
RECORD OF PROCEEDINGS

Minutes of the Regular Meeting Of the Board of Directors Two Rivers Metropolitan District June 14, 2022

A Regular Meeting of the Board of Directors of the Two Rivers Metropolitan District, Eagle County, Colorado, was held on June 14, 2022 at 2:00 p.m. via an online Zoom meeting, in accordance with the applicable statutes of the State of Colorado.

Attendance The following Directors were present and acting:

- Mike Pearson
- KJ McEvoy
- Esgar Acosta
- Mark Zbrzezni

The following Directors were absent and excused:

Also in attendance:

- Tony Zancanella, Zancanella & Associates, Inc.
- Ben Gerdes,
- Ken Marchetti, Marchetti & Weaver, LLC
- Craig Plizga, Community Operations Manager
- Kendra Nicholson, Marchetti & Weaver, LLC, Recording Secretary for the meeting

Call To Order

The Regular Meeting of the Board of Directors of Two Rivers Metropolitan District was called to order by Director Pearson on June 14, 2022 at 2:05 p.m. noting a quorum was present.

Conflicts of Interest

Chairman Pearson is the managing Partner and partial owner of 2 Rivers Development, LLC ("**2 Rivers Development**"), which owns a portion of land which is less than 20% of the territory of the District. Additionally, he is the sole owner of Mountain Commercial Advisors, LLC also known as NAI Mountain Commercial ("**Mountain Commercial**") and together with 2 Rivers Development, the "**Companies**", which employ Directors McEvoy and Zbrzezni.

Additionally, Director Pearson is the sole owner of Fortius Capital, LLC ("**Fortius Capital**"), and the sole owner and manager of North Lot and 116, LLC ("**North Lot**" and together with 2 Rivers Development and Fortius Capital, the "**Companies**").

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Changes to the Agenda

There were no additions to the agenda.

Public Input Ben Gerdes: County has been working with the mobile home park in Dotsero. Issue is the water and sewer to that facility. Would like to see what it would take to connect to the Two Rivers plants. Tony: Ben would like to find out the existing capacity of the water and sewer plants to see if it's feasible. Mike: Would need to understand what that would entail and if the plants could handle the extra usage. The District is open to discussion. Esgar: Thinks they would need another tank to increase the capacity. Tony: Waste water treatment plant has Regulation 31 phosphorus and nitrate limit changes going into effect in 2023. He thinks based on the upgrades needed it may make sense to use the one facility for the area. Mike & Esgar want to see a feasibility study. Tony: There is more usage expected already, 260 units to be developed eventually.

Legal There was no legal input at this time.

District Operations Manager

Report Operations Manager, Craig Plizga, presented his Operations report to the Board. He reported on the following:

- Pool repairs and usage
- Adding picnic tables to the area
- Soccer field is in good shape with the irrigation pump in
- Reviewed several events planned
- Room rentals are consistent
- Landscaping is going well so far this season
- Kokanee Berm, CO Parks and Wildlife would like a berm build between the river and the lake. Mike: Possible to do but when there is already heavy equipment in the area already. Craig will go back to CO Parks and tell them it isn't feasible at this time, see if they'll take care of it.

Village Center Update

Mike: Not much to update at this point. County PUD amendment it slowed it down. Still need to get the PUD amendment done.

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Pool Rules

And Postings Decided this should be discussed on the HOA side.

Water/Sewer Operations Report

Tony: Well usage is up with irrigation use. Fire Dept pulled water last week. The deposit for the building plans of the new plant have been submitted. Need to confirm the building color before they can be approved. Discussion about the building color. The board decided to stick with the same color as the plant. Planning to use SGM for the construction. Reg 31 will change the levels allowed in 2028 for nitrites and phosphorus, the Two Rivers plant has a filter system already that could be used under the new regulations, just a more expensive filter needed. Discussion about upgrades needed and possibly needing to raise the water and sewer rates to cover the costs. Ken would like to see an estimate of costs. Tony: More tap fees would help. He also said they need to be careful about excess irrigation, they are using the raw water now for all irrigation and should continue to.

Minutes

The Board reviewed the February 8, 2022 Regular Meeting minutes. By motion duly made and seconded, it was unanimously

RESOLVED to approve the February 8, 2022 Regular Meeting minutes as presented.

Financial Statements

Ken discussed the May financial statements. He stated other than some wastewater treatment repairs, everything seems to be on track with budgets. The Board reviewed the May 31, 2022 Financial Statements. By motion duly made and seconded, it was unanimously

RESOLVED to accept the District's Preliminary May 31, 2022 financial statements as presented

Payables

The Board reviewed the February – May 2022 accounts payable lists and by motion duly made and seconded it was unanimously

RESOLVED to ratify the February – May 2022 accounts payable lists as presented.

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Audit Reports

Review Ken: Included the audit reports including the drafts. No issues came up as part of the audit. Asked the board if they have any questions or would like to discuss
The Board reviewed the Audit Reports and by motion duly made and seconded it was unanimously

RESOLVED to ratify the Audit Report as presented.

Accounts

Tap Fee Schedule There are no new tap fees.

Accounts Receivable Report

Ken and Kendra reviewed the AR Report and the couple of past due accounts will be addressed by Kendra. One is already on a payment plan.

Sales Tax Report

Ken: Sales tax down from lack of construction costs so far this year. We'll keep an eye on it and take it into consideration for the budget next year.

Executive Session

By motion duly made and seconded, it was unanimously

RESOLVED to enter into executive session pursuant to C.R.S. 24-6-402(4)(f) relative to personnel matters in reference to Craig Plizga.

The board adjourned the executive session.

Bonus for Craig

The board approved a bonus for Craig as instructed in executive session and will be paid out in the next payroll.

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Adjournment

There being no further business to come before the Board at this time, by motion duly made and seconded it was unanimously

RESOLVED to adjourn the Regular Meeting of the Two Rivers Metropolitan District Board of Directors this 14th day of June, 2022.

Respectfully submitted,

Kendra Nicholson

Kendra Nicholson
Recording Secretary for the Meeting

Subject to Approval