

DURANGO WEST METROPOLITAN DISTRICT No. 1
BOARD OF DIRECTORS
REGULAR MEETING December 4, 2024

Call to Order: Meeting called to order by Melissa at 6:33pm, 2nd by Jeanne.

Board Present: Melissa Schneider, Tom Phelps, Jeanne Matthews, Jordan Groetken, Joel Peterson.

Staff/Reps Present: Janet Anderson, Brian Davies, Kathy Phelps, Mike Roussin.

No visitors were present.

Minutes: October 8 and November 20 minutes were approved by motion from Tom, 2nd by Melissa. Joel Peterson abstained on October 8 approval due to his absence that meeting.

Heavy Equipment: Janet and Brian shared information on equipment because several 0% financing packages have been presented to Janet over the past couple of months. Janet established a relationship with the Case dealer in 2011 when the District purchased a 1994 backhoe from them. A long-term employee at Case knows the District is always interested in looking at options and has a continual need for equipment. Prior boards have continually moved the District to doing more operations and repairs in-house because they believe it is the most economical; however, there are also high costs to setting up and maintaining in-house personnel and equipment. Using outside contractors to plow can easily cost \$75,000 for just one season. It has proven to be cheaper to plow in house, especially in larger years. In less than average years, it would probably cost less to use an outside contractor but Durango struggles in general with having enough laborers and quality construction companies. The District is small but is a difficult subdivision to plow due to congestion and too many vehicles, trailers, campers, etc. The biggest negative of contracting out is that even the best will be slower to respond and having services on site provides the best service. Building familiarity with residents, properties, drainage, melting patterns all comes into play and makes a huge difference in residents' satisfaction., which is the general idea and goal of what the board and staff want to accomplish. With this in mind, investing in new equipment is necessary if we continue to offer in house services.

The board decided because major road work is needed in the near future, staff should keep options open but advised prices are not going to substantially change in the next few months and Brian should in the meanwhile seriously start driving different test equipment and continuing to research. They are open to looking at purchasing but don't think anything needs to be decided this season.

The board confirmed rental equipment is secured and available, and is scheduled to be delivered; Brian confirmed it should arrive on December 15. The board approved travel expenses for Brian if necessary to assess equipment and agrees some investment towards becoming much more knowledgeable about equipment in general is wise and will result in the most economical eventual purchase.

The board decided no purchase decisions should be contemplated at this time since a rental has been secured to be delivered on December 15, which will cover the District for this season's plowing. The board agreed it was time to seriously shop and look at all options. Janet advised the board annual costs for renting are approximately \$15,000 and this is now approaching annual payment outlay if the District could find something at a very low rate or no interest.

Infrastructure Bond: Janet reported an engineer had been hired to perform initial assessments for recommended repairs. She was able to find an individual P.E. which should suffice and will save money since none of the road work needs extensive engineering. Most competent asphalt companies are capable of performing the work but quality control is critical and it's critical that professional specs are used and adhered to. Many curbs are separating and the roads are beginning to show much higher signs of failure. Once the larger cracks and separations become evident to the naked eye, damages tend to escalate quickly. Historical experience and unofficial observations from road construction company owners agree with advisal several roads will begin deeper damages within the next 2-4 years. Because a road repair assessment is in process, it may be feasible to include equipment purchases in a bond package, but perhaps equipment could be financed with an earlier payoff because the road bonds will need to be issued for the maximum time to remain affordable.

Water Tank: The only water tank that services the District was assessed and interior welding and spot painting repairs were performed a few years ago. It was estimated a completely new lining would be needed within 5 years and we are very close to that point if not already reached. Cost estimates have ranged from \$175,000 to \$240,000. Given high inflation rates since COVID, Janet is estimating at least \$250,000 should be secured in funding to perform full repairs to keep the water tank in good shape. Failure to do this major maintenance is not optional since new or gently used tanks would far exceed repairs and a new **tank** replacement could be close to one million dollars. The District has reached a point where an infrastructure bond is necessary. The assets of the District must be maintained in order to keep property values stable and to meet service obligations.

Playground: The small children's playground primary piece of equipment at the entrance was approved to be replaced. The last piece lasted for many years but the replacement installed a few years ago is not wearing well. Investing in a higher quality commercially designed play area would be very popular with residents as we see the area is used extensively and positive comments are

regularly made about having the play area. Other improvements of individual pieces have held up fine so far.

Year End Resolutions Adopted:

Budget: The rest of the meeting was spent reviewing budget line items and preparing to approve the final budget. Joel motioned to adopt resolution #16-2024 to adopt the budget for 2025 calendar year, and to adopt the appropriation of funds resolution, 2nd by Tom, unanimously approved.

Annual Meetings: Tom motioned to adopt Resolution #19-2024 setting regular meeting dates, times and locations. The District will meet the 4th Wednesday January through September then switch to the 2nd Wednesday for October November and December, Joel 2nd, unanimous approval.

Election 2025: Jeanne motioned to adopt Resolution #17-2024 to authorize and assign a Designated Election Official for the May 6, 2025 election, 2nd by Joel, unanimous approval.

Line of Credit: The board again unanimously approved Resolution #12-2024, renewing the District's line of credit for the 2025 calendar year motioned by Joel, 2nd by Jeanne.

Adjournment: The meeting was adjourned by motion from Tom, 2nd by Jeanne, at approximately 7:50pm.

M. Schneider
1/22/25