

**MINUTES
OF THE BOARD OF DIRECTORS FOR
FOREST LAKES METROPOLITAN DISTRICT (FLMD)
May 10, 2022**

CALL TO ORDER

The regular meeting of the Board of Directors for Forest Lakes Metropolitan District was held on May 10, 2022, at 7:06 p.m. teleconferencing via Zoom.

BOARD OF DIRECTORS ROLL CALL

Roll call was taken by Director Rushfeldt. FLMD Board members and representatives present were:

Charissa Hannigan, Director - Present	Robin Kissell, Director - Present
Mark Rushfeldt, Director - Present	Derrick Martin, Vice President –Absent
Corey Griffis, Director – Present	

Forest Lakes Metropolitan District employees present were:

Bruce Barrette, District Manager
Jamie Echeverri, Office Manager / Board Secretary
Trevor Most, Operations & Maintenance Supervisor

Approximately 13 people, including FLMD Board Members and District employees attended.

APPROVAL OF AGENDA

It was moved to approve the May 10, 2022, agenda. The motion was seconded and unanimously approved.

APPROVAL OF PREVIOUS MINUTES

There were no corrections, additions, or deletions to the minutes of the regular Board meeting held on April 12, 2022, it was moved to approve the minutes. The motion was seconded and unanimously approved.

SPECIAL BUSINESS

- A.** Budget Committee (Mark Rushfeldt, Charissa Hannigan) No Updates
- B.** Recreation Committee (Derrick Martin) No Updates
- C.** Personnel Committee Mark Rushfeldt, Jamie Echeverri and Bruce Barrette interview with attorneys to be discussed later in the meeting.

PUBLIC COMMENTS:

MANAGEMENT REPORTS:

Managers' Report May 10, 2022

Election – As I'm sure everyone is aware the held an election for two positions. We two new Board member! Jamie will fill you in on all the details in here report.

I would like to point out that Jamie as Board Secretary conducted the election, and it went flawless. Jamie was assisted by Shauna worked a 16 - 18-hour day on election day. Thank you! Job well done.

District Office – The district received its final inspection from the County. The building is officially complete. The contractor has been paid in full and the loan was executed for \$347,000 at a rate of 3.49; the monthly payment is \$1,744.86; This is a 30 fixed loan maturing 4-28-2047.

Snowbird Court – FLMD crews have started Snowbird Court water and sewer installation. As with any construction project there have been a few problems, but the crew has overcome them. Trever will provide detail on the project.

Sanitary Survey Inspection – We received the official notification letter from our inspection. As I mentioned last month, we had a few minor violations (the mesh on the screen was to large). We were notified that one violation was upgraded. That violation was a silicone seal on the top of the tank was not touching the hatch, thereby leaving a small gap. We will be required to notify everyone receiving water from us of the violation. There are two things to mention on this: at no time was the drinking water out of compliance and all the violations have already been fixed.

Weeds – In the past two weeks our weed contractor has been spraying for weeds and noxious weeds. The spraying will continue during the spring.

Emergency Generator Project – We received the initial design from Brown's Hill. The District Engineer, Rick Johnson is reviewing the design and conferring with Brown's Hill on suggested modifications.

Solar Project – The Solar company has been put on hold until we get the final emergency generator design finalized. I'm anticipating a final design near the end of the month.

Radios – We haven't had two-way radios for some time. There was a problem with the frequencies. We were stepping on the fire departments frequency. All the radios were

reprogrammed to be identical and, on our FCC, approved frequencies. We also discovered that the repeater was not working. The repeater needed a new power supply. With the repeater working we now have seven packsets (handheld) and two trucks with radios. We have one with Shauna, and I have one and the maintenance crew have radios. We now have coverage throughout the district. We still have access to the Fire Department primary channel in the event of an emergency.

Bennett-Myers Ditch – We have had a delay in providing water in the Ditch due a few misunderstandings and the need for some repair on the Ditch. Staff has been in contact with the members of the Ditch company and explained the delay. We plan on adding days near the end of the season to make up for lost days at the beginning.

