

**MINUTES OF THE
REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE
MT. CRESTED BUTTE WATER AND SANITATION DISTRICT
NOVEMBER 12, 2024**

Regular Meeting of the Mt. Crested Butte Water and Sanitation District (District) Board of Directors was held at 5:00 pm on Tuesday, **November 12, 2024**, via <https://zoom.us/my/mcbwsdboardmeeting>.

Members of the Board of Directors in attendance at the Regular Board Meeting were as follows:
Nancy Woolf - Chair, Brian Brown - Board Member, Jonathan Ferrell - Treasurer, Nancy Grindlay - Vice-Chair and Jenn O'Brien - Board Member

Also present were:

Mike Fabbre - District Manager, Adam Bembenek - Wastewater Supervisor, Tracy Davenport – Accounts Payable Coordinator, Kyle Koelliker - Water Supervisor, Marcus Lock - District's Attorney, District Employees, Members of the Public, Kim Wrisley - Recorder

Board Meeting Agenda

1. Call to Order

- The regular meeting of the Board of Directors was called to order by Woolf at 5:02 pm and a quorum was present.

2. Citizen Comment Period

- No citizens presented comments.

3. Approve Meeting Minutes

- October 8, 2024
- Woolf requested bullet point #5 regarding the District Manager's annual review be removed.

MOTION by Grindlay and seconded by Woolf to approve the October 8, 2024 regular meeting minutes as amended. Motion voted in favor by Grindlay, Woolf and Ferrell. Brown and O'Brien chose to abstain from voting since they were not present at the October meeting.

4. District Manager Report

- Fabbre highlighted a few items and noted that additional items can be seen on the report included in the agenda packet.
- The Bridges of Columbine project is up on its 18-month warranty bond. Staff has inspected the infrastructure and is waiting for a response from the developer regarding the application for acceptance.
- The 10-year IGA with the Town of Mt Crested Butte (Town) has expired. A few minor edits/suggestions were added to the draft renewal prior to being submitted to the Town. A response in the near future is anticipated.
- Appreciation was extended to the District operators for their rapid response to the Gothic Road mainline break back on October 28th and 29th.
- The rate study from Raftelis Consultants is nearly complete. They are also looking at long term financial planning for Capital Improvement projects.

5. October 2024 Financial Report

- Davenport reported the largest monthly expenses were for Dietrich Dirtwork's mainline repairs, which does not include the October Gothic Road mainline repair, for a scheduled fire hydrant replacement, for HDR's Collection Interceptor Line investigation and for Triangle Electric's work at the Meridian Lake Park water treatment plant.
- A \$600K funds transfer was made from the Community Banks of Colorado Operating Account to the ColoTrust General Fund Account to receive a higher interest rate.
- The Collection Interceptor Line Project costs were added to the 2024 "Wastewater Fund Capital Projects Summary" on page 19 of the meeting packet. There aren't any numbers entered under the "2024 Budget" column because it was not initially on the 2024 budget.
- Water usage is down as we enter into the cold weather season.

MOTION by O'Brien and seconded by Brown to approve the October 2024 Financial Report as submitted. Motion voted in favor.

6. Draft 2025 Budget

- Davenport reported the rate sheet included in the packet includes a proposed 6% rate increase to User fees and Availability of Service fees.
- There was a review of changes made to the proposed Budget since it was last presented in October.
- There was discussion regarding the inclusion of a budgeted amount for the Town of Crested Butte ATAD project and the Collections Interceptor Line project as well as the Developers' Interceptor Line repayment.
- There was consensus that \$1M in Developers' repayment should be included in the budget as well as \$1M for the project expenditures but that including the \$1M does not mean the District is required to spend those funds.
- There was discussion regarding rate increases for 2025.
- The December regular Board meeting was moved from Tuesday, December 10, 2024 at 5:00 to Thursday, December 12, 2024 at 5:00. The change will be posted to the District website and will be advertised in the CB News.

