

MINUTES OF REGULAR MEETING

BLUE VALLEY METROPOLITAN DISTRICT

Zoom virtual meeting called to order at 7:00 pm on Monday, July 12, 2021. Board secretary Andrea Buller present. Board members present: Buck McNichols, Mark Nelson, Mike Stoveken, Jack Norton, and Tom Kellen. Board absent: None. Guests present: Kathy Walton, Mike Oros, Susie Bergman, Ann Findley, Todd Nelson, Mary Jo & Mike Roal, Tim Vermeer, and Ron Mentch.

Review and Approval of Minutes of Previous Meeting(s) – Buck moved to approve minutes from April regular meeting and May special meeting. Tom seconded. All in favor. Motion carried.

Water Operator – Matt not present at this meeting.

Electroshocking in river on BVMD property – requested by Ron Mentch & Todd Nelson – Ron had sent a letter to the board with his concerns regarding such. Buck asked if Ron had a chance to do any research and find out more about what happened. Ron stated he did find that the permit was initiated by Blue Valley Ranch but has not been able to personally see the permit. Ron has not spoken with Blue Valley Ranch, however on the day of the incident he did speak with Colorado Parks & Wildlife and they confirmed it was a permitted activity. Buck stated that it was done as a partnership with CU, CO Parks & Wildlife, and Blue Valley Ranch in an effort to gather more information on the fish and was a permitted activity which essentially had nothing to do with Blue Valley Metropolitan District. BVMD was given notice as a courtesy. Buck stated that he has spoken with all parties and believes they are doing what they can to try to make the fish habitat better.

Ron stated he laid out points in the letter that would refute that as well as they were on the BVMD property and does not believe they need to be on BVMD property to achieve their goal. Ron stated when he went down to observe, college kids were unsupervised and did not appear to be doing anything beneficial. Buck asked if he spoke with them in regard to that observation. Ron stated that he did not.

Mark and Buck stated that BVMD did not sign off on anything but rather had received a courtesy call from Blue Valley Ranch that they were going to be conducting this project. The District has no specific knowledge of a permit and did not sign off on one. Buck stated he does not believe it is in the best interest of the District to begin debating trespassing with neighboring owners. Buck stated that he is not a fish expert but believes that the state would step in and stop anything they do not believe is safe for the fish.

Jack stated that there is a group of owners within BVMD that are concerned about this and wants to know how they should proceed. Buck stated that they should do more research and get more data.

Ron asked how many times BVMD was notified. Buck stated once. Ron stated that this was the second time the shocking has been conducted recently. Ron stated he would love to see the permit and will continue to try to get more data.

Mike Oros stated he emailed Mr. Ewert and received information. The information he received indicates a conflict with what was conducted and what was permitted. Mike has requested more information but has yet to receive more information. Mike stated it was not permitted to be a total census and that was what was conducted.

Ron Mentch stated he was told there would be two more follow-up events which would be a total of four. Buck recommended contacting CO Parks & Wildlife and Blue Valley Ranch and expressing his concerns.

Mike Oros stated the Blue Valley Ranch phosphorus program does not benefit BVMD and believes compensation may be one feasible option. Buck stated that BVMD doesn't do any stocking. Mike stated that they are depleting our fish with no compensation due to the injuries from electroshocking.

Buck encouraged Ron Mentch to gather information. Ron stated he would be very interested in doing such. Buck stated that Brian at Blue Valley Ranch is who contacted him directly. Ron asked that if BVMD is on the permit, it would be reasonable that we should be allowed to view the permit. Buck stated that he would imagine the permit is public record. Ron stated he agreed but has been unable to attain a copy. Buck stated Ron should call Blue Valley Ranch to get Brian's contact information.

Todd Nelson stated that Ron needs to utilize the Freedom of Information Act to track down a copy of the permit.

Mike Oros stated that the study with CSU is a two-year study so believes this will negatively impact BVMD without replenishment.

Creation of River Committee – requested by Jack Norton – Jack stated that the electroshocking brings to light a need for a voice on behalf of BVMD with multiple issues coming down the line in the future that could impact the fishing. Jack stated that Ron Mentch has offered his expertise to do so and would like to see a committee formed. Buck stated that forming a committee is pretty simple; volunteers to serve, minutes of meetings, and a board representative to serve on the committee. Buck stated that if they have the people to do such, the board can make a decision and make it happen. Buck thinks it would be great to have a committee voice and encourages any involvement with the understanding there will be no monetary support. Mike asked if the scope would be wide enough to have it be a River committee rather than a Fishing committee. Buck asked if Ron was willing to chair such said committee addressing river and fishing health and Ron said yes. Buck moved that a committee be formed. Tom seconded. All in favor. Motion carried. Ron Mentch and Jack Norton will let us know what the committee's name will be and will give Andrea information to place on the website.