Office Staff

We mailed out and processed payments for apx 1000 utility bills, we currently have 353 resident's setup for eBill and 30 residents setup for bank draft.

Shawna sent out 21 shut off notices and was able to collect on all

Processed 24 Property Sales

7 Intent to Lien and collect on 5

Sent out 55 Friendly Reminders

Caselle Implementation –

Shawna is gathering quotes for new utility billing (4 cards to a sheet) and corresponding with Basin Printing to see what the printing cost would be.

I am working on ordering new 2 ply checks instead of our current 3 ply

We are having Daily correspond with Caselle and weekly meetings with Invoice Cloud

Pre-live Demo training will take place July 11-15

Going live in August

2021 Audit-

I have been in contact with Hinton Burton, and they are still working on our audit and should be complete by end of the month.

Election-

Thank you to Shawna, our Judges, Canvass Board and to all who took the time out of their day to come and vote.

We had 127 votes casted

<u>Guinn Unger</u>	<u>55</u>
<u>Daniel Dvojack</u>	<u>12</u>
<u>Steven Dexel</u>	<u>34</u>
<u>Robin Kissell</u>	<u>82</u>
<u>Corey Griffis</u>	<u>65</u>

Spent apx \$1340.00

Misc. –

Updated the website by adding a Tab for Road Maintenance and did some necessary clean up

All Board Members please stop by the office to sign Bank signature cards, everyone needs to sign each time there are any changes, like added new board members.

Closed bank account with 1st SW Bank depositing the money into Op account

Collected funds from the CD and transferred the full amount back into Colorado Trust.

O&M Activities

- **Spring checklist**
- **Cut and hauled off trees**
- **Continued maintenance on equipment**
- **Cleaning out culverts**
- **Cleaned headgate for Bennett-Myers ditch**
- **Fixed sewer on San Moritz and Alpine**
- **Road maintenance**
- **Meetings with solar and Irrigation**
- **Burn slash**
- **Started work on Snowbird Court for mainline ext.**

Status of Vehicle Fleet

Equipment	Total Number	Status
Staff Pick-Up Trucks	3	Operational 3
Dump Trucks	3	Operational 3
Grader	1	Operational 1
Steel Drum Roller	1	Operational 1
Water Truck	1	Operational 1
Lig Truck	1	Operational 1
Backhoe	1	Operational 1
Skid Steer	1	Operational 1
Plow Trucks	5	Operational 3
Vac-Trailer	1	Operational 1
Loader	1	Operational 1
Air Curtain Burner	1	Operational 1
Generator	1	Operational 1

Safety Incidences (Previous Month)

Month	# Of Incidences	Status
January 2022	0	No Incidences
February 2022	0	No Incidences.
March 2022	0	No Incidences.
April 2022	0	No Incidences.
May 2022	N/A	No Incidences.
June 2022	N/A	No Incidences.
July 2022	N/A	No Incidences.
August 2022	N/A	No Incidences.
September 2022	N/A	No Incidences.
October 2022	N/A	No Incidences.
November 2022	N/A	No Incidences.
December 2022	N/A	No Incidences.

STAFF REPORT

May 10, 2022

Subject: Legal Services Contract

Background: Geoff Craig the District's current attorney had previously indicated his intent to retire. District staff along with Attorney Craig work together to develop a list of possible candidates to be the next Attorney for Forest Lakes Metro District.

Five potential replacements for Attorney Craig were identified. All five were contacted by telephone, some several times. Staff receive three responses to our inquiries; two never responded. The District Manager conducted preliminary interview with the three potential candidates to get a basic understanding of their qualifications and fit for the District. All three were deemed qualified.

At the April 2022 Board Meeting, the selection process was discussed, it was decided to for a subcommittee to conduct the final interviews. The interviews proved difficult to coordinated because of individual time constraints. The committee interviewed two candidates as one opted not to move forward in the process. After the interviews, the committee felt that Paul Kosnik was the best fit for Forest Lakes.

