

**MINUTES OF THE
REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE
MT. CRESTED BUTTE WATER AND SANITATION DISTRICT
JULY 12, 2022**

Regular Meeting of the Mt. Crested Butte Water and Sanitation District (MCBWS) Board of Directors was held at 5:00 pm on Tuesday, **July 12, 2022**, via <https://zoom.us/my/mcbwsdboardmeeting>.

Members of the Board of Directors in attendance at the meeting were as follows:
Brian Brown, Jonathan Ferrell, Nancy Grindlay, Nicholas Kempin, Nancy Woolf

Also present were:

Mike Fabbre, District Manager	Kim Wrisley, Utility AR Coordinator/Admin Assistant
Perry Solheim, Finance Manager	Tracy Davenport, Utility AP Coordinator/Admin Assistant
Bryan Burks, Wastewater Supervisor	Marcus Lock, District's Attorney
Kyle Koelliker, Water Supervisor	

1. Call to Order

- The regular meeting of the Board of Directors was called to order by Brown at 5:00 pm and a quorum was present.

2. Citizen Comment Period

- No citizens presented comments.

3. Approve Meeting Minutes

- June 14, 2022

MOTION by Woolf and seconded by Kempin to approve the June 14, 2022 regular meeting minutes. Grindlay and Ferrell abstained from voting as neither were present at the meeting. Motion voted in favor.

4. Water Treatment Plant Expansion Project Update

- Updates and progress can be seen in the monthly memo from JVA.
- The project is tracking well, outside of a few minor delays and small change orders.
- The Old East River Pump Station building has been demolished and cleanup is underway.
- The District is no longer using the East River pond as a raw water source but instead is pulling water directly from the East River. Per requirements of the District's special use permit with the US Forest Service, the non-functioning, silted influent culvert needed to be deemed functional before it could be removed from the District's special use permit. The culvert was jettied, cleared and confirmed undamaged and is functional again.
- The District is waiting on United Concrete for paving at the WTP and at mainline repair locations throughout the District.

5. District Manager Report

- The Snow Water Equivalent (SWE) maps are included in this report despite being blank so that readers know reporting is done for the summer season. The maps will be added back into this report once new information is recorded in the fall.
- The Meridian Lake Park (MLP) Reservoir concrete repair project is tracking well. The application has been submitted to the state dam safety engineer and the District is expecting approval to begin work within the next two weeks. The work is projected to last approximately 4 weeks and there is a potential that the reservoir water level will need to be lowered by two to three feet during that time.
- The MCB and MLP 2021 Consumer Confidence Reports (CCRs) are included in the board packet and do not contain any violations.
- The District received a Tier 2 violation for the MCB water system during the 2022 sanitary survey. The violation was a result of a failure to comply with assembly testing requirements of the new Backflow Prevention and Cross-Connection Control (BPCCC) regulation. The assembly device has since then passed inspection and there were no adverse impacts to the drinking water.
- Per infraction requirements, a written notice of the Tier 2 violation will be drafted and distributed to all MCB water customers within 30 days of the issuance.
- The District will be updating its Rules and Regulations to include language outlining possible repercussions for customers if inspectors are denied access to their properties in the future. The inspectors acknowledge that this

new regulation is poorly written so a re-write is necessary and a stakeholder process to do so has begun. The District has been invited to participate in that process.

6. June 2022 Financial Report

- All aspects of the financials are tracking as expected with 50% of the year elapsed.
- Tap fees are currently at \$1.3 M which is higher than the \$500K that was estimated for 2022.
- The District has exceeded its budget for interest income. Solheim plans to wait until investment returns are at a higher rate before making any investment changes.
- 68% of the "Repair and Maintenance" budget has been spent with 50% of the year elapsed due to unanticipated water main repairs and a major, unanticipated rebuild of the screw press and step screen in the headworks facility.
- "Salaries, Taxes and Benefits" is underbudget at 46% and is expected to remain underbudget for the remainder of the year since the District had an open position in early 2022 as well as an active workers compensation claim.

MOTION by Kempin and seconded by Grindlay to approve the June 2022 Financial Report. Motion voted in favor.

7. Legals

- Lock reported that the Meridian Lake Meadows (MLM) agreement that transfers two parcels of property to the District has been delivered to the Meridian Lake Meadows counsel, David Liensdorf, and he is awaiting a response.
- The Pristine Point (PP) agreement that addresses the transfer of two parcels of property to the District and the scope of an easement has been delivered to David Liensdorf and Lock is awaiting a response.
- An effort to contact Mark Hamilton of the Meridian Lake Park Corporation (MLPC) was made to receive additional perspective or context for its draft response to the MLPC agreement that the committee previously received from the District but Lock has not received a reply from him.
- Lock received a call from MLP resident Kurt Giesselman who informed him that Giesselman will be taking the lead with respect to the MLPC agreement and the District should expect a revised draft of the agreement from the committee.

8. New/Old Business Before the Board

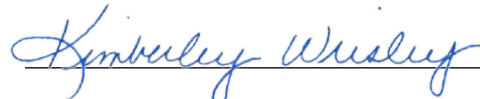
- No new or old business was presented.

9. Executive Session

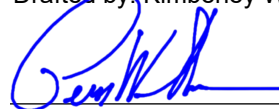
- Potential executive session for discussion of the Memorandum of Agreement, as amended, between the Mt Crested Butte Water and Sanitation District and Meridian Lake Park Corporation and potential settlement agreement related thereto under and pursuant to C.R.S §24-6402(4)(a), (b), and (e)(I), which concern respectively purchase or sale of property interests, conferences with the District's attorney for the purpose of receiving legal advice on specific legal questions, and determining positions relative to matters that may be subject to negotiations, developing strategy for negotiations, and instructing negotiators.
- There was consensus that the Executive Session should be postponed until the District receives the documents that the Board is expecting from any of the three aforementioned MLM, PP and MLPC entities.

10. Adjourn

MOTION by Brown and seconded by Kempin to adjourn the regular board meeting at 5:51 pm. Motion voted in favor.



Drafted by: Kimberley Wrisley



Submitted by: Perry Solheim