrete in the bottom of the tanks. Estimated cost would be \$11,000.00. Discussion followed. In order to test the bolt stability on the bottom of the tanks, the water level will need to be kept low in order to get in and check the bolts. Another option is to use silicon on the bolts. Discussion followed. It was decided the best plan of action is for the board to let the water levels go down, check the bolts and decide at that time what is needed to secure the stability of the bolts.
  - B. Convert to GASB – Lynn informed the board that Tim and Mike Dixon (auditors for all the special districts that Century handles from Dixon & Waller), have requested that Century convert all special districts to GASB accounting methods. In the past, they convert the books for the audit only– The basic difference is the Fixed Assets/depreciation are removed from the Balance Sheet and a Capital Outlay expense and Lease income (if applies) are added to the profit and loss. The board approved the change.
- 6) Regular Meeting May 8<sup>th</sup> – The next meeting will be May 8<sup>th</sup> (two days after the election) Meeting adjourned at 10:05a.m.

SFTR METRO DISTRICT  
BOARD OF DIRECTORS SPECIAL MEETING  
109 W. MAIN ST.  
TRINIDAD, CO.  
April 7, 2014 9:00 a.m.

*Board of Directors: Robert L. Scott, Nancy Allred, Rick Kinder, R.C.Ghormley, Jerry Withington*

- 1) CALL TO ORDER- Meeting called 9a.m.
- 2) PROOF OF NOTICE- Meeting was posted properly
- 3) INTRODUCTION AND ROLL CALL- All board members present/RC on conference call  
Val Allred guest and Lynn McCreight guest
- 4) DETERMINATION OF A QUORUM- Yes
- 5) NEW BUSINESS
  - A. Election Resolution – Legal council recommended a Resolution that the board supports eliminating the term limits – discussion followed – Bob made a motion to create a Resolution stating that the Santa Fe Trail Ranch Metropolitan District supports eliminating the term limits and the reasons why. Rick seconded. Motion passed. – This will be sent by mail to all eligible electors before the election.
  - B. Notice of Mail Ballot – By state law a notice of Mail Ballot will be posted and published in the Chronicle.
  - C. Short discussion that Eppens tap will be moved / Tony Riley contractor and will be sending the final needed paperwork for the Tap Application

SANTA FE TRAIL RANCH METROPOLITAN DISTRICT (SFTR)  
MAY 8<sup>TH</sup>, 2014 MEETING MINUTES  
CENTURY FINANCIAL GROUP OFFICE  
109 W MAIN  
TRINIDAD, CO 81082

**MEETING MINUTES**

**Meeting called to order** by Bob L. Scott at 9:00 a.m.

**Proof of Notice:** was given in 2 public areas within the district and 2 public areas outside the district.

**Roll Call:** Board Members: Robert L. Scott (Bob), Nancy Allred, R.C. Ghormley, Jerry Withington and John Noard - Guests: Lynn McCreight and Rick Kinder

**Determination of Quorum:** Yes

**Approval of Minutes** – Jerry moved and Nancy seconded to approve the December 5<sup>th</sup>, 2013, January 14<sup>th</sup>, 2014, April 1, 2014 and April 7<sup>th</sup> minutes with one change, motion passed.

**Treasures Report:** Nancy asked if there were any questions on the financials. Discussion followed. There was a question on the Legal expenses. The Santa Fe Trail Ranch POA has one invoice to reimburse the Metro for legal expenses. R.C. stated that it was approved in a previous meeting to spend approximately \$ 6000.00 plus on the SCADA test system. R.C. questioned if there was enough money for the purchases. Yes, at this time there is \$78,000.00 spendable cash.

Lynn presented the Election Expense report. The total expenses are \$ 2,755.32. The savings over hiring a Law Firm to handle the Election are approximately \$ 6,244.68. After a brief discussion, Bob moved and Jerry seconded to give Lynn a \$ 500.00 bonus for a successful election.

**Election of Officers: (See below for election results)**

**President:** R.C. and Jerry nominated Robert L. Scott for President. Unanimous - elected

**Vice President:** R.C. and John nominated Jerry Withington for Vice President. Unanimous - elected

**Secretary/Treasurer:** R.C. and John nominated Nancy Allred for Secretary/Treasurer. Unanimous – elected

Lynn will check with the bank on the procedure and paperwork to get Rick off as signer and John on. All directors will have to sign but Lynn is not sure what all paperwork is needed. Lynn will let the board know.

