

*Meeting Minutes for the*  
**Otter Pond Homeowners Association Meeting**  
**to Discuss the Progress of our Dam Rebuild**

*October 23, 2023*

*6:30 pm*

*Cascade Hall, CMU Campus*

Attendance/Proxy count: 63 homes. *(74% of our community were represented.)*

Board Members present: Christina Files, Jack McKelvy, Valerie Harper, Tony Padilla, Mindy Clagett

Guests: Bill Bell and Scott Murphy from the City of Montrose.

Called to order at 6:30 pm

Christina Files, President of HOA introduced meeting guidelines:

- Civility
- 3 minute mic max
- Questions may be submitted by index card
- Parting thoughts may be submitted by index card

**Thank You** to Kristie Sanchez for bringing us this far; committee members; Tim and Kathy Heavers; Tadd and Amy King; new board members; and David White.

Agenda to cover:

1. Options for the dam and pond
2. Financing and payment options
3. Poll

OPTIONS FOR THE DAM/POND:

**1. Stop everything, pursue alternative for pond area, ie: park, marshland.**

- To leave it as emptied marshland would cost nothing, but would bring a lot of bugs into our community and reduce property values.
- Would cost more to create a park space than to repair the dam. Early estimates for fill dirt alone come in at \$3 million.
- Partial pond/park idea is not ideal, because we would still have to build a dam, and would incur all the additional costs of landscaping and dirt fill, as well as new plans to be developed.

**2. Delay, in order to pursue grant money or other funding.**

- Kathy Heavers has exhaustively pursued grants, with no funding given to us because of the nature of our pond. All possible grant money would come with strings that include opening up the pond access to public use, or having our pond and water controlled by an outside entity for their purposes.
  - HOWEVER, Kathy found and is pursuing a grant with the Colorado Water Conservation Board that might pay for some of our ditch and silt pond maintenance, and would help with our overall project costs. (Maybe \$250,000) This is being pursued already, *contingent upon our keeping to our current timeline, and homeowners putting up our own money.*
- Delaying the progress could result in us: losing our contractor; losing the City's support; a probable increase of costs starting at *double our current estimate*; and the State may require us to drain the pond while we delay.

- Cost to homeowners has been projected all year. We have tried to prepare everyone for the inevitable special assessment, and more delay will not make personal funding any easier or cheaper.
  - If we delay for our own purposes, the City will get their own contractor and move their utilities before costs go up further.
  - The HOA will not pursue litigation against the City. It would be a gamble with HOA funds, and the case is not viable. Any litigation against the City of Montrose would need to be pursued by private citizens at their own expense.
- 3. Continue with the current momentum to repair the dam and refill the pond.**
- We have already invested about \$80,000 for current design plans.
  - Current plans are being reviewed by the State. Once approval is given, we can sign the contract with contractor MVC to begin work.
  - HOWEVER, we need to prove we have funding, or the contractor won't sign.
  - Special Improvement District (SID) funding is on the table of possibility.

#### FINANCING OPTIONS:

- 1. Everyone pays, expect others to pay.**
- Credit Card option (with a 3% convenience fee) is now available
  - A home equity loan may also be a solution for some to personally finance.
- 2. HOA Loan** was looked into, but is no longer an option. The rates were too high, with liens to all properties if anyone didn't pay their share. Personal finance options would be in the better interest of those needing a loan.
- 3. Guests Bill Bell and Scott Murphy to speak about SID and City financial aid options:**
- SID 4% interest rate, over 20 years.
  - Max allowable to borrow with SID is \$420,000, per city code, for Public Infrastructure.
  - Individuals could pay out early to avoid interest.
  - SID is transferrable on sale of home.
  - Payments would be included on property tax bill.
  - At least 50% of OP Homeowners must sign a petition to apply for the SID loan.
  - We must get the approval of City Council.
  - \$100,000 ARPA funds have already been contributed by the City. ***The City will contribute an additional \$100,000 from the ARPA funds.*** (Insert confetti and applause)
  - Bill believes we can ask the City Council to contribute \$370,000 from their General Fund. This brings the total city contribution to \$990,000 (including: ARPA, SID, and General Fund contributions.)
  - Scott explained that the utility and road part of the project that would have been funded by the City at \$370,000 could be placed into the SID for up to \$420,000. Then, the previously approved \$370,000 would come from the City's General Fund. This allows us to minimize the price tag of our special assessment, while proving to the contractor that we have funding available to pay them for their work.
  - All of these financial considerations must be approved by the City Council.
- PLEASE approach our city officials with respectful courtesy. Show up to City Council meetings (not work sessions) and take advantage of the opportunity to be heard during Public Comment.*

#### POLL

This is not intended to be an official vote, but an opportunity to give the OPHOA Board a sense of the direction our community would like to take. Of the 63 homes represented tonight, the polls are:

STOP: zero hands

DELAY: zero hands

CONTINUE DAM REPAIR TIMELINE: ALL HANDS.

PURSUE SID PETITION: ALL HANDS.

The group in attendance unanimously agreed to pursue completion of the dam rebuild as currently planned, and to pursue the SID petition.

Petition for the SID must be completed before the next city council meeting.

Meeting adjourned at 8:04 pm