

MINUTES OF REGULAR MEETING

BLUE VALLEY METROPOLITAN DISTRICT

Regular meeting called to order at 7:00 pm on Monday, July 11, 2022 following a work session that began at 6:30pm. The meeting was held via Zoom (Due to a last minute scheduling conflict at the Blue Valley Sportsman Club tonight, the regular meeting was held via ZOOM ONLY.) Board secretary Andrea Buller present via Zoom. Board members present: Buck McNichols, Jack Norton, Brenda Kellen, Mark Nelson, and Mike Stoveken. Board absent: None. Guests present via Zoom; Ann Findley (left at 7:56 following ARC discussion), Kathy Walton, Tim Vermeer, Todd Nelson, Bob Heid, Susie Bergman, Joan Gogel, Sara & Anthony Cozzolino, Flip Brumm (joined at 7:03), Andrea Ridder (joined at 7:08), and Matt Willits (joined at 7:15 and left at 8:03).

Review and Approval of Minutes of Previous Meeting(s) – Mark moved to approve minutes from April and May minutes. Jack seconded. All in favor. Motion carried.

ARC - Bob Heid is in the process of taking over the reins from Todd Nelson. Todd stated that he has all the pending plans separated and ready to turn over to Bob. Todd is still willing to help with covenant change process then plans to be done. Todd checks the email on Sunday mornings but there is much less activity with the current economy. Todd recommends someone to check the email and website weekly. Ann Findley stated she is willing to help with anything computer related. Bob stated he was able to review the stuff she sent and he is very happy with it.

- **Short-Term Rentals –**

- Buck stated that currently there is no governance in regard to STR in the District so changes will need to go to the owners for a vote. Bob stated the changes do cover changes to STR.
- Mike asked what is to be done in regard to current violations. Bob stated that the violations currently in the covenants need to be enforced. Bob stated that now that the ARC is under BVMD, they believe they have more options for enforcement. Ann stated that she believes the updates shift the responsibility to the board for enforcement. Bob stated he believes it will be monetary fines and will depend on the results of the election. Buck stated that now that ARC is a committee under BVMD, the governance is enforceable by the board. Buck stated that the board can discuss with the attorney for guidance on covenant enforcement as they have extensive experience in this area. Bob stated that the legal guidance is a huge benefit to the ARC now.
- Buck asked Andrea to send Peggy an email for advice on this issue.
- Jack stated that he agrees with Mike that some of the covenants present an issue for consistent enforcement, for example line 2a – residential purposes only – regulate home businesses?
- Bob stated that the decision needs to take into account the impact on water and roads.
- Mike stated he believes the board needs to be aware of the potential impact on voting the home business issue could have. Buck stated it is definitely a tough issue and believes the covenants are written to directly address the water impact, however, the current economy being overwhelmingly shifting towards home business presents a challenge.
- Buck stated he believes this is a common challenge and rather than reinventing the wheel, the ARC needs to look at other Districts for education and guidance. Buck stated there needs to be a fine structure for covenant enforcement with the ultimate consequence of losing water access.
- Kathy Walton asked why STR aren't considered a business and therefore covered by the existing covenants.
- Tim Vermeer asked if attorneys provided a reason the STR are not considered a business. Andrea read the April 8, 2022 response from Collins Cole.
- There was discussion regarding the “nuisance” covenant and if excess traffic and/or “eye sore” present a nuisance.
- Mike suggested that the possible hot topic items be changed to discussion rather than yay or nay. Ann stated that is the current process as they are seeking public comment. Mike stated that when he looks at it, he doesn't see it as inviting public comment on the contentious subjects but thinks it is such that people will choose to just not participate and veto the changes which would be unfortunate as there are a lot of good changes included.
- Ann stated that she disagrees with Mike and believes vague would actually be less effective.
- Tim stated that he agrees with Mike and thinks that it needs to be worded more gently. Tim wonders if there is any value to considering moving back to county only rules. Bob stated the county running the District is not an option.
- Jack stated that if not done properly, he is afraid there will be a lot of single issue voters.

- Ann stated that each change will have its own vote and each item a separate result. She suggested we look at making the introductory letter more friendly but not to waste the money already invested into legal counsel and advice.
- Buck stated to make sure owners know this is only phase 2 and the ARC is seeking their input and help prior to putting it to a vote.
- Bob suggested Andrea and Ann work together to make the introductory letter more clear about the goal but not to change the content of the changes proposed.
- Joan Gogel stated that is important to emphasize that input is needed and wanted from the community.
- Todd asked for a definitive answer as to what is the next step as he is planning to go door-to-door the day after it goes out. Ann stated that she will get a revised letter to Andrea by mid-morning tomorrow.
- Buck asked Todd to stay on the ARC until the comment and education period is complete. Todd stated he would rather speak as an individual not as a member of ARC. Jack stated that Todd is a representative of ARC. Todd stated that he will educate and speak to people how he chooses. Buck reminded him that he is still acting as a representative of the board and the committee. Todd stated that he is not and will be speaking as himself.
- Covenant Vote – The ARC would like to have Andrea send through email to everyone who receives their billing through email and then send snail mail to all others as well as vacant landowners. Andrea will have the response reply email changed to the ARC email. Buck stated the nice thing about covenants is the ability to amend them to suite the current needs and realistic demands of the owners.