### **SCADA:**

R.C. reported that no progress has been made on the SCADA test bed. John has to come up with work arounds before changes can be made – the test bed will be used for training, testing and spare parts. The radios and platforms will be ordered.

The possible use of “fusion” mapping was discussed.

### **Old Business:**

**Tank Repair:** Tank 3 was drained down to a workable level to inspect the corrosion of the bolts. The damage was not as critical as expected. The bolts were short to start. As a preventative measure, we will cap the exposed nuts with 1” PVC caps and silicon. There is a small amount of rust. It was discussed to keep this tank low to complete the preventative fixes and eventually do the same with Tank 1 & 2. Rick suggested keeping the tank levels up during starting in June when the water usage is at its peak and do this work in the fall.

**Election Results:** Election results were discussed. Jerry Withington with 116 votes and R.C. Ghormley with 119 votes were re-elected. John P. Noard was elected to replace Rick Kinder with 114 votes. The question to eliminate the limitations on the terms passed with 99 Yes and 29 No.

### **NEW BUSINESS**

**Review Policies:** General discussion on public info, frozen lines and Radio – FCC regulations. The transmitter that is on Jerry Withington’s property costs the Withington’s \$ 2.52/month. It has been up 2 years. It was agreed to reimburse the Withington’s \$ 50.00/year for the last 2 years and \$ 50.00

every year after for the transmitter cost, as long as the transmitter is on the Withington's property.

The Metro's backhoe use was discussed. It was agreed that the backhoe will only be operated by Board members for system repair or operator training. Bob will continue to store the backhoe at his shop and perform needed maintenance that he feels comfortable with. Other maintenance will be contracted to a Case Dealer.

The policy to charge the regular rate to owners who have a large leak was discussed.

If a "J" lot wants to connect to the Metro Water line, they have to pay all past fees that have been assessed since the beginning of the water line, pick up on the current assessments and pay for the line to connect to the water line where the water will be monitored.

**Special District Board Member Class in Fountain:** RC, John and Bob will be attending the Board Member Class in Fountain, June 17<sup>th</sup> from 9am – 12pm at a cost of \$ 30.00/operator. Lynn will complete the registration.

**Rick's New Duties:** Rick Kinder's new duties for water testing and disinfection were reviewed since he is no longer a board member. Bob will be the responsible operator but Rick will continue to do the monthly and yearly testing. Bob moved and John seconded to give Rick the authority to continue the testing and disinfecting and the Metro will continue to reimburse Rick for the mileage and his expenses incurred and will pay for Rick's recertification classes. Motion passed.

Nancy moved to adjourn the meeting. R.C. seconded. Meeting Adjourned at 10:30 am.

SANTA FE TRAIL RANCH METROPOLITAN DISTRICT (SFTR)  
SEPTEMBER 30, 2014 MEETING MINUTES  
CENTURY FINANCIAL GROUP OFFICE  
109 W MAIN  
TRINIDAD, CO 81082

**MEETING MINUTES**

**Meeting called to order** by Bob L. Scott at 9:00 a.m.

**Proof of Notice:** was given in 2 public areas within the district and 2 public areas outside the district.

**Roll Call:** Board Members: Robert L. Scott (Bob), Nancy Allred, R.C. Ghormley, Jerry Withington and John Noard - Guests: Lynn McCreight, Val Allred, Linda Walker and Rick Kinder

**Determination of Quorum:** Yes

**Approval of Minutes** – Jerry moved and RC seconded to approve the May 8th, 2014 minutes. Motion passed.

**Treasures Report:** Nancy asked if there were any questions on the financials. Discussion followed. Nancy wanted confirmation that we had enough money to pay the up-coming bond payments after looking at the financials. Lynn confirmed we did due to the balance of the Bond payment monies after the payment in August and there are two more billings before the end of February, 2015 when the next payment is due. Also, there are a few bond payoff quotes out there. Lynn referred to the cash breakout report she keeps (income is broken down by bond, usage and maintenance). The Operating profit is encouraging and the spendable money has been steady between 70,000 and 72,000. The Balance Sheet shows that \$ 290,000 is still owed on the Metro Bond but the estimated deferred Receivable is 587,931.61 which means that after the Metro Bonds are paid off, the Metro will still have just under 300,000 cash flow to use for operating costs. The Budget vs. Actual looks good. Lynn stated that we will need to amend the 2014 Budget with DOLA due to more Bond payments made than budgeted, more legal expense and more miscellaneous income. The amendment is not due until the end of 2014 so Lynn will prepare it at that time.

