

**MINUTES OF THE REGULAR MEETING  
OF THE BOARD OF DIRECTORS  
OF THE WOODMEN HILLS METROPOLITAN DISTRICT**

**January 26, 2023**

**Attendance:**

**Board Members Present:** President Troy Stinson, Vice President Sherry Ringen, Secretary Neil Erickson, Director Jon Martin, and Treasurer Stacey Popovich.

**District Personnel Present:** Water Enterprise Director JD Shivvers, Wastewater Enterprise Director Wally Eaves, Parks & Rec Director Marcus Graves, Legal Counsel Blaire Dickhoner, and Director of Administration Carter Bullion.

**1. Call to Order**

Convene: Vice President Ringen calls the meeting to order at 5:36 PM.

**2. Roll Call**

Jon Martin, Stacey Popovich, Neil Erickson, and Sherry Ringen present. (Troy Stinson arrives subsequently.)

**3. Director Disclosures**

Disclosures have all been sent.

**4. President's Welcome and Remarks and Rules of Conduct**

Vice President Ringen welcomes everyone at the meeting. Neil Erickson leads Pledge of Allegiance.

**5. Approval/Disapproval of Agenda**

Motion: To approve agenda as written

Moved: Stacey Popovich moves

Second: Neil Erickson seconds

Discussion: None

Vote: Carried by unanimous vote

**6. Approval/Disapproval of Board Minutes**

Motion: To approve November and December minutes as written

Moved: Stacey Popovich moves

Second: Jon Martin seconds  
Discussion: None  
Vote: Carried by unanimous vote

### **7. Attorney's Report**

Legal Counsel Blaire Dickhoner gives an update on transition to new legal counsel.

### **8. Approval/Disapproval of Financials**

Carter Bullion gives a financials report for November month end.

Parks & Rec financials (Nov.):

Income: \$214,621 on a budget of \$227,716. Income was 94% to budget for the month and 97.98% YTD.

Expenditure: \$127,734 on a budget of \$216,169. Expenditures were 59% to budget and 84.5% YTD.

Net Ordinary Income: \$86,887 on a budget of \$11,407. Net Ordinary Income was 752% to budget, and 348% YTD.

Stacey Popovich asks why expenses were only 59% to budget. Carter explains low November costs being due to fewer seasonal activities, and it being a transition period in the district.

Water financials (Nov.):

Income: \$293,817 on a budget of \$351,636. Income was 83% to budget and YTD 117%

Expenditure: \$191,289 on a budget of \$227,949. Expenditures were 83% to budget and YTD 85%.

Net Ordinary Income: \$102,588 on a budget of \$123,686. Income was 82% to budget and YTD 176%

Revenue for water consumption in the winter months will be a lot less. Going into 2023 and beyond we will have historical data and use trend to set expectations.

Wastewater financials (Nov.)

Income: \$272,338 on a budget of 342,267, 79% to budget, 102% YTD

Expenditure: \$215,527 on a budget of \$247,087, 87% to budget, 97% YTD

Net Ordinary Income: \$56,811 on a budget of \$95,180, 59% to budget, 114% YTD

When the budget was originally done we expected to see \$62,500 in tap fees, only saw a little under half of that. That's something that's hard to predict with historical data because we can't predict when a builder will come.

#### Totals (Nov.)

Total Revenue: \$785,744 on a budget of \$921,621. 85% to budget for the month and 107% YTD.

Expenditure: \$534,917 on a budget of \$691,206. 77% to budget for the month and 82% YTD.

Net Income: \$250,826 on a budget of \$230,414. 108% to budget for the month and 181% YTD.

Overall while there was some revenue lost each enterprise did a really good job managing expenses in November.

#### Parks & Rec financials (Dec.):

Income: \$229,101 on a budget of \$227,716. Income was 100% to budget for the month and 98% YTD.

Expenditure: \$189,402 on a budget of \$216,169. Expenditures were 87% to budget and 84% YTD.

Net Ordinary Income: \$39,698 on a budget of \$11,547. Net Ordinary Income was 343% to budget, and 349% YTD.

Did a good job keeping expenses down and revenue up. We're in good control of that enterprise. All profits are reinvested back into the district.

#### Water financials (Dec.):

Income: \$540,682 on a budget of \$351,636. Income was 153% to budget and YTD 120%

Received water acquisition fees from Challenger. Director Martin explains that Challenger was not paying a fee that WHMD was owed. Director Martin asks Carter Bullion how the district can better enforce fees. Carter explains that we have a variety of options. WHMD had to halt operations before being paid the fees they were owed.

Net Ordinary Income: \$274,203 on a budget of \$123,686. 221% to budget for the month, 180% YTD

#### Wastewater financials (Dec.)

Income: \$306,715 on a budget of 342,267, 89% to budget, 101% YTD

Expenditure: \$357,214 on a budget of \$247,087, 144% to budget, 101% YTD

Net Ordinary Income: \$-50,498 on a budget of \$95,180, 100% YTD

Wally Eaves explains unexpected major expenditures in December.

Totals (Dec.)

Total Revenue: \$1,081,881 on a budget of \$921,621. 117% to budget for the month and 108% YTD.

