

**MINUTES OF THE  
PUBLIC HEARINGS and REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE  
MT. CRESTED BUTTE WATER AND SANITATION DISTRICT  
December 11, 2018**

Public Hearings and a Regular Meeting of the Mt. Crested Butte Water and Sanitation District Board of Directors was held at 5:00 p.m. on Tuesday, **December 11, 2018**, at the office of the District, 100 Gothic Road, Mt. Crested Butte, Gunnison County, Colorado. Members of the Board of Directors in attendance at the meeting were as follows:

Sara Morgan   Carlos Velado   Matthew Gutter   Roger Cram

Also present were:

Mike Fabbre, District Manager

Jill Norris, District Attorney

Nettie Gruber, Finance/Admin Manager

Bryan Burks, Wastewater Plant Supervisor

Kyle Koelliker, Water Plant Operator

Tracy Davenport, Admin Assistant

Rob Pierce, Attorney

Brock & Pam Smith

**PUBLIC HEARING – 2019 Rates & Fees**

**1. Call to Order**

The public hearing was called to order by Sara Morgan at 5:02 pm.

**2. 2019 Rates & Fees Public Comments**

Brock Smith expressed his concern on the reduction of the water gallons from 11,000 to 4,000. He felt his water bill would sharply increase as he uses more than 4,000 gallons per month for only two people.

Morgan explained the Raftelis Consultant Cost of Service study for the decision of the 4,000 gallons base rate that is a common amount for single homes with up to four residents and the decision also was to influence water conservation measures.

Brock Smith also asked about why tap fees only increased two percent. Morgan explained this follows State Statutes for the amount the District can increase from the current fees.

No further discussion was held.

**MOTION** to close the hearing by Morgan.

**PUBLIC HEARING – 2019 Budget**

**1. Call to Order**

The public hearing was called to order by Sara Morgan at 5:08 pm.

**2. 2019 Draft Budget Public Comments**

No members of the public were present for comments.

**MOTION** to close the hearing by Morgan.

**REGULAR BOARD MEETING**

**1. Call to Order**

The meeting was called to order by Chairperson Morgan at 5:11 p.m.

Brian Brown was excused.

**2. Citizens Comment Period**

No citizens were present to comment.

**3. Approve the 2019 Draft Budget**

- Morgan confirmed that all required public notices had been advertised and posted
- The 2018 projected amounts have been updated to be more accurate
- Only two items on the projects page have been changed:
  - Wastewater Blower Oxy-3 has increased
  - Water MLP Asphalt Driveway has decreased
- The beginning reserve amount has been split 60/40 Wastewater/Water
- Consultant line item moved to Admin area
- Major repair items are listed on the Project Page
- It was noted the cash reserves are shrinking per the budget ending balance as major projects are cash funded

**MOTION** by Velado and seconded by Cram to approve the 2019 Resolution To Fix The Rate of Levy For Property Taxes. Motion voted in favor.

**MOTION** by Velado and seconded by Cram to approve the 2019 Resolution to Adopt the 2019 Budget. Motion voted in favor.

**MOTION** by Gutter and seconded by Velado to Adopt the 2019 Rates and Fees Schedule. Motion amended by Gutter and seconded by Velado to add 'Rates and Fees Schedule as published in the board packet. Motion voted in favor.

#### **4. Manager's Report**

- The Open House on November 28<sup>th</sup> had positive feedback on conservation measures
- Fabbre met with Mark Reaman of CB News concerning the Moon Ridge HOA accusations of the wastewater discharge flows. There are no violations of our discharge permit and the feeling this is a baseless claim from a third-party consultant. Moon Ridge has a shallow well.
- Fabbre attended the MLPC board meeting to answer some of their questions on water rights, operations and financing. Rob Pierce, the District's water rights attorney called into the meeting. It was clarified the District owns all the Meridian Lake Reservoir water rights and 36.5 acre feet of storage water is ear-marked for MLP residents usage
- The complicated MLP financing from previous years is being worked on and an update will be presented to the board in approx. 60 days, possibly at the February meeting
- The Water Supervisor vacancy has been advertised without much success
- Frost-Free vents were installed on the Timberland tank per code requirements
- Mountain Peak Controls is in final stages of the RTU/PLC upgrade

#### **5. November 2018 Financial Reports**

- Through November, we have completed 92% of the year
- There were eleven large invoices totaling \$427,933 this month
- An Unrestricted Fund Chart showing balances from December 2017 to November 2018 was included
- 2019 budget shows reserves are being depleted
- Spallone will probably have an additional invoice for 2018, however, the project is not final
- The 2018 ATAD project item line in the budget will not be used this year

**MOTION** by Velado and seconded by Gutter to approve the November 2018 Financial Reports as submitted. Motion voted in favor.

#### **6. Approve Meeting Minutes**

##### **November 5, 2018**

- Discussion was held on several items, no changes made

**MOTION** by Cram, seconded by Gutter to approve the November 5, 2018 minutes as stated. Motion voted in favor.

##### **November 28, 2018 Open House**

- No discussion

**MOTION** by Gutter and seconded by Cram to approve the November 28, 2018 minutes as submitted. Motion voted in favor.

#### **7. Legal Matters**

- Norris confirmed the District is an Enterprise which means we can incur indebtedness without a resident's vote, there are not any concrete guidelines on this in State Statutes
- Auditor confirmed the Enterprise setup because water and wastewater are separate funds
- A resolution to confirm Enterprise Funds in 2019 would be beneficial as a resolution stating this could not be found in the District archives
- Hunter Ridge – J. Watt dropped off plans to the District but no action requested at this time
- An RFQ/RFP was advertised and sent to targeted attorneys for the replacement of Jill Norris. DMWK will submit a proposal. It is a board decision for a new District attorney
- A gift was presented to Jill Norris for her 15 years of service to the District. She thanked everyone for the opportunity to represent the District.

**8. Old/New Business**

- An email to the board was requested to advise of attorney submissions

**MOTION** by Velado and seconded by Cram to move the January meeting to Monday, January 14, 2019  
Motion voted in favor.

**9. Executive Session**

**Motion** by Morgan to enter into an executive session for discussion of a personnel matter under C.R.S. Section 24-6-402(4)(f) and NOT involving any specific employees who have requested discussion of the matter in open session; any member of this body or any elected official; the appointment of any person to fill an office of this body or of an elected official; or personnel policies that do not require the discussion of matters personal to particular employees. Seconded by Velado. Motion voted in favor. Session entered into at 6:32 pm.

Executive session concluded at 7:09 pm.

**MOTION** by Velado and seconded by Gutter to adjust the salary of Mike Fabbre, District Manager, with a prorated amount to reflect the lack of a 2018 increase, for the achievement of certifications and a merit increase. Motion voted in favor.

**10. Adjourn**

**MOTION** by Velado, seconded by Gutter to adjourn the meeting at 7:12 p.m. Motion voted in favor.

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Nettie Gruber, Board Secretary

Approved January 14, 2019 as submitted