Grant Money from Federal Government Availability – requested by Todd Nelson – Todd stated he has a contact in Wyoming who asked Todd if the district had a plan or funding sourced. He stated the district needs to be looking for a way to fund it and believes there is a large amount of money coming out of Biden's administration available which his contact utilized by going to a state representative who sits on the appropriations committee. Todd thinks someone this week should contact Greg at DOLA to let them know we have an engineering project needing done and see if there is a grant or other available funds through DOLA or the USDA. Todd stated he believes the board needs to actively pursue this. Todd stated they give out grants two to four times a year and BVMD needs to have everything ready to be able to access these funds. Todd asked if JVA is alert to this. Buck stated that JVA does have the capability and it is part of what BVMD is working on with them. Todd asked if JVA is pursuing this right now as he believes they should be pursuing this right now. Buck stated that he agrees and it is worth a call to JVA. Buck stated he has a call with them later this week and will ask them. Buck stated he has Greg's number and will give him a call.

ARC –

- Todd stated originally had six houses in process but now only two due to COVID.
- Todd stated they did approve one garage that is steel but will be sided with approved siding and have no exposed steel except for the roof.
- Todd stated they still need someone who is computer savvy to be in charge of their website.
- Todd stated that the covenants really need to be updated and it will be a challenge.
- Buck asked if Todd had spoken with any of the folks trying to do a mother-in-law suite. Todd stated he did and they are building it according to our regulations. Todd stated he did notify a realtor of someone who was rumored to be planning to purchase and build a separate suite. Buck stated that Todd has the policy documents in hand and if someone chooses to violate it, we can disconnect water. Todd stated that if there is an issue, they will go to the county and put into place a stop order.
- Ann Findley expressed interest in serving on the ARC and is very computer savvy. Todd thanked her. Todd has her contact information. Todd asked the board to appoint a volunteer to the vacancy.
- Todd stated he has spoken with Maureen Keefe and has come up with a resolution to address her concerns. Andrea will forward the email from another individual with same concerns to Todd.

Water contract negotiations for 167 GCR 3810 – Out of district property with tap – Buck explained that the property has sold to Tim Vermeer and suggests we look at utilizing the contract we have with Todd Nelson for his out-of-district tap as a template for a contract with Tim Vermeer. Todd Nelson stated there is potentially three more lots looking to purchase a tap. Buck stated that when the water rate study is complete, BVMD can look at the rates for out-of-district taps at that time and handle via an amendment.

Buck stated that at the end of the day, this service agreement is important for both parties. Tim stated that the extraterritorial agreement would limit him and expose him to financial consequences. Buck stated that the current board does the best they can with the information they have. Buck stated the current board is working diligently to clean up everything that was handed down to them and working at moving forward with the best interest of the entire community and District in mind.

Todd Nelson stated they sold out of district taps to have more residual income for the board and help pay for repairs for anyone on that side of the highway. Todd stated he should have placed the funds from the tap sales in a separate fund for repairs. Todd believes the district needs to keep water on that side of the highway to help keep the water system funded.

Mike Roal stated he believes this whole thing has been self-serving for the prior board president and is very disappointed.

Buck stated he completely understand Tim's frustration and understands whatever route Tim needs to take. Buck stated that it is his recommendation that the board present an agreement, similar to the one in place for the other two properties, to the three other out-of-district properties. Tim expressed his concerns with the agreement. Buck stated we will have our attorney draft a cleaned-up version of the agreement and we will send it to Tim. Mark stated that compliance with the Augmentation Plan is essential and Tim can find a copy of it on the website.

Buck moved to draft a water service agreement, after having signed off by our general counsel, and submit to Tim Vermeer, Jill Frost, and Galloway, Inc. Andrea asked if needed to be sent to water attorneys for review also and Buck said no. All in favor. Motion carried.

Spring Road Project Update – Mark stated the road work is complete after they came back to touch up items that were less than acceptable. Mark stated that the potholes are extremely difficult to get rid of by filling them as they are so deep you cannot dig them all out as since the bottom of the holes exceed the bottom of the road base. Therefore, the potholes will reappear and will need touched up again in the fall. Mark said he spoke with them and they agreed to come by and touch it up in the fall. Buck stated that the invoice reflects the bid and that the board set aside money in the budget to pay for the touch up in the fall. Mark recommends for next year to consider using recycled asphalt paving rather than road base up through the mailbox road and see how it would hold up. Buck stated he would be all for finding an alternative for the mailbox road.