Recommendation: The Committee recommends approving the contract with Paul Kosnik as the Forest Lakes Metropolitan District Attorney.

CONTRACT FOR ATTORNEY SERVICES

This Contract For Attorney Services (the “Contract”) is entered into between the Forest Lakes Metropolitan District (“District”) and the law firm Eggleston Kosnik, LLC (“Attorney”) (collectively referred to as “the Parties”) is as follows:

WITNESSETH:

WHEREAS, the District is in need of an attorney; and

WHEREAS, Paul Kosnik is a duly licensed attorney in the State of Colorado, and Paul Kosnik and Eggleston Kosnik LLC is willing and able to serve as attorney for the District;

THEREFORE, in consideration of the mutual covenants hereinafter contained, the parties hereby agree as follows:

1. Appointment. The District hereby appoints the Attorney as attorney for the Forest Lakes Metropolitan District and the Attorney hereby accepts the position of attorney for the District. It is understood that the work of the Attorney will be performed by Paul Kosnik or others in the firm designated by him, but that Paul Kosnik shall be principally responsible to the District’s Board (the “Board”) for that work.

2. Term. The services to be performed by the Attorney shall begin upon full execution of this Contract and shall terminate upon resignation or removal of the Attorney. This Contract does not represent a multi-year fiscal obligation by the District as services may be terminated at any time if funds are not available or not appropriated for these services, except that invoices for all services performed prior to full execution of a Contract between the Board and a different attorney for the attorney shall be paid within thirty (30) days.

3. Removal or Resignation. Attorney shall serve at the pleasure of the Board and may be removed from the position of attorney at any time by affirmative vote of a majority of the members of the Board, the removal to take effect upon written notice to the Attorney. Attorney expressly waives any rights to a charge in writing or an opportunity for a hearing prior to removal. Attorney shall be automatically removed from the position upon the full execution of a contract between the Board and a different attorney for the services contemplated herein. Attorney may voluntarily resign as Attorney by providing at least thirty (30) days advance written notice to the Board, unless a shorter notice period is agreed to by the Board.

4. Services. The Attorney shall perform all duties of the attorney for Forest Lakes Metropolitan District as requested by the Board or by such District officers or employees as designated by the Board.

5. Compensation. The District agrees to pay the Attorney for all services under this Contract at the rate of \$225 per hour for Mr. Kosnik and \$75 to \$100 per hour for paralegals. Fees and expenses for travel to and from Forest Lakes shall be billed at .4 hour of attorney time, with no additional charge for mileage and copies will not be billed to the District, but charges for extraordinary postage for copies in litigation, serving public notice, or administrative fees (i.e. court filing fees and publication costs) shall be billed to the District. Bills will typically be delivered by the Attorney electronically or via United States Postal Services, unless the District directs otherwise.

The Attorney agrees to bill the District monthly, indicating the services performed, the time expended thereon, and the dates of service. The District agrees to pay the Attorney within thirty (30) days of receiving an invoice.

6. Insurance. Attorney shall maintain in full force and effect through the term of this Contract the following types of insurance in at least the limits specified:

Coverage	Minimum Limits of Liability
Workmen's Compensation	Statutory
Professional Liability	\$2,000,000

All insurance shall be issued by insurers authorized to do business within the State of Colorado. Prior to the commencement of work, the Licensee shall furnish the District with certificates of insurance or other satisfactory evidence that such insurance has been acquired and is in full force and effect. Said policies shall not thereafter be canceled, permitted to expire, or permitted to expire without (30) days advance written notice to the District. In the case of any claims-made policy, the necessary retroactive date(s) and extended reporting period(s) shall be procured to maintain continuous coverage for services under this Contract.

7. Conflicts. Unless otherwise agreed by the District, Attorney shall not accept work on behalf of any client that will create a conflict or the potential for a conflict with the District.

8. Compliance with Applicable Laws. The laws of the State of Colorado shall govern the validity, construction, interpretation, and effect of any Contract entered into. The Attorney shall comply with all applicable Federal, State, and local laws and regulations pertaining to the proper provision of services pursuant to this Contract.