**2015 Budget:** By state law, the board is required to designate a Budget Person to process DOLA (Department of Local Affairs) budget requirements. RC moved to designate Lynn D. McCreight as the 2015 Budget Person. Nancy seconded. Motion passed.

Lynn provided a preliminary 2015 Budget to work with in the Budget process. Discussion followed by line item. Lynn had included 2 new taps, the board decided to go with 3 new taps. Meter installation, Meter Installation Fee, City Tap Fees and Plant Investment Fees were increased accordingly. Bank fees were increased to include credit card fees. System Repairs was increased to 50,000.00. Bond Principal payments were decreased to the minimum two bond payments of \$60,000.00 each and interest is the same. The corrected preliminary budget will be emailed to the board and posted in the office for public viewing. Nancy moved to approve the preliminary budget as revised, Jerry seconded. Motion passed.

Lynn stated the 2014 Budget will need to be amended with DOLA at the end of the year due to the overages of legal fees, other income and more bond payments than expected.

**SCADA:** RC stated all parts for the SCADA test bed have been purchased. The test bed is expected to be up and running either Thursday or Friday with John Sanders final PLC programming. This is a complete Running Control System which allows for spare parts when needed and also re-programming testing and management of pump function.

### **Old Business:**

**Leak Issues:** Bob stated the leaks are under control. The only known leak exists between the City of Trinidad vault and the intersection at Starkville with an estimated loss of 500 gallons per day. Due to the involvement of CDOT, Starkville and other entities, this leak is not worth the time and money to fix at this time.

**Water Testing for State:** Rick stated that all the new testing results for the State are good. At this time he is not sure if we will be required to repeat this testing next year. It is his guess that we will only have to repeat the Lead and Copper every three years due to no problems with the last test. The board appreciates the good job Rick is doing with all the testing requirements.



## **NEW BUSINESS**

**Hospital Support:** The Metro received a letter and resolution requesting the Santa Fe Trail Ranch Metropolitans support for the Ballot Issue 5A – Las Animas County Health Service District. This resolution asks voters to approve a seven-mill property tax levy to implement improvements at Mt. San Rafael Hospital, as well as reinforce the financial status of the hospital. Discussion followed. The question was asked if this was legal for the district to sign such a resolution, Bob stated it is legal. Supporting the resolution does not obligate the District in any way. It only agrees with the Hospital District that better funding for area health care is needed. Nancy discussed the benefits of this mill levy. After discussion, Bob made a motion for the Santa Fe Trail Ranch Metropolitan District to sign the Resolution in support of Ballot Issue 5A. Nancy seconded. Motion passed with 4 votes yes and 1 vote against.

**Charge for user-requested visits to meter pits:** At times, a user will experience water supply issues and ask the Metro to check things out at the user connection point. In the past, a Metro board member or designated person has responded to make sure the Metro-supplied equipment in the pit is working properly and water is flowing to the user. In some cases, there has been an issue with the Metro's equipment, but generally the problem is on the user side of the Metro's meter pit. The commodity in short supply is qualified volunteer time, and responding to such calls adds to the volunteer workload. Discussion centered on whether it would be appropriate and reasonable to bill the user for any such visit where the Metro's equipment was found to be working properly, when in fact the user's system was found to be the problem. The thought being, that customers might perform more due diligence on their own, rather than just calling a Metro volunteer without any preliminary checking, if there is a charge for an unnecessary service call. No consensus was reached at this time, and the matter was tabled.