Engineering Project Update – Andrea worked with Raftelis to provide them with the rest of the information they need and Buck expects to hear something from them pretty quick. Buck stated we may end up needing to have a special meeting after we get the response from Raftelis.

Secretary's Report –

- A tap was sold on 6.18.21 on a conditional basis to Todd Nelson for Lot 2/Block 3 74 GCR 1018. BVMD will need to have a copy of the building permit within 6 months to consider tap sold.
 - a. Current Balance(s) as of 7/12/21 – Stand for Audit
 - i. UBB Checking = \$146,620.32
 - ii. UBB Savings = \$70,889.87
 - iii. COLO Trust = \$179,683.24
 - b. Paid Bills to Approve = \$22,990.33 – Mark moved to approve bills paid. Buck seconded. All in favor. Motion carried.
 - c. Electronic Payment Set-Up and Ready – positive feedback from residents. Ann Findley shared it was extremely simple and quick.
 - d. Insurance Coverage - letter from Agent – Andrea will send out a copy of the insurance letter through the mass email group as a courtesy to the owners.
 - e. Accounts to Certify with County (letters sent by 7/31 if any) – Andrea stated it does not appear as if any accounts will need to be certified as of this time. There are a couple past due accounts but Andrea hopes to have them rectified and not require certification.
 - f. Snow Plowing RFP (to be published in Sept for Oct meeting) – Mark will review and let Andrea know if any changes otherwise Andrea will publish same as last year.
 - g. Budget work to begin again in October – Mark will send Andrea numbers for consideration on Draft budget for asphalt work on mailbox road.

Public Address –

- Kathy Walton – 532 CR 101 construction does not have an active permit. She contacted the county and asked about a permit. The county told her he does not have an active permit. Kathy told her she has seen contractors there and gave that information to the county. Kathy stated the Grand County building inspector was there today tagging the house. Kathy stated the septic system is still on the right of way and she is concerned about that overflowing onto her property. Todd Nelson stated the septic issue is something ARC needs to address and will

require an official survey to confirm. Buck stated he did speak to owner regarding the culvert and transition to his driveway and was told a contractor would begin working on it. Buck stated Andrea needs to send him a letter demanding the culverts installed and transition to his driveway in compliance with county standard then inspected before November 1, 2021. Buck stated it is within our service agreement to potentially impose fines. Buck and Andrea will look at the service agreement and the options before generating the letter.

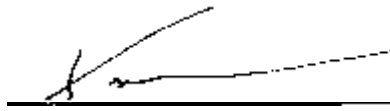
- Ron Mentch – asked when the rate study will be completed. Buck stated he will contact them at the end of the week. Ron asked when the board plans to implement a new rate schedule. Buck stated that as soon as the board has the information a special board meeting will be held.
- Todd Nelson wants the stop sign at intersection of 1014 & 1018 back in place. Todd would like the stop signs replaced at 1012 & 1018.
- Todd Nelson believes the landline number should be kept and forwarded to a board member.
- Todd Nelson doesn't like moving the public comment to the end of the meeting.
- Todd Nelson stated that when Bob was chairman, they traded things without money and were told by legal counsel that they cannot trade for any reason. Todd Nelson believes the two internet services should be paying rent and then BVMD paying for the services rather than trading services. Buck clarified that the internet proposal was sent to the board and discussed and wants to be clear that nothing was done inappropriately or secretly. Todd stated he was aware of that as he was on the call during that discussion.
- Todd Nelson believes the land exchange needs to be on the October agenda. He thinks the mailboxes should be moved to the public space and sale the current property being used for mailboxes to generate revenue.
- Todd Nelson stated the board needs to decide who to appoint to the ARC. Buck asked for recommendation. Todd said it is the board's elected duty to do it and doesn't care who it is. Buck stated that Ann Findley had volunteered and believes she would be a good fit if still willing and able. Buck moved to appoint Ann Findley to the ARC. Tom seconded. All in favor. Motion carried. Buck asked Todd as the chairman of the ARC to be in contact with Ann.

Buck moved to adjourn the meeting at 9:09 pm. All in favor. Meeting adjourned.

BLUE VALLEY METROPOLITAN DISTRICT



_____, Secretary



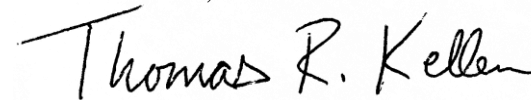
Buck McNichols, Chairman



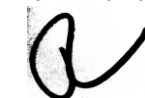
Mark Nelson, Vice Chairman



Mike Stoveken, Treasurer



Tom Kellen



Jack Norton