

SFTR METRO DISTRICT
BOARD OF DIRECTORS SPECIAL MEETING
REVIEW ELECTION DOCUMENTS
109 W. MAIN ST.
TRINIDAD, CO.
April 1, 2016 - 9:00 a.m.

Board of Directors: Robert L. Scott, Nancy Allred, John Noard, R.C. Ghormley, Rick Kinder

1) CALL TO ORDER- 8:57

2) PROOF OF NOTICE- : was given in 2 public areas within the district and 2 public areas outside the district per statutory requirements.

3) INTRODUCTION AND ROLL CALL- Present: Robert L Scott, Nancy Allred, R.C. Ghormley, Rick Kinder
Absent: John Noard – Guest: Lynn D. McCreight

4) DETERMINATION OF A QUORUM-Yes

SPECIAL BUSINESS

REVIEW ELECTION DOCUMENTS

Lynn confirmed that the Tabor notice needs to be in the mail today by 3:30 to be post marked today. The Notice of Election to Create Financial Obligation will be mailed on the 13th. The ballots will go out April 18th to all eligible voters.

Bob met with Pat Hrbacek from Spencer and Fane (our legal counsel). Bob explained that laypersons will find the ballot wording and dollar amounts confusing and asked about including an explanatory letter with the Tabor notice or mailing out separate letters. Counsel advised against doing so to avoid any appearance of advocacy. Bob asked about the numbers on the document and it was explained that, as a matter of course, and to prevent any possibility of having to re-open the whole process due to a cost overage, the lawyers generally use a multiplier for the ballots to cover the total amount that could be paid out over the life of the loan. The construction cost estimate has not changed, but it is possible that there may be unexpected costs associated with initiating and guaranteeing the loan. However, even including such costs, if they can't be negotiated down, the loan should not exceed 4.3 to 4.4 million. The total cost, including interest, is inflated and would have been safely stated at less, in the opinion of the Metro Board, regardless of what sort of financing arrangements are finalized. On the advice of counsel, the Board decided to leave the dollar amount as it is, since the ballot had previously been certified, rather than changing numbers part way through the process. The other troublesome wording was where the ballot said "District taxes shall be increased \$15,000,000 annually". This in no way means that debt will be increased annually since it actually decreases year to year. As the Board understands it, this is boilerplate language that means the debt will continue for more than a year. The fee assessed will be a onetime fee per lot to be paid in a lump sum or over the length of the loan. There will be no additional fees assessed year to year for the bridge financing.

Bob called Pat to clarify the meaning of all 3 ballot questions. .

Issue 1a: This question allows the Metropolitan District to incur the debt for the funds to complete the bridge project.

Issue 2a: If the Metro assessed Ad Valorem taxes, Issue 2a would exempt the Metro from Tabor's revenue limitations. Again this is boilerplate language. The Metro does not assess taxes.

Issue 3a: When the Metro assesses the property owners for their share of the incurred debt, any excess funds collected would be required to be paid back to the property owners per Tabor. This ballot issue would also exempt the Metro from Tabor's revenue limitations. This is again boilerplate language. **In reality**, all monies assessed to the property owners for the bridge financing debt will be applied to that debt. The Metro Board has no intention of collecting funds other than those necessary to pay back the loan for the bridge project. Therefore, no excess funds will be available to be paid back.

After a short discussion, RC moved to adjourn the meeting at 9:47, Nancy seconded. Motion passed.

**SFTR Metro District
Special Meeting Minutes
109 West Main St, Trinidad, CO
10:00 AM, 12 Oct. 2016**

**Robert L. Scott, President
Rick Kinder, Vice President
Nancy Allred, Secretary/Treasurer
John Noard
RC Ghormley**

- 1. CALL TO ORDER – Meeting called to order by Robert at 10:01 A.M.**
- 2. PROOF OF NOTICE - Given**
- 3. ROLL CALL – All present**
- 4. DETERMINATION OF QUORUM – Yes**
- 5. Special Guest – Donna Parker**
- 6. Approval of Minutes for the July 21, 2016 Special Meeting - Approved**

7. SPECIAL BUSINESS

A) Discussion of 2017 budget – Motion to appoint Donna Parker to prepare the 2017 budget made by Nancy. 2nd by RC, all in favor, motion passed

B) Nancy asked about the tiered water rates and if they should do away with them. Originally the tiers were thought to encourage people to conserve their usage. A motion to discontinue tiered water rates beginning January 1, 2017 made by Nancy. 2nd by RC, all in favor, motion passed

C) The Board discussed the proposed budget and agreed on minor revisions, to be reviewed and finalized at a meeting on Dec 1..

6. Other Business

- A) The Board discussed the problem we have with people failing to submit meter readings. Estimated readings cause problems in collection, as they skew the payment amounts. Discussion about sending a letter informing customers that the Metro will charge if we have to read the meters, but none of the Board members were excited about adding another duty to their list. Nancy volunteered to call the people who haven't been turning in readings.
- B) The Board discussed some minor bookkeeping discrepancies discovered by Donna and decided to write them off as bad debt.

8. Adjourn –

Motion to adjourn by Rick at 10:46, 2nd by Nancy. Motion passed.

**SFTR Metro District
Special Meeting Minutes
109 West Main St, Trinidad, CO
9:00 A.M, Dec. 1, 2016**

Robert L. Scott, President
Rick Kinder, Vice President
Nancy Allred, Secretary/Treasurer
John Noard
RC Ghormley

1. CALL TO ORDER – Meeting called to order by Rick at 9:06 A.M.

2. PROOF OF NOTICE - Given

3. ROLL CALL – Bob Scott absent. All others present. 2 guests present: Dave Grove & Abby Tamburelli

4. DETERMINATION OF QUORUM – Yes

5. SPECIAL BUSINESS

A) Discussion of 2017 budget – Nancy went over the budget. It was suggested by Dave Grove to change Capital Expenditure to Contingency on the budget. The 2017 beginning fund balance was changed to match the 2016 ending fund balance. No other changes were made. Nancy made a motion to accept changes and approve budget with new changes made. RC 2nd, all in favor, motion passed.

6. OTHER BUSINESS

A) RC made a motion to accept the minutes from the October 12th meeting. Nancy 2nd, all in favor, motion passed.

B) Rick informed the board that there was a state citation issued to the SFTR Metro District regarding TTHM AND HAA5 sample(s). The sample(s) were supposed to be collected between August 1, 2016 and August 31, 2016. Rick

stated that he sent the sample(s) in July. The results were acceptable to the state with the issue of being sent in too early. There are no fines or compliance problems. This matter has been taken care of and will be recorded on the June consumer report.

C) The board discussed the problem we have with people failing to pay their bridge loans and other Metro dues. Approximately a dozen Special Tax Liens will be filed immediately on those properties whose owners owe the most to the Metropolitan District. We will plan on meeting the December 10th deadline so that these lien amounts will be placed on the owners' property tax bill coming out in January/February. Nancy suggested to also be filing assessment liens on those properties whose owners have failed to pay the bridge loan assessment that was billed in September.

D) RC asked if he could spend a couple thousand for radio expenses. After review of the bank account balances, Nancy approved the spending. All in favor, motion passed.

7. Adjourn

Motion to adjourn by Nancy @ 9:45, 2nd by RC. Motion passed.