9. Outside Legal Counsel. The District may employ, at the District's expense, outside the terms of this Contract, other legal counsel determined to be necessary by the District Board.

10. Amendment. Any amendment to this Contract shall be in writing and agreed to by the Parties.

11. File Retention. The Attorney shall retain files for a period of six months from the completion of a matter unless there is an on-going court retained jurisdiction or the Attorney is required to retain files for a longer period under statute or rule. The District may request copies of the files at any time and may have the files at the end of the retention period.

12. Independent Contractor.

a. The Attorney shall perform services as an independent contractor to the District and shall not be deemed by virtue of this Contract to have entered into any partnership, joint venture, employer/employee or other relationship with the Town other than as a contracting party and independent contractor.

b. The Attorney shall be solely responsible for all compensation, benefits, insurance and employment related rights of any person with the Attorney firm providing the services here under during the course of or arising or accruing as a result of any Attorney firm employment, whether past or present, as well as all legal costs including attorney's fees incurred in the defense of any conflict or legal

action resulting from such Attorney firm employment. The following disclosure is provided in accordance with Colorado law:

ATTORNEY ACKNOWLEDGES THAT NEITHER IT NOR ITS AGENTS OR EMPLOYEES ARE ENTITLED TO UNEMPLOYMENT INSURANCE BENEFITS UNLESS ATTORNEY OR SOME ENTITY OTHER THAN THE DISTRICT PROVIDES SUCH BENEFITS. ATTORNEY FURTHER ACKNOWLEDGES THAT NEITHER IT NOR ITS AGENTS OR EMPLOYEES ARE ENTITLED TO WORKERS' COMPENSATION BENEFITS. ATTORNEY ALSO ACKNOWLEDGES THAT IT IS OBLIGATED TO PAY FEDERAL AND STATE INCOME TAX ON ANY MONEYS EARNED OR PAID PURSUANT TO THIS CONTRACT.

IN WITNESS WHEREOF, the parties hereto have executed this Contract on the dates shown.

Eggleston Kosnik, LLC

Forest Lakes Metropolitan District

By: Paul Kosnik
Its: Member
Date:

By:
Its:
Date:

Forest Lakes Metropolitan District Expenses by Vendor Summary

April 13 through May 6, 2022

Apr 13 - May 6, 22

1st Southwest Bank	2,950.00
Amazon	317.46
Ballentine Communications, Inc.	25.35
Basin Coop	5,917.23
CEBT	17,386.80
Colorado Special Districts Property/Liab.	113.75
Colorado Title & Closing Services	7,930.84
Community Banks of Colorado	27.00
Desert Mountain Corp.	17,839.67
Digitcom Electronics	1,486.75
Dorian Romero	68.40
Durango NAPA Auto	97.74
Elizabeth Collins	135.48
Fusion Enterprises	2,360.00
GFL	7,277.99
Honnen Equipment	1,932.69
HOTTER CONSTRUCTION INC	67,075.14
INNOVATE IT	1,257.37
John Deere Financial	9,652.83
La Plata Electric Association, Inc.	8,183.43
Laura Steen	116.35
Lewis True Value	81.97
McKnight Towing	250.00
Personnel Safety Enterprises, Inc.	487.99
Pinnacle Surveying, Inc.	710.00
SAM'S	31.96
Solid Plumbing & Heating	565.00
Southwest Ag., Inc.	459.92
U.S. Postmaster	220.43
USA Blue Book	956.89
TOTAL	<u><u>155,916.43</u></u>

FINANCIAL

PROPERTY TAX COLLECTION YTD As of this Agenda preparation date we have not received our May property tax disbursement.

WATER PUMPING (See Exhibit B) – In April, we pumped about 4.074 million gallons of water between the 4 wells. This is up from 3.958 in March but in-line from previous years.

