

Draft
Edgemont Ranch Metropolitan District
Meeting of the Board of Directors
Minutes

The Regular meeting of the Board of Directors of the Edgemont Ranch Metropolitan District was called to order on October 16, 2025 at 4:00 PM at 5972 CR 234, Durango, Colorado.

Directors in attendance were: Marlana deCarion, Steve Martin, Larry Mongelli, Steve Iwanicki and Darrell Maddox (remote). Staff members in attendance were: Robert Ludwig, Kurtis Martinez, James White, James Hobby, Kevin White, James White, Marilyn Heide, and Debbie Smith. Residents in attendance were Bill Fisher, Steve Wolff, David Bray, Gary Girolimon, Barb Girolimon, Clay Kiefaber and Margaret Owens.

Mr. Martin moved to approve the August 21, 2025 ERMD Regular Board Meeting Minutes, seconded by Mr. Mongelli, and was unanimously carried.

Marilyn stated that 2024 ERMD audit report was not available yet. The final audit report was to be received by October 15 and had not yet been received. The audit report was due to the state by September 30 and if not received by October 15 state collected tax revenue would be withheld. The Board discussed an RFP for the FY2025 audit.

Marilyn presented the 2025 Q3 financial reports. 2 residents had been sent shut-off notices but had paid the required amount this week to retain services. 1 lot owner is 2 years delinquent on their annual lot fees; their properties now have a lien filed by ERMD against them.

The Board discussed the cost of the Solar Project. The cost is significantly higher than expected. There will be a "true up" adjustment in February 2026 by Shaw Solar. An inverter was not functioning correctly and LPEA raised rates on 3-phase power. A meeting has been scheduled with Kyle from Shaw Solar. Robert advised there will be more information to come regarding the Solar Project.

Marilyn confirmed 759 residences with meters, an increase of 5. There are 106 unimproved lots.

Marilyn presented the FY2026 Budget preview. Revenue is expected to moderately increase. Reserves should remain the same. Debt payments will remain the same. Insurance premiums are expected to increase significantly; final numbers will be known by December. Capital outlays expected are a Head Gate Actuary and a new or gently used dump truck to handle the weekly 5-ton runs to the Bondad landfill. Existing truck will be retained as an additional snow plow truck and "new" truck can also be outfitted as an additional snow plow vehicle.

The public hearing commenced regarding an increase to tiered water rates. The increase is intended to encourage water conservation. Water rates have not increased in 20 years. Suggested rates are comparable to other water providers in the State. After Resident discussion and comment Mr. Mongelli motioned to accept the new tiered water rates as of January 1, 2026; Mr. Martin seconded the motion. Board voted unanimously for the tiered water rate increase.

Mr. Ludwig provided a water plant update. ERMD acquired the Pagosa water system's discontinued parts. These will be used as needed for repair needs. After the excessive rains in early October due to the tropical storms that passed through, he believes the district is well set for water through next fall however conservation should still be a priority as the excessive moisture was an unusual water event; the region is still in a drought.

Mr. Kurtis Martinez gave a wastewater plant report. There was nothing unusual to report. The acquisition of a more powerful dump truck will make their weekly dump runs more efficient and dependable.

Board concerns were discussed. The Highlands HOA group invited the ERMD Board to a social event where pot hole concerns were discussed. Robert and Kurtis advised that once they are made aware of pot holes on ERMD maintained roads their goal is to fix them immediately. Speeding issues were addressed; Robert advised signs have been ordered that remind residents to slow down.

An update was provided regarding staffing changes at the ERMD office. A decision was made to create a new full-time position that will combine the job duties of the current administrative assistant and accounting assistant; Assistant District Clerk. The job has been posted within the community. Annette Hutchins chose to retire effective October 9, 2025. The community is encouraged to forward well wishes for Annette to the office and they will be forwarded. The Board is thankful for the 20 plus years Annette worked for ERMD. The office will have limited hours until the position is filled.

Ms. deCarion attended the Colorado Green Business awards ceremony to accept a Silver Award on behalf of ERMD. This award acknowledges good "Green" business practices that protect the environment.

Mr. Mongelli (confirm) moved to adjourn the meeting, seconded by Ms. deCarion (confirm) at 5:15 PM.

Respectfully submitted,

Debbie Smith

Accounting Assistant