



# Boxelder Sanitation District

## REGULAR MEETING of the BOARD OF DIRECTORS

### MINUTES

Thursday, 9:00 a.m.

May 20, 2021

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#### Called to order at 9:08 a.m.

Due to the current COVID-19 emergency response, the meeting of the Boxelder Sanitation District Board of Directors was conducted both in-person and electronically. Mr. Dennis Gatlin acting as the Chair, with Mr. Brian Zick, acting as the Secretary, called the meeting to order.

Prior notice of the meeting was given in accord with §32-1-903 CRS.

#### 1. Roll Call:

Directors Present: Mr. Dennis Gatlin, Chair  
Mr. Andy Chismar, Vice Chair, out at 11:06  
Mr. John Giuliano, Treasurer  
Mr. Nate Miller  
Mr. Nick Armstrong

Staff Present: Mr. Brian Zick, District Manager and Secretary to the Board  
Ms. Sue Lowe, Admin. Coordinator  
Mr. Noah Allison, Operations Manager  
Ms. Devon McCarty, Finance Manager  
Ms. Joy Davis, HR Manager

District Counsel: Mr. Rick Zier

Guests: Ms. Christine McLeod, Ms. Abbey Irvine, in 9:12 to 9:35 a.m.  
Haynie & Co., Auditors  
Mr. Alan Tucker, The Villas MHP, in 9:39 to 10:40 a.m.

2. The pledge of allegiance was said. Roll was called and it was determined that a quorum was present.
3. Mr. Chismar moved to accept the agenda as presented. Motion seconded. Motion passed on roll call [5-0]. Changes to the agenda were accepted verbally as guests arrived either electronically or in person.
4. Mr. Giuliano moved to approve the minutes of the April 29, 2021 special meeting as presented. Motion seconded. Motion carried on roll call [5-0].
5. Public Comment – none
6. Ms. McLeod and Ms. Irvine from Haynie and Company presented the Annual Financial Statements and Independent Auditor's Report for December 31, 2020 and 2019, and entertained director questions and comments.

7. Mr. Chismar moved to accept and approve the 2020 Audit as presented. Motion seconded. Motion carried on roll call [5-0].
  
8. The owner of the Villas Mobile Home Park has requested a reduction of the District's PIF for three new mobile homes it hopes to add to its park, under the District's Policy Concerning Plant Investment Fee Adjustment for Affordable Housing. Mr. Allan Tucker made a presentation to the Board on behalf of the owner (Skyview Park LLC). The owner is in the process of seeking approval from Larimer County to re-zone a portion of its ownership from a commercial zoning designation to one that would permit mobile home residential habitation. The owner would add three mobile homes to the rezoned portion. The records of the District indicate that 37 homes are being served on that portion of the owner's ownership that presently contains the mobile home park. Mr. Tucker indicated that a total of 39 homes at present are being served by the District. If Larimer County approves the zoning request (including the re-zoned parcel), the owner's property is planned to contain a total of 42 mobile homes. At present, all but one or two of the mobile homes in the park are occupied by persons who earn less than 80 percent of the area's median income. The owner intends that the three mobile homes that will be located on the re-zoned parcel (if Larimer approves the rezoning) will be occupied by persons who earn less than 80 percent of the area's median income, and the owner intends to make certain that those three mobile homes continue to be occupied by people below that earning threshold. The owner requests that the District reduce the PIF of the three new mobile homes by one-half, that is, that each PIF be reduced from \$12,000 to \$6,000 (total reduction \$18,000). The owner promises to pay the District the \$18,000 reduction amount if, within five years after the approval by the District of the reduction, any of the three new mobile homes is occupied by persons earning more than 80 percent of the area's median income. The owner proposed language as follows:

“Upon rezoning approval by Larimer County, Skyview Park LLC (Skyview), in consideration of reduction of Boxelder Sanitation District's (Boxelder) PIF and other fees totaling Eighteen Thousand dollars (\$18,000) fees for their expansion to 42 units, commits to dedicate three new lots located at the north side of the property to primary renters who earn less than 80 percent or less [sic] than the area's median income (AMI). The current AMI is \$71,091 thus 80 percent is \$56,872. These new units (currently known as planned lots 1a, 1b and 1c) will be at 3109 E. Mulberry Street, Fort Collins, CO (aka “Villas”). This pledge is made in consideration of Boxelder reducing PIF and other fees for their expansion on the combined lots known as Villas mobile home park. These fees to be paid to Boxelder shall be reduced to Eighteen Thousand dollars (\$18,000) to bring the total units onsite to 42. If for any reason Skyview fails to meet this pledge during the first five years after approval by Boxelder, Skyview agrees to pay Eighteen Thousand dollars in additional one-time fees to Boxelder. Skyview agrees, if requested, to annually release financial information on principal tenant of same units to verify income represented by same primary tenant.”

The Directors expressed general agreement with this language, but it was noted that certain aspects of the language would probably need to be modified or omitted, such as the words “if requested” in the final sentence.

In considering favorable passage of a motion to approve generally this request, the Board took into account a number of factors, including but not limited to the following: The three new proposed mobile homes will meet the AMI parameters of the District's affordable housing policy. The percentage of units requested for relief are a small percentage of the total units owned and operated by the applicant; in other words, this is a very modest request. The Board earlier in the meeting had received extensive information from its auditors indicating that the financial health of the District is good. The request will not materially impact the District's financial health. The owner has made significant internal sewer upgrades at its expense on its property, and representatives of the District have observed such work; these improvements will reduce infiltration and inflow to the District's system. The applicant has significantly reduced the water usage in the park, which will benefit the District in terms of less gallonage to treat. Applicant will repay the District the amount of the discounted PIF if the pledge to maintain the primary occupants of the three new mobile homes at or below the ATI for five years, and has offered to report to the District on an annual basis financial information on the principal tenants of those units to verify their continued qualification. The proposal clears up discrepancies between the District's records and the applicant's records concerning users in the park and it clarifies the number of mobile homes going forward from which the District will be receiving monthly service charge payments.

Mr. Guiliano moved and Mr. Chismar seconded the motion to find that the proposal is in furtherance of the intent and purposes of the District's affordable housing policy, and to approve the request to reduce by one-half the PIF for the subject additional three mobile homes if the County approves the re-zoning and use of the rezoned property for mobile home occupation, upon the terms contained in the above-quoted proposed language from the applicant, with the District Manager and District Counsel to modify such language as necessary in the District's best interest and to prepare an agreement with the owner for the Chairman to sign. Motion passed on roll call [5-0].

Mr. Chismar left the meeting.

9. Mr. Miller moved to Table items 9-C, Reserve Fund Policy review, and 9-D, Strategic Plan review, to the regular meeting scheduled for June 17, 2021. Motion seconded. Motion approved on roll call [4-0].
10. Mr. Miller moved to adjourn the meeting following lunch. Motion seconded. Motion passed [4-0].

Meeting adjourned at 12:45 p.m.

These minutes were approved on the 17<sup>th</sup> day of June, 2021, by an action of the Board of Directors.

/s/ Dennis Gatlin  
Chair of the Board

/s/ Brian Zick  
Secretary to the Board