

Regular Board Meeting Minutes

August 18, 2025

Approved September 15, 2025

President Zach Forcum called the Regular Meeting of the Steamboat II Metropolitan District to order at 6:02 pm. The meeting was held at the Steamboat II Metropolitan District office at 2851 Riverside Plaza unit 100, Steamboat Springs, CO. Members present were Jethro Sterling-Vice President, Grady Koupal-Treasurer and Kelly Conway-Secretary. Also present were Jeb Brewster-District Manager and Michelle Belton, who recorded the meeting and transcribed the minutes.

PUBLIC COMMENT

Adam Wilson, Silver Spur resident and president of the SS HOA Board, attended the meeting on behalf of Art Morrissey, who was unable to attend.

Mr. Morrissey, also a Silver Spur resident, owns two lots: one with his home and another that is landscaped. He irrigates both lots and requested an exception to the tiered water rate model, noting that his billing does not account for his ownership of two separate parcels.

Mr. Brewster explained that without a separate water meter, it is not possible to distinguish water usage between the two lots. He recommended that Mr. Morrissey install a tap and meter on the second lot and reconfigure his irrigation system. This would allow him to benefit from lower-tier billing rates. Mr. Brewster added that Mr. Morrissey would need to perform a cost-savings analysis to determine whether this option would be financially worthwhile.

During discussion, Mr. Wilson noted that Mr. Morrissey had gone through a lengthy process with the State of Colorado to have the County classify his second lot as non-vacant, which has already resulted in a tax benefit. Mrs. Conway suggested that combining the two lots into a single parcel would ensure the second lot could not be sold separately in the future. She also remarked that owning a second lot naturally carries additional financial responsibilities and encumbrances.

Mr. Wilson asked whether the District would consider averaging Mr. Morrissey's annual usage and allowing monthly installment payments. Mr. Brewster replied that the current billing software is not designed for this purpose but said the District could explore with the vendor whether such an option is feasible.

Mr. Wilson reported that property taxes and water bills have increased significantly. Mr. Brewster stated that in July the District paid \$55,000 for water and billed \$65,000, resulting in \$10,000 in net revenue. He further noted that without property tax support and the recent rate adjustment, the District would have incurred a \$30,000 loss for the month.

Mr. Koupal asked whether the HOA would consider relaxing standards for lawn maintenance. Mr. Wilson responded that the HOA is comfortable with lawns being maintained but not necessarily heavily watered. Mr. Koupal also suggested that Mr. Morrissey consider replanting with a more drought-tolerant grass seed.

Board Decision: The board agreed that Mr. Morrissey may either remain as status quo or he can pursue the option of tapping and metering the second lot to take advantage of lower-tier rates.

Approved 3/0

Secondly, Mr. Wilson stated this his water bill was \$250 for the month of June but spiked to \$400 for the month of July. Is there a way to alert residents when their bill enters the next tier in billing? Mr. Brewster said the homeowner can track their own usage. Each meter has a digital display on the top. Mrs. Conway added that there are devices you can buy to install on your water line that track your usage and can sync to your phone via an app.

PRESENTATION OF MINUTES OF THE LAST MEETING

Mr. Sterling motioned to accept the minutes of July 21, 2025. Mrs. Conway seconded. Passed 3/0.

ATTORNEY'S REPORT

No report.

MANAGER'S REPORT

The Blue Heron main replacement project is complete. Tie ins went well. Mr. Brewster checked service lines and noticed one resident has a potential leak in their service line. He's in contact with the homeowner regarding that future repair. Mr. Brewster has yet to hear back from area asphalt companies about driveway repairs. Most are booked out for the remainder of the summer.

Water loss is trending in the downward pattern since the crew began fixing repairs this summer. July's loss is estimated at 61 gpm, which includes unaccounted water when flushing the system to tie into the new main as well as an additional water main break that occurred. The first two weeks of August showed water loss was down to 49.5 gpm.

There was a main break at Steamboat Drive and Sunrise Lane. Water was shut down within 15 minutes. Mr. Brewster estimated that we lost 40,000 gallons. Services were out of water for the evening. The repairs were completed by noon the next day.

There was a leak at Moonlight Way and Steamboat Drive. A fitting failed and Mr. Brewster found 3 repairs in that area so he opted to replace a section of water main.

Mr. Brewster is still waiting for BJ Well & Pump to acquire the customer threading job to complete the repair on the pump on well #3. It has been down all summer.

A homeowner had an inoperable curb stop and the crew is finishing that repair now. The service line was PVC, so it was replaced with spec materials.

Mr. Brewster placed an ad in the local paper trying to hire an additional employee. No responses were received so we placed an ad on Indeed.com and received several qualified candidates. He interviewed the top 3 candidates and hired Eric Hunter as the District's second Maintenance Technician.

Mr. Brewster spoke to a representative from the group that is going to be acquiring the Heritage Park soccer field. They have asked if they can remove the shelter for well #2 as it is on their fields. Mr. Brewster acknowledged that while that well is not currently in use, there are some steps that must be taken to abandon the well, if it is in the best interest of the District to do so. Mr. Brewster has been speaking to a legal representative who specializes in water rights.

TREASURERS REPORT

Mr. Koupal motioned to accept the payables of \$119,654.19. Mrs. Conway seconded. Passed 3/0.

OLD BUSINESS

No new business.

Approved 3/0

NEW BUSINESS

The District received a proposal for a compensation study. The Board of Directors all felt that Mr. Setter should be present for the conversation as he was the one who asked the board to move in that direction. The discussion has been tabled to September.

NEXT REGULAR BOARD MEETING

The next Regular Board Meeting is scheduled for September 15, 2025.

ADJOURNMENT

The meeting adjourned at 8:08.