

PURGATORY METROPOLITAN DISTRICT MINUTES OF
BOARD OF DIRECTORS MEETING

A joint regular meeting of the Purgatory Metropolitan District and the Purgatory Metropolitan La Plata-San Juan Sub-District was held Wednesday, March 11, 2026, at the Purgatory Metropolitan District Community Center. Board members in attendance were John Ogier, Mark Gebhardt, Sharon Henschen, and Susan Voorhees. Eric Hassel, Amy Ward, David Smith, and Victoria Lopez were also in attendance.

Mark made a motion to excuse DeeDee's absence. Sharon seconded the motion. All were in favor, and the motion passed.

Minutes

Mark made a motion to approve the minutes from the February 18, 2026, meeting as drafted. Sharon seconded. All were in favor, and the motion passed.

Waste Water Treatment Plant Update

Eric provided an update on the Waste Water Treatment Plant, noting that site mobilization and equipment servicing are set to begin as winter conditions recede. The project has undergone several design modifications, such as transitioning to a trussed roof and a steel awning, which were strategic moves intended to ensure fire code compliance while reducing overall fire protection costs. However, these changes, alongside challenges with HVAC equipment availability and specification mismatches, have necessitated electrical design updates and a more complex integration of plant controls. Eric emphasized that the requested \$180,000 change order for engineering project management stems from the intensive workload required to navigate these supply chain disruptions and the rigorous submittal review process needed to maintain regulatory standards. Despite these adjustments, the board approved the change order after confirming that the core scope remains intact and that the additional costs are offset by Eric's diligent tracking of project savings.

San Juan Engineering

Eric presented a \$2,850 invoice from San Juan Engineering for work completed in February, which included tasks such as drawing verification for stairs, mechanical setup in Revit for 3D modeling, and the coordination of equipment placement and air handling unit adjustments. He noted that the total reflected a reduction in hours due to staff absences during the period while covering essential design and integration tasks. After a thorough review of these details, John made a motion to approve payment of the invoice. Mark seconded the motion. All were in favor, and the motion passed.

Financial

Victoria and Eric led a thorough review of the district's disbursements, covering essential expenses such as payroll, taxes, engineering services, and materials like sand and salt. During the discussion, Eric clarified the specific timing of these payments, explaining that certain expenses would transition into the following month's report based on standard cutoff dates for check issuance.

The conversation also delved into the district's health insurance structure, which is managed through the Special District Association insurance pool. Eric and Susan confirmed that the monthly cost for the district's three employees totals \$7,300, with the district covering individual premiums and a portion of family benefits. This breakdown provided the board with a clear understanding of the ongoing fixed costs associated with staff benefits.

Susan made a motion to approve the disbursements. Mark seconded the motion. All were in favor, and the motion passed.

Finally, Eric and Amy provided an update on the district's fiscal health regarding delinquent accounts and billing efficiency. They reported that only two accounts remain more than 60 days past due, signaling strong collection rates. Additionally, they highlighted recent administrative improvements, such as the implementation of e-check restrictions for tap fees and the introduction of an automated account setup process, both of which are designed to streamline operations and minimize future billing discrepancies.

Managers Report

Eric provided a wide-ranging manager's report to the board, beginning with an overview of construction site incidents that highlighted structural failures at the Double Diamond house. He noted that a carport collapsed due to improper fastening and a foundation shifted at another site, potentially requiring full reconstruction. These issues have been compounded by difficulties in coordinating with certain property owners and contractors, necessitating close monitoring by the district.

Regarding infrastructure and equipment, Eric reported that a mechanical issue at the Tacoma lift station was successfully resolved after troubleshooting. The district plans to jet the force main and inspect pumps for potential rebuilds to ensure long-term reliability. Additionally, the team is addressing recurring problems with a flow meter, which may require replacement if further troubleshooting efforts prove unsuccessful.

On the regulatory front, the district completed its first round of PFAS testing through a state grant, and Eric is currently awaiting a scheduled call with state officials to interpret the results. This proactive testing will continue with additional rounds planned in the coming months to ensure ongoing compliance. Eric also shared his insights from the rural water legislative committee, discussing proposed laws regarding beaver protection, data center incentives, and worker safety regulations for extreme temperatures, noting that budget constraints might prevent some of these bills from passing.

Finally, the report focused on professional development and operational readiness. Eric informed the board that Chris will attend the Aqua Nereda Operators Forum for specialized training and is being registered for water treatment and distribution certification exams. This initiative is designed to bolster the district's internal expertise in preparation for future plant operations and upcoming startup phases.

Next Meeting: April 15, 2026, at 9:00 a.m. in the Purgatory Metropolitan District Community Center.