7. Cyber Security Review

- Davenport reported on the preventative measures the District has put in place to address potential IT vulnerability. All employees have been educated on and advised about best practices to minimize risks of system hacking and cyber attacks.

8. Legals

- Lock had no updates to report other than he continues to work on the IGA with the Town of Mt Crested Butte and the Collections Interceptor Line project.

9. New/Old Business Before the Board

- No new/old business was discussed.

10. Executive Session

- Consideration of an executive session to be held pursuant to C.R.S. § 24-6-402(4)(b) and (e)(I), which concern respectively, conferences with the District's general counsel 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 in order to discuss the Collections Interceptor Line.

MOTION by Woolf and seconded by Grindlay to enter into Executive Session at 5:48 pm with Fabbre, Bembenek, Lock and Megan Murphy remaining for the discussion. Motion voted in favor.

MOTION by Woolf and seconded by Brown to exit the Executive Session at 6:22 pm. Motion voted in favor.

11. Potential Discussion and Action Regarding the Collections Interceptor Line

- Legal Counsel was given direction during the session so no further discussion or action regarding the Collections Interceptor Line took place following the Executive Session.

12. Executive Session

- Consideration of an executive session to discuss the Employee Retention Subcommittee activities and responsibilities, the new Human Resources Consultant and status of their work, the District Manager's responsibilities, Finance Manager responsibilities, and issues related thereto (the "Subject Matter") pursuant to C.R.S. § 24-6-402(4)(b) for the purpose of receiving legal advice on specific legal questions from the District's general counsel on the Subject Matter, C.R.S. § 24-6-402(4)(e)(I), to determine positions relative to matters that may be subject to negotiations, developing strategy for negotiations, and instructing negotiators with respect to the Subject Matter, and C.R.S. § 24-6-402(4)(f)(I) for the purpose of discussing personnel matters related to the Subject Matter.

MOTION by Woolf and seconded by Brown to enter into Executive Session at 6:24 pm with Fabbre, Bembenek, Koelliker and Lock remaining for the discussion. Fabbre approved discussion of the District Manager's responsibilities be done in the Executive Session versus in Open Session. Motion voted in favor.

MOTION by Brown and seconded by O'Brien to exit the Executive Session at 7:24 pm. Motion voted in favor.

13. Potential Discussion and Action Regarding the Subject Matter to be discussed in the Executive Session

- There was discussion following the Executive Session regarding overtime/personnel matters.

- The Board/Employee Retention Committee has hired HR consultants to review the employee compensation package, the employee handbook and some unwritten policies so these items can be clarified and updated in the handbook.
- Until the HR consultants finalize their review, the Board agreed that the District will continue paying overtime hours as it has been paid in the past. There is the potential that after the HR Consultants finish their review, changes to the current policies may take place.

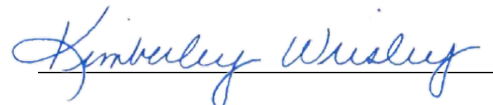
MOTION by Brown and seconded by O'Brien to approve the District moving forward with the following provisions until the HR Consultants complete and advise on their review:

- Hours worked beyond a consecutive 12 hour time period is paid at 2.5 times the hourly rate. (Breaks do not restart the consecutive hour clock).
- Any hours over 40 hours in a week will be paid at 1.5 times the hourly rate, not to be double counted with other overtime hours. (No hours should ever be double counted).
- Overtime worked on a holiday is paid at 2.5 times the hourly rate.
- Emergencies are paid at 2.5 times the hourly rate and the District Manager determines whether something is an emergency or not. (These are emergencies outside of normal work hours).
- These rules should be retroactively applied to the recent water main break and staff should receive appropriate compensation adjustments for any missing compensation.
- This is a temporary measure to ensure staff remain whole until the District staff and the Board can work through a review and amendment of the handbook in cooperation with the HR consultants.

Motion voted in favor.

14. Adjourn

MOTION by Brown and seconded by O'Brien to adjourn the regular board meeting at 7:33 pm. Motion voted in favor.



Drafted by: Kimberley Wisley



Submitted by: Mike Fabbre