**Gallinas Bridge:** The Santa Fe Trail Ranch POA will be voting Saturday to approve the possibility of transferring ownership of the Gallinas Bridge to the Santa Fe Trail Ranch Metropolitan District. It has been determined by two separate engineering studies that the bridge needs to be replaced due to structural instability. The POA will be voting on this issue in Saturday, October 4<sup>th</sup>'s Annual Meeting. If the majority votes yes to transfer ownership, the Metro board will need to decide if they will accept all responsibility for ownership. Discussion followed. The POA would have to

agree to reimburse the Metro for any expenses incurred as a result of the change. Bob brought up the topic of increased workload for Metro Board members, and Nancy suggested that everything related to the bridge from this point forward should be farmed out to an engineering firm, at whatever the cost, to lessen the burden on Metro personnel. Bob suggested that cost could be substantial. The board decided to resume the discussion after the POA members have voted whether to transfer ownership or not. If it is a yes vote, at that time the Metro can continue their research and decide on the bridge ownership/responsibility.

**Replacement of water lines that freeze:** Bob would like to hire Heath Andreatta Excavation, LLC to expose approximately 400' of water line that is buried too shallow and freezes in the winter. The line would then be buried 5' feet deep. The project cost would be \$ 8,000 to \$ 10,000. RC asked if the entire length of the section had been marked. Bob responded that it had. The possibility was discussed to do the job in two sections if cutting thru the rock was too slow and costly. A section of Elk Ridge Trail, approximately 200' on the curve has the same problem. This cost estimate is \$ 5000 to \$ 8000. After discussion, Jerry moved to hire Andreatta's and get the lines buried deep enough to prevent freezing with the stipulation that only part of the lines discussed if the cost is exceeding the estimates. John seconded. Motion passed.

Aspen Trail has a long stretch with similar problems. After discussion, it was decided to watch this line over this winter to determine the severity of the problem on this stretch.

**Annual POA Meeting Slide Show:** RC will be representing the Santa Fe Trail Ranch Metropolitan District at the Annual POA meeting with a slide show and discussion of some of the Metro's activities, control system and accomplishments over the past year. Discussion followed.

Nancy moved to adjourn the meeting. Jerry seconded. Meeting Adjourned at 10:45 am.

SANTA FE TRAIL RANCH METROPOLITAN DISTRICT (SFTR)  
DECEMBER 3, 2014 MEETING MINUTES  
CENTURY FINANCIAL GROUP OFFICE  
109 W MAIN  
TRINIDAD, CO 81082

**MEETING MINUTES**

**Meeting called to order** by Bob L. Scott at 9:00 a.m.

**Proof of Notice:** was given in 2 public areas within the district and 2 public areas outside the district.

**Roll Call:** Board Members: Robert L. Scott (Bob), Nancy Allred, R.C. Ghormley, and Jerry Withington (Absent Board Member John Noard) - Guests: Lynn McCreight, Rob Coopet

**Determination of Quorum:** Yes

**Approval of Minutes** – Jerry moved and RC seconded to approve the September 30th, 2014 minutes. Motion passed.

**Treasures Report:** Nancy asked if there were any questions on the financials. Discussion followed. The question was asked what the breakdown of the “Repairs – Equipment” was. Lynn will verify that all entries to this account were correctly posted. Nancy commented that water sales were down. The Board budgeted 90,000.00 vs. 72,647.17 actually billed. Utilities are down. Lynn was asked if there were any pending water tap purchases, there are none. The financials were run Jan. thru Nov., Heath Andreatta’s bill, for the year and others were written in December therefore the repair year to date will increase by approximately 8000.00 and will still be under budget. Discussion followed questioning if the repair budget for 2015 should be reduced. The comment was made that we were lucky in 2014 the repairs were somewhat simple and the Metro could handle most. 2015 may be different. Bob returned the old locator and purchased a new one. The bond monies collected since the last payment thru November 30<sup>th</sup> are \$ 32178.37. Nancy explained to Rob that Lynn tracks the bond monies collected and that is what pays the bond payments, no operating funds are used to pay the bond.

**2015 Budget Approval:** Bob asked if there was further discussion on the 2015 budget before approval. The repairs budget has been discussed and is ok at 50,000.00. The net income on the preliminary budget is 8044.00 and with the capital Expenditure expected of 5000.00, that leaves an overall net income of 3044.00. It was discussed that the 3044.00 is fairly close to a balanced budget. Nancy moved to approve the 2015 preliminary budget as it stands, Jerry seconded. Motion passed.