Expenditure: \$816,279 on a budget of \$691,206. 118% to budget for the month and 85% YTD.

Net Income: \$265,602 on a budget of \$230,414. 115% to budget for the month and 175% YTD.

Saw more growth than expected which led to higher revenue which helped to offset unexpected expenses. We are in a very strong financial position in the district. Stacey Popovich asks if we have a maintenance schedule for the enterprises. The board and enterprise directors discuss the challenges and methods to track that type of expense.

Motion: To approve November and December financials

Moved: Stacey Popovich moves

Second: Neil Erickson seconds

Discussion: None

Vote: Carried by unanimous vote

#### **9. Consider Approval of 2023 Annual Administrative Resolution**

Blaire Dickhoner presents resolution which sets forth administrative items that may be done throughout the year and who is responsible for them. Includes details such as audit schedules, regular meetings schedules, who the board members are, where meeting times are posted, etc.

Motion: To approve 2023 Annual Administrative Resolution

Moved: Sherry Ringen moves

Second: Stacey Popovich seconds

Discussion: None

Vote: Carried by unanimous vote

#### **10. Consider Approval Resolution of the Board of Directors Designating the District's 24-hour Posting Location**

Blaire Dickhoner presents resolution which designates the website as the location for 24 hour meeting posting.

Motion: To approve Resolution 2023-01-26-2

Moved: Stacey Popovich moves

Second: Jon Martin seconds

Discussion: None

Vote: Carried by unanimous vote

### **11. Ratification of engagement letter for White, Bear, Ankele, Tanaka & Waldron as General Counsel to the District**

President Stinson and Blaire Dickhoner present the new general counsel for WHMD.

Motion: To change general counsel from Bendelow to White, Bear, Ankele, Tanaka & Waldron.

Moved: Troy Stinson moves

Second: Jon Martin seconds

Discussion: None

Vote: Carried by unanimous vote

### **12. Consider Resolution to Reduce 2023 Rates**

Carter Bullion gives presentation regarding independent 2023 rate studies and their recommendations. President Stinson explains that the issue should be moved to other business to discuss Paintbrush arbitration before the vote.

Motion: To amend the agenda to move item 12 into other business and item 17a into executive session.

Moved: Troy Stinson moves

Second: Neil Erickson seconds

Discussion: None

Vote: Carried by unanimous vote

### **13. Summary Overview: Parks and Recreation Report**

Marcus Graves gives an update on fire alarms and fire protection, gym floors & walls, Balcon Park lighting, weather conditions impact on the district, Pool Disinfectant, and Rec Center East Maintenance Closure.

### **14. Summary Overview: Water Report**

JD Shivvers gives an update on LFH1 well repairs, a recent multi car crash that hit Fire Hydrant P3-24, LFH Well 6 failure, LFH Well 3 power surge, New Backwash tank arrival, meter installment (thank you from water operations for making appointments to complete meter program in a timely manner), and water quality results came back positive.

### **15. Summary Overview: Wastewater Report**

Wally Eaves gives an update. Waiting on an electrical plan approval from RBD to continue headworks project. Discusses 125 hp motor for blower 3, diesel trailer pump, 2.4hp mixers survey company staking 105 acres, D49 reimbursement agreement, Negotiations regarding Golf Course water IGA, DHI sewer service, Meridian Lift Station, and CapEx project.

### **16. Items Unfinished from Previous Meeting**

Follow up on a couple of Parks & Rec issues and how they were resolved.

### **17. Board Follow-Up on Older Items**

None

### **18. Public Comment Regarding Current Board Business Not on the Agenda**

No public comments

### **19. Executive Session for determining positions relative to matters that may be subject to negotiations, CRS 24-6-402(4)(e), namely the Paint Brush Hills Metro District arbitration review, a sewer connection issue, potential agreements/contracts for Grandview, golf course water and D49 reimbursement, and a potential future inclusion.**

Motion: To move into executive session

Moved: Troy Stinson moves

Second: Stacey Popovich seconds

Discussion: None

Vote: Carried by unanimous vote

### **20. Other Business**

President Stinson discusses mediation and arbitration with Paintbrush Hills. The arbiter ruled that the capital development costs that were included in their monthly bill from 2014 to November of 2022 would be awarded as damages and could not be collected by Woodmen Hills. Arbitration was necessary because the district needed clarification on the IGA from 2011.

Motion: To approve resolution 2023-01-26-03 regarding district charges and fees.

Moved: Jon Martin moves

Second: Sherry Ringen seconds

Discussion: None

Vote: Carried by unanimous vote

President Stinson says he will entertain a motion to add resolution 2023-01-26-03 to amend the rate for Paintbrush hills for December 2022 per the results of the arbitration.

Motion: To approve resolution 2023-01-26-03 regarding district charges and fees.

Moved: Sherry Ringen moves

Second: Neil Erickson Seconds

Discussion: None

Vote: Carried by unanimous vote

President Stinson gives an election update: 2 board seats will be open. Self-nomination forms are available at the office and on the website.

## **21. Adjournment**

Motion: To adjourn

Moved: Jon Martin moves

Second: Stacey Popovich seconds

Discussion: None

Vote: Carried by unanimous vote