

**MINUTES OF THE  
REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE  
MT. CRESTED BUTTE WATER AND SANITATION DISTRICT  
June 11, 2014**

A Regular Meeting of the Mt. Crested Butte Water and Sanitation District Board of Directors was held at 5:00 p.m. on Wednesday, **June 11, 2014**, 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:

John Sale	Sara Morgan	Tom Steuer
David Eleeson	Roger Cram	

Also present were:

Frank Glick, District Manager	Tim Seifert, Water Supervisor	David Barton, Attorney
Jill Norris, District Attorney	Tracy Davenport, Admin Assistant	Rosemary Carroll
Nettie Gruber, Finance/Admin Mgr	Matt Peacock, Wastewater Supervisor	

**PUBLIC HEARING**

**1. Call to Order – Inclusion of Property at Hunter Hill Road**

The public hearing was called to order by Chairperson Sale at 5:00 pm.

There were no attendees from the public.

Motion by Sara Morgan and seconded by Roger Cram to close the public hearing at 5:00 pm. Motion voted in favor unanimously.

**REGULAR BOARD MEETING**

**1. Call To Order**

The regular Board meeting was opened by Chairperson Sale at 5:02 pm.

**2. Board Member Candidates**

Rosemary Carroll was in attendance as a prospective board member candidate. Sale introduced the board member and staff and also advised that new board members will be appointed at the July meeting.

**3. Inclusion Property – MLJ Real Estate, Hunter Hill Road**

Frank Glick gave the background of how the inclusion process works and that the funds will be used to purchase water for the build out of the District. It is a complicated formula that has been updated to include the cost of water per acre foot, whether a reservoir is necessary or not to build in the future. Frank has been working with Resource Engineering water engineers to determine a correct cash-in-lieu amount since the District had not updated its figures since 2001. At that time the per SFE for property inclusion was \$2800. The proposed zoning is for four houses to be built on the 2 acre parcel.

Norris explained that the proposed four lots are ½ acre each and a 5000 square foot house may be built per lot. A **Single Family Equivalent** is assigned per lot and the SFE has been determined to be 2 SFE per lot.

Frank recommended a **Cash-In-Lieu** cost of \$4400 per SFE for a total of \$35,200.

David Barton, attorney for MLJ Real Estate, stated his client was overwhelmed by the cost and may decline to purchase the parcel or go outside the district into the county. However, the county may recommend the property enter into the District boundaries. As this is a financial burden, the client may want to negotiate the amount and felt the District should not have updated their fees at this time. It was suggested that a full development plan would be necessary to accurately figure a CIL cost.

There was a long discussion on when the cash-in-lieu amount was payable, whether to approve the inclusion with conditions, what the actual development plan might be and the precedent this case would have on the next parcel to come into the District. Comparable costs for CIL from other areas would be helpful.

The decision was made to table the matter until the July meeting. Frank will have further information on the SFE fees for the CIL.

**4. Staff Reports**

**Water Dept** – Tim advised he has many projects going at the present time and has ordered parts for additional summer projects. The Malensek flow meter has been ordered, however, the cost came in at \$15,000 instead of the \$10,000 that was budgeted. River flows are lower now but there is still lots of snow. The Malensek ditch has been opened to supply free source water which gives the pumps a break along with the electric costs.

The East River Pond is still not reachable by the road due to a culvert washout, but the pond banks appear to be stable.

**WW Dept** – Matthew advised there were two emergencies recently. One at Treasury Point which was a sewer overflow and one at the Pristine Point lift station. Both have been reported to the State just to respond properly. However, they were less than the reporting value of 1000 gallons. Matt is looking into new options for the sewer jet cleaning equipment.

The lawn sprinkler system for the WWTP area is almost complete and has had no problems.

**Office Dept** – Nettie attended the SDA Board Member workshop which had great information. She will forward copies of the handout to the Board and staff.

**District Manager** – Frank advised there are two holes in the area surrounding the MLP pump station which was probably caused by the fines settling with the heavy runoff. The pump station remains level and Stantec is looking into the matter. A meeting between SGM and the State is scheduled for June 12<sup>th</sup> and more info should be available then. The UV system at the WW plant is becoming obsolete and should be replaced and Stantec is also looking into that project for a redesign and estimate.

#### **5. May Financial Reports**

Nettie gave the May financial report. Revenues were up with a large property tax amount and four tap fees. Two additional tap fees have been recently calculated. The Other Income line includes a \$2500 refund from Gunnison County Public Works for a deposit made in 2012 for a road cut permit.

Expenses were normal for this time of year with lots of projects and repair/maintenance.

Cash flows were up from the property taxes and tap fees. All money market and CD accounts have increased since January 2014 by \$775,394.

**MOTION** by Sara Morgan, seconded by Roger Cram to approve the May 2014 financial operating reports as submitted. Motion voted in favor unanimously.

#### **6. Approve May 14, 2014 Regular Board Meeting Minutes**

**MOTION** by Roger Cram and seconded by Sara Morgan to approve the May 14, 2014 regular meeting minutes with changes as noted. Motion voted in favor unanimously.

#### **7. Employee Handbook Revision**

A change to the employee handbook was presented that would permit an employee to request and receive an advance in vacation or sick time as needed for an extreme circumstance or life threatening situation.

This topic was debated for pros and cons and finally decided that the handbook would remain as written and no changes would be made.

#### **8. Legals**

Norris did not have any legal issues to present.

#### **9. Action Register**

Cram reviewed the action register and updated items.

#### **10. New/Old Business Before The Board**

Norris advised the 2014 SDA Manual would be available on-line in July. This latest version has details of the new laws.

#### **11. Adjourn**

**MOTION** by Sara Morgan and seconded by Roger Cram to adjourn the meeting at 7:20 pm.

Motion voted in favor unanimously.

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Nettie Gruber, Board Secretary