

MINUTES  
KEN-CARYL RANCH WATER AND SANITATION DISTRICT  
December 17, 2025

A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE KEN-CARYL RANCH WATER & SANITATION DISTRICT was held on December 17, 2025 at 8:00 a.m. in person and by telephone and video conference, pursuant to notice given to each Director and posting of notice as required by law. The Directors in attendance were Bud Becker, David Thurston, Mike Spalding, Jeff Nesheim, and Philip Varley. All Directors in attendance were present in the District conference room. Also present in the District conference room were District Manager, Lou Vullo; Office Manager, Kim Sturgeon; and Debbie Seagraves, as the liaison to the District from the Ken-Caryl Ranch Master Association. Attorney, Kylie Crandall, was in attendance by telephone conference. Noting that a quorum existed, Chairman Becker brought the meeting to order at 8:00 a.m.

1. Board Disclosure of Potential Conflicts. No new or potential conflicts of interest, or changes in previously reported conflicts, were reported.
2. Executive Session. There was no motion for an executive session.
3. Public Comment. There was no public comment.
4. Minutes of the November 19, 2025 Regular Meeting of the Board. The Board reviewed the minutes from the November 19, 2025 regular meeting of the Board. Following a motion by Director Thurston that was seconded by Director Spalding, the minutes were unanimously approved.
5. Accounts Payable for November. Mr. Vullo presented the Accounts Payable list to the Board for review. There being no further comments, the Accounts Payable list was approved by the Board, following a motion and a second by Directors Spalding and Thurston.
6. November 2025 Financial Statements. Mr. Vullo presented the November 2025 Financial Statements to the Board for review. Following a discussion by the Board, the Financial Statements were accepted by the Board upon a motion and a second by Directors Varley and Spalding.
7. 2026 Budget Hearing. Mr. Vullo presented the Board with the District's proposed 2026 Budget and noted that the required rate setting notice had been properly posted on the District's website. Chairman Becker then opened the budget hearing. There was no public comment, and Chairman Becker then closed the public hearing. Following discussion, and upon a motion by Director Varley and seconded by Director Spalding, the Board unanimously approved the Resolution to adopt the Budget and to increase the District's 2026 water service rates and wastewater service rates by one percent. Upon a motion by Director Thurston that was seconded by Director Spalding, the Board unanimously approved the Resolution to Appropriate Sum of Money presented by Mr. Vullo. The Board then directed Mr. Vullo and Ms. Sturgeon to make the appropriate filings with the State of Colorado.

8. Fee Schedule. Ms. Sturgeon presented the Board with an updated fee schedule for consideration. The Board discussed the updated fee schedule with further discussion and possible action to be taken at the January or February Board meeting.

9. Update from Wells Fargo. Katiana Siatras with Wells Fargo joined the Board meeting and presented an update to the Board on the District's investment portfolio and options.

10. 2025 Audit. Mr. Vullo presented an engagement letter from Crady, Puca & Associates to perform the District's 2025 audit.

11. Manager's Report. Mr. Vullo presented the Manager's report to the Board.

12. Capital Projects. Mr. Vullo provided a brief update on the timing and progress of ongoing capital projects.

13. Other Matters. Mr. Vullo and Mrs. Sturgeon provided updates and had a discussion with the Board on recent topics of discussion from the Colorado Special District Association Conference, including, without limitation, pending legislation and cyber security.

14. Adjourn. There being no other matters to come before the Board, and following a motion by Director Spalding that was seconded by Director Nesheim, the meeting was adjourned at 10:16 a.m.

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Secretary