Water Operator - Agenda and minutes as provided by Matt Willits - Water Solutions (Andrea minutes noted in parenthesis):

- Water releases from Green Mountain Reservoir to the lower Blue River have been at historical lows. WSI proactivity throttled the pumping rates from the infiltration gallery pumps to ~55 and ~65 gpm respectively. The JVA Infiltration Gallery Modifications and Recommendations Report suggested lower the pumping capacity to ~68 gpm to mitigate unfavorable pumping conditions. The gallery has been able to meet district demands at these pumping rates.
- WSI completed the Calendar Year 2021 Annual Consumer Confidence Report (CCR). The CCR included specific language regarding the districts failure to monitor violation and has been posted on the district's website and at the community bulletin board. The CCR and Certificate of Delivery of the CCR has been completed and uploaded to the Colorado Department of Public Health and Environment (CDPHE) portal to meet the state compliance requirements of the CCR.
- Because of the district's population the CCR is not required to be mailed or hand delivered to each residence. Because of this, the CCR cannot be utilized to meet the Public Notification requirement for a Tier 3 violation. Over the next month, WSI staff will be hand delivering and/or posting the violation to each residence to complete the Tier 3 Public Notice distribution requirement and completing the Certificate of Delivery for the Tier 3 violation to the CDPHE portal.
- WSI staff have been completing fire hydrant maintenance this summer. Most fire hydrants have been maintained. Once all fire hydrants are maintained we will complete a maintenance report identifying any issues that may need to be addressed.
- WSI staff intends to start the valve exercise program with mapping of the distribution system this summer. We have made paper copies of the two different distribution maps so we can write notes on the maps and pass this information on to the engineers for creating a GIS map.

(Buck asked if he could try to move forward with the meter reading repairs. Andrea stated 8 meters did not read at the last reading. Buck suggested Matt keep 3 or so meters on hand.)

River Committee – Minutes as presented by Ron Mentch if any – None per Ron

Engineering Project Update – Buck stated that the district brought Colorado River Engineering, Inc. on board as the other firm believed it was not something in their wheelhouse. Buck stated that we lost a little time but he believes it will good as they are seeking to amend the plan which will be beneficial. Wendy with Colorado River Engineering got with Matt Willits and also had a meeting with Buck and progress is moving forward but will take a little bit of time. Buck hopes to get it all wrapped up without a large investment. Buck will send an email update to the board when he receives one from Wendy.

Jack asked if the current drought would present the idea of owning water as a good investment. Buck stated that he doesn't believe that is a realistic option.

Spring Road Work / RFP status – Mark Nelson stated that he has spoken with Wheeler a couple times about doing some work. He stated that he knows he does not have time but asked him to consider what he could make time for. Nothing had been received prior to the meeting but during the meeting Wheeler notified Mark he would try to get to it when he could find time. Mark stated that if Wheeler can't, he will try to figure out how to help.

Buck stated the board will continue to have those conversations to try to get it done.

Public Address

- Kathy Walton – she believes owners are not maintaining the easement and believes they need to be informed that the home owner is responsible to maintain the easement similar to where a sidewalk would exist if the district had sidewalks. Bob Heid suggested it is a setback not an easement.
- Kathy Walton – would like people to know they can get chemical from the county to maintain certain weeds.
- Todd Nelson – he would like the stop signs installed since we are having trouble getting the road work done. He would like the sign definitely at 1014. Buck asked Todd to send the specifications to Andrea and she will order them. Todd stated there are multiple options.
- Todd Nelson – there are a couple risers that needs fixed to prevent gravel getting in them. The riser on 1013 needs to be fixed as it was damaged during pushbacks.
- Todd Nelson – asked if we can get water allocated to the District for the road work. Mark stated there are rules as to when water can be pulled from the river. Todd encourages the district to ask the attorneys to include that in the augmentation amendment.
- Bob Heid – asked if Buck looked at issue in the ditch. Buck stated he did and would have to contact Mountain Parks Electric as it was their contractor that did it. Bob said he is concerned as the run off will go directly into his yar.

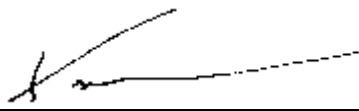
Secretary's Report

- Current Balance(s) as of 6/30/22 – Stand for Audit
 - UBB Checking = \$ 122,008.63
 - UBB Savings = \$ 81,086.84
 - COLO Trust = \$ 180,132.28
- Paid Bills to Approve = \$ 76,495.24 – Buck moved to approve. Jack seconded. All in favor. Motion carried.
- ARC Funds
 - Nonrefundable Funds to be used by ARC = \$ 15,811.46
 - Deposits held (could be refunded) = \$ 26,127.00
- Consumer Confidence Report posted on June invoices and website
- Accounts to Certify with County (letters sent by 7/31 if any)
- Snow Plowing RFP (to be published in Sept for Oct 10 meeting)
- Audit work underway


Mike moved to adjourn meeting at 8:32pm. seconded. All in favor. Motion carried. Next regular meeting is scheduled for Monday, October 10.

BLUE VALLEY METROPOLITAN DISTRICT

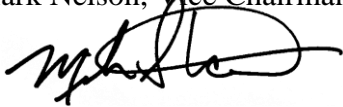

_____, Secretary




Buck McNichols, Chairman



Mark Nelson, Vice Chairman



Mike Stoveken, Treasurer



Brenda Kellen



Jack Norton