
RECORD OF PROCEEDINGS

Minutes of the Regular Meeting Of the Board of Directors Two Rivers Metropolitan District October 12, 2021

A Regular Meeting of the Board of Directors of the Two Rivers Metropolitan District, Eagle County, Colorado, was held on October 12, 2021 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
- Mark Zbrzeznj
- Esgar Acosta

The following Directors were absent and excused:

- Chad Cremonese

Also in attendance:

- Tony Zancanella, Zancanella & Associates, Inc.
- Ken Marchetti, Marchetti & Weaver, LLC
- Craig Plizga, Community Operations Manager
- Meghan Hayes, 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 October 12, 2021 at 2:02 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 Zbrzeznj.

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**”).

The District has issued, and intends in the future to issue, bonds or other debt obligations, the proceeds of which will be used for public purposes, including potentially the

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reimbursement of costs advanced by the Companies. The District has contracted, and intends in the future to contract, for operational services which may be supplied through or by the Companies.

Additionally, the Board has entered into a Lease Agreement with Right to Purchase with North Lot under which the District has leased a community park, parking, landscaping and an irrigation system which North Lot constructed on the property at 35 Bass Loop, Dotsero, CO 81637.

All Directors present stated that the participation of at least two of them in the meeting along with Director Acosta was necessary to obtain a quorum of the Board or otherwise enable the Board to act; that written disclosures of such potential conflicts of interest of each Director had been filed with the Board and the Colorado Secretary of State in accordance with statutory requirements disclosing the nature of each Director's private interests related to their employment and/or officership positions with the above-mentioned entities. After each Director had summarily stated for the record the fact and nature of his private interests and had further stated that the determination to participate in voting or take any other action on any contract or other matter in which he may have a private interest would be made in compliance with Section 24-18-201(1)(b)(V), C.R.S., on an ad hoc basis, the Board turned their attention to the agenda items.

Changes to the

Agenda There were no additions to the agenda.

Public Input There was no public input.

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:

- The pool has been shut down and winterized
- Gym memberships are strong but Community Center rentals are down
- Several local non-profits are using the Community for programming
- Street sealing and Concrete drain pans are scheduled for the fall
- Pool Shade will be installed this fall
- Fresh Mountain will be planting the Entrance trees in Spring 2022
- Mailboxes will be replaced in 2022 and additional parcel mailboxes will be added

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Director Pearson suggested a Facebook and Vail daily ad to promote the vacant office spaces in the Community Center as well we promoting the Community Center for party rentals.

Village Center

Parcel

Update

Director Pearson informed the Board that he is working with the County and ECO Transit on alternative solutions to the bus terminal requirement that was placed on the PUD by the County. He is also working with the County on the design with respect to the type of homes (Condo vs. Townhome) and on-street parking.

2022 Water/

Sewer/

Infrastructure

Rates

Mr. Marchetti reported that a Notice of Meeting to Consider Water, Sewer and Infrastructure Rate Increases had been posted on the District's website notifying all water, sewer and infrastructure customers of a rate increase hearing. Mr. Marchetti reviewed he District's proposed increase and opened the meeting to public comment on the 2022 water, sewer and infrastructure rate increase. After discussion, by motion duly made and seconded, it was unanimously

RESOLVED to approve a \$2.00 per month water rate increase from \$55 to \$57 per month up to 15,000 gallons and to approve a \$2.00 per month sewer rate increase from \$60 to \$62 per month and a \$1.00 per month infrastructure rate increase beginning January 1, 2022, and

FURTHER RESOLVED to approve an increase of the water tap fee to \$6,747 and the sewer tap fee to \$6,747 beginning January 15, 2022.

2022 Election

Resolution

An Election Resolution was presented to call the May 3, 2022 Board of Directors election and to designate an election official. There are two positions available on the Two Rivers Metro Board. If there are two or less candidates, the election will be cancelled. If there are three candidates or more, an election will proceed. All Self-Nomination and Acceptance forms are due to the Designated Election Official by close of business on Friday, February 25, 2022. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the May 2022 Election Resolution, a copy of which is incorporated herein by this reference.

Water/Sewer Operations

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Report Tony Zancanella reported that the Small Community Grant he applied for on behalf of the District was awarded. The grant is for \$325,000 and will be used for the Sewer Headworks project. He noted that the Headworks project will be delayed until 2022 and that the costs of the project have increased from initial estimations due to a price increase in materials related to supply chain shortages.

Minutes The Board reviewed the August 10, 2021 Regular Meeting minutes. By motion duly made and seconded, it was unanimously

RESOLVED to approve the August 10, 2021 Regular Meeting minutes as presented.

Financial Statements By motion duly made and seconded it was unanimously

RESOLVED to accept the District's Preliminary September 2021 financial statements as presented.

2022 Budget Hearing

Continued The August 10, 2021 meeting was published as the public budget hearing for the 2022 budget and the budget hearing was continued to this meeting. There was no public input so the hearing was closed. After discussion and by motion duly made and seconded, it was unanimously

RESOLVED to approve the resolution, a copy of which is incorporated herein by this reference, to adopt the 2022 budget, subject to minor adjustments which may result from the final certification of assessed values;

FURTHER RESOLVED to approve the resolution to certify 20 mills for operations;

FURTHER RESOLVED to approve the resolution to appropriate funds for spending in 2022.

Accounts Payable

The Board reviewed the August & September accounts payable lists and by motion duly made and seconded it was unanimously

RESOLVED to ratify the August & September accounts payable lists as presented.

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**Tap Fee
Schedule**

There are no new tap fees.

**Accounts
Receivable
Report**

Ms. Hayes reported that although there has been an increase in account delinquency, she has successfully put numerous accounts on payment plans. She will continue to work with owners who are financially unstable during this pandemic.

**Sales Tax
Update**

Mr. Marchetti reported that Sales Taxes have continued to come in more favorably than previously anticipated and that the pandemic has not had as significant an adverse impact as originally thought.

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 12th day of October, 2021.

Respectfully submitted,

Meghan Hayes

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Recording Secretary for the Meeting