

**MINUTES OF THE
REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE
MT. CRESTED BUTTE WATER AND SANITATION DISTRICT
APRIL 9, 2024**

Regular Meeting of the Mt. Crested Butte Water and Sanitation District (District) Board of Directors was held at 5:00 pm on Tuesday, **April 9, 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, Jenn O'Brien - Board Member

Also present were:

Mike Fabbre - District Manager, Kent Fulton - Finance Manager, Kyle Koelliker - Water Supervisor, Marcus Lock - District's Attorney, Kim Wisley – Accounts Receivable Coordinator, Tracy Davenport - Recorder

Board Meeting Agenda

1. Call to Order

- The regular meeting of the Board of Directors was called to order by Woolf at 5:01 pm and a quorum was present.

2. Citizen Comment Period

- No citizens presented comments.

3. Approve Meeting Minutes

- March 12, 2024

MOTION by Ferrell and seconded by Brown to approve the March 12, 2024 regular meeting minutes as submitted. Motion voted in favor.

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 District received approximately \$68,000 back from the Town of Mt. Crested Butte for deposits from wastewater construction projects. The water treatment plant expansion project deposit is still being held by the Town of Mt. Crested Butte but anticipate getting that deposit back sometime this summer.
- The District has continued working with Leonard Rice Engineering and has a potential draft report for review for the water master plan. Due to the length of this subject, it was requested to hold a special meeting which will be scheduled soon.

5. District Compensation and Potential Market Adjustment

- Fabbre noted that the Board established an employee retention committee.
- There are currently two open positions in the water department. The salary ranges the District had advertised for the water operator positions were lower than other utility companies in the area and the state.
- Discussion was held regarding a potential market adjustment in salaries for District staff.
- Fulton explained details of the loan covenant for the water treatment plant expansion project. Capital projects are not included in the loan ratio.
- Human resources consulting is available through the District's membership with the Small District Association.
- Fulton to meet with the employee retention committee to discuss options for potential market adjustment.

6. 2023 Draft Audit Discussion

- Fulton noted that the auditors reported no opinion or a "clean audit" which means there is nothing outstanding or nothing that has come to the auditor's attention that needs to be addressed with the Board for serious discussion.
- Due to the State Legislature moving the acceptance of budgets from December of 2023 to January of 2024, the budget wasn't approved until January of 2024 so a property tax amount is not listed for 2023. The balance sheet for governmental funds shows a zero in the property tax receivable asset but it offsets with the deferred property taxes liability.

- The Board noted some changes for the Manager’s Discussion & Analysis report and the Board would like to see the draft audit with the corrections before authorizing final approval.

7. March 2024 Financial Report

- Fulton reported that the debt ratio for the total net operating results need to be at least 110% of what the loan amount is for the year to stay in compliance with the water treatment plant expansion loan covenant.
- Received property tax funds so the District is in a cash positive position. There is nothing out of the ordinary for expenditures. The wastewater department received a blower motor that was ordered last year.
- The District moved \$600,000 from Community Banks to ColoTrust as they offer a higher interest rate which will bring in more revenue. ColoTrust is an investment type bank that only handles governmental entities.

MOTION by Woolf and seconded by Brown to approve the March 2024 Financial Report. Motion voted in favor.

8. Legals

- Lock reported he has been working on the following items:
 - Comments have been submitted to the Town of Mt Crested Butte for Upper Prospect, Nordic Inn, and The Villages developments.
 - 159 Snowmass townhome project has completed the first phase. The District has been engaged with the developer on whether the water/sewer lines within the property boundary will be considered main lines or service lines. An agreement was reached today that they will be service lines and will be the owners’ responsibility for repairs and maintenance.
 - The District is waiting on as-builts designs for Honey Rock Ridge to finalize a public infrastructure acceptance agreement.
 - Wastewater trunkline expansion project
 - Water Master Plan draft review.
 - Waiting to hear from the Town of Crested Butte regarding ATAD.
 - Long Lake pipeline draft temporary license agreement to the Land Trust to do feasibility study and evaluations.
 - The Villages project approval addressing concerns with the Town of Mt Crested Butte.

9. New/Old Business Before the Board

- There was no new or old business discussed.

10. Adjourn

MOTION by Woolf and seconded by Grindlay to adjourn the meeting at 6:08 pm. Motion voted in favor.



Drafted by: Tracy Davenport



Submitted by: Kent Fulton