2022 BUDGET INCOME/EXPENSE REPORT January 1, 2022 – May 6, 2022

General Fund - Revenues \$ 343,733, Expenses \$ 390,257 -Net \$ -46,524

Water Fund - Revenues \$ 261,791, Expenses \$ 288,611 – Net \$ -26,820

Sewer Fund - Revenues at \$211,274, Expenses \$ 219,471 - \$ -8,197

OVERALL - Revenues \$816,799, Expenses \$ 899,680

Net Income/Expense \$- 81,541

Cash in the Bank \$1,262,443

UNFINISHED BUSINESS:

A. In-person meetings-Update:

District Manager Barrette contacted the Town of Bayfield, unfortunately every Tuesday has already been reserved for meetings.

Director Rushfeldt let's vote on this. I don't want to keep kicking the can down the road. Last month a resident stated they would not want to travel to Bayfield for Board Meetings.

Director Griffis prefers in- person meetings. Why can't we use the community/rec center?

Director Rushfeldt, the community/rec center requires some upgrades which will need to be address before we can have meetings there. Board Members can always meet at the new office, unfortunately the new office conference room is small so there isn't enough room for the public to attend in-person.

District Manager Barrette offered to look into what devices would be needed to hold zoom meetings from the new office conference room.

Director Griffis feels we would have better attendance if we could meet in person within the district.

Director Hannigan has kept an on-going record of who attends board meetings. The numbers don't change, it's always the same people. We had people running for the board who never attend our board meetings.

Director Kissell agrees with Director Hannigan's statement regarding attendance. Zoom is a wonderful thing until we can get the rec center repaired if that's possible.

Director Hannigan suggested that we leave all residents in zoom waiting until the designated time the Board Meetings are set to start. This will allow members a few minutes to touch base before the meeting. (no voting will take place until meeting is open to the public)

Secretary Echeverri will email the board a copy of DNA estimate for rec center repairs to review and add to next month's Agenda.

- B. Sign for new District office – Update**
District Manager Barrette had nothing to report at this time. We are considering a solar reader board. There has been discussion on where to place the new sign where all can easily view it.
- C. Verizon Cell Tower – Update**
District Manager Barrette reviewed Verizon website and gave them a call but was unsuccessful at obtaining any information from Verizon employees.
- D. Frisbee Golf in Common Area – Discuss and provide direction to staff: Nothing to discuss.**
- E. Director Hannigan inquired about last months unfinished business regarding the road width at the new office and whether that has been finished?**

District Manager Bruce Barrette, No but our guys will widen the road as needed.

NEW BUSINESS:

- A. Introduction of new Board Members:** Robin Kissell and Corey Griffis
- B. Selection of President for the Forest Lakes Metropolitan District:** Mark Rushfeldt
The motion was seconded and was unanimously approved.
- C. Selection of Vice President for the Forest Lakes Metropolitan District:** Derrick Martin
The motion was seconded and was unanimously approved.
- D. Selection of Treasurer for the Forest Lakes Metropolitan District:** Corey Griffis
The motion was seconded and was unanimously approved.
- E. Selection of Budget Committee Members:** Corey Griffis, Charissa Hannigan
The motion was seconded and was unanimously approved.
- F. Selection of Recreation Committee Members:** Derrick Martin, Robin Kissell
The motion was seconded and was unanimously approved.
- G. Selection of Personnel Committee Members:** Mark Rushfeldt, Robin Kissell
The motion was seconded and was unanimously approved.
- H. Contract for attorney services with Paul Kosnik – Staff Report attached.**
The motion was seconded and was unanimously approved.

RESOLUTIONS: None

APPROVAL OF DISBURSEMENTS:

The Board considered the bills of the district for payment. Move to approve the bills subject to review at time of signing A motion was made to approve bills for disbursement of \$155,916.43 The motion was seconded and was unanimously approved.

ADJOURNMENT:

There being no further business, the Board of Directors meeting was adjourned at 8:37 p.m. A motion was made to adjourn the Forest Lakes Metropolitan District Board of Directors meeting. The motion was seconded and was unanimously approved.



Jamie Echeverri
Board of Directors of the Forest Lakes Metropolitan
District Secretary