### **Old Business:**

**500 Gallons per day leak:** This leak is located in Starkville. It was fixed once but is still leaking. It was brought to the Metro's attention while fixing this leak that a permit is required by CDOT to fix the leak again. Pollution insurance of 1,000,000.00 is one of the requirements to get a permit along with some other safety items. This insurance is very costly. The state representative out of Pueblo that represents this area has plans to meet with the state attorney general to attempt to make the requirements more reasonable. Lynn has a call into the Metro's insurance to see what it would cost to get the proper insurance. We have pollution insurance but it covers pollution of the water and the agent was unsure if it would cover a fuel spill from the backhoe while repairing any leak. It could be a possibility to hire Heath Andreatta's Excavating if he is properly insured.

**Charges for Service Call:** The topic of a possible service call has been discussed in previous meetings. This charge would be billed only if the water problem is on the owner side of the meter. It was decided at this point there are not enough of those situations to warrant a fee. Rob suggested putting information on the website for owners to reference. Bob stated that information exists. Lynn suggested inserting a note in the next billing referencing that information and how to access it. Rob gave an example from his experience and thinks that a small fee is warranted. Lynn will begin referring owners to the website and will continue to guide them when they call with water issues. No fee will be charged at this time.

Rob asked why the maintenance fees are only billed to water users. Shouldn't all the owners be billed? Discussion followed. Bob says some water districts charge a minimal fee to all owners. Before the last rate increase, the auditor brought it to the Metro's attention that we needed more income to sustain the required profit level required by the bond agreement to stay in the black. Nancy discussed sometimes a new tap opens up a line that does not have a tap on it and it exposes problems with that line that were not

known. Rob brought up the aging of the lines and the need in the future for more money to replace those lines. There are currently 190 taps (189 active) vs. the 449 lots (some owners have multiple lots). The Board will consider this suggestion.

**Gallinas Bridge Ownership Transfer:** The Metro Board needs to make a decision on accepting the ownership of the bridge (POA members voted to transfer ownership with Metro approval). The bridge needs to be replaced. The advantages of the Metro owning the bridge vs. the POA are: better funding and insurance. The engineers have to meet with the railroad to get approval for the transfer of ownership per the original contract between Baldwin and the railroad. If the railroad does not agree, then the Public Utility Commission will have to get involved. The railroad wanted to increase the clearance of the gabion and the abutments. RC's three concerns of: Better insurance, better financing and negotiations with the railroad were answered in the discussions. The added workload on the Metro board member and volunteers were discussed. If the bridge is replaced, Lynn will have to bill all the owners for any additional assessments. POA will reimburse all costs. POA has reserves. It will be necessary to meet with the Special District lawyers to determine the voting process for bridge replacement approval. All owners would have to pay for the assessment(s). Bob mentioned that the Colorado voter registration requirement may be reversed. All the details cannot be sorted out at this time. If the Metro takes over ownership of the bridge, they may be required to take ownership of all the private roads and the maintenance which would make them public roads. The existing Covenants have been changed to allow the transfer of POA property to the Metro if necessary.

Bob asked for further discussion. Bob moved for the Santa Fe Trail Ranch Metropolitan District to assume ownership of the Santa Fe Trail Ranch Bridge. Nancy seconded. Motion passed.

**Rate to be charged for user side leaks:** It was decided in the March 2013 Metro Board meeting to charge the same tiered rate in all excessive water use or leak situations. At this time the Metro will not change that decision.

## **NEW BUSINESS**

**Replacement of freeze prone lines:** After seeing Heath Andreatta's 2014 bills, his billing rates are reasonable enough to use his services to repair the lines that are prone to freezing.

**Possible policy for owners renting their property out:** Lynn stated that in the past a hand full of owners have asked the Metro to bill the renters directly for whatever assessments they will be responsible for. Up until mid-2014 this has not been a problem. We may have problems collecting the water used. Bob says the solution is to bill the owners and let them collect from the renters. All board members agreed. It was stated that it was a nice convenient gesture to bill the renters. From now on, Lynn will not bill the renters, only the owners.

### **From the Floor:**

Rob Coopet's suggestion of billing all owners for maintenance vs. just the water users:

Rob stated this would allow the Metro to purchase some much needed equipment. This item is tabled for now.

Nancy moved to adjourn the meeting. RC seconded. Meeting Adjourned at 10:04 am.