

**MINUTES OF THE
REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE
MT. CRESTED BUTTE WATER AND SANITATION DISTRICT
DECEMBER 9, 2025**

Regular Meeting of the Mt. Crested Butte Water and Sanitation District (District) Board of Directors was held at 5:00 pm on Tuesday, **December 9, 2025**, 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, Jonathan Ferrell - Treasurer, Nancy Grindlay - Vice-Chair, Jenn O'Brien - Board Member, Tom Rolleczek - Board Member

Also present:

Mike Fabbre - District Manager, Adam Bembenek - Wastewater Supervisor, Nicole Bogenschuetz - District Engineer, Tracy Davenport - A/P Coordinator, Kent Fulton - Finance Manager/Board Secretary, Kyle Koelliker - Water Supervisor, Marcus Lock - District's Attorney, Kim Wrisley - Recorder, Members of the public

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

- November 5, 2025
- November 12, 2025
- It was requested that bullet point number 8 of the November 12, 2025 minutes be amended to note that the operation of the outlet works was done at the Meridian Lake Reservoir Dam.

MOTION by Grindlay and seconded by Rolleczek to approve the November 5, 2025 Budget Work Session minutes as submitted. Motion voted in favor.

MOTION by Grindlay and seconded by Rolleczek to approve the November 12, 2025 Regular Meeting minutes as amended. Motion voted in favor.

4. Public Hearing on the 2026 Budget

- Woolf called the hearing to order at 5:17 pm.
- Fulton presented the budget for consideration by explaining that staff has prioritized the capital projects list, finalized the 2026 mill levy amount and property tax estimates, proposed a 6% rate increase to user fees and an 8% rate increase to availability of service fees and tap fees.
- The budget is projecting a potential loss of approximately \$1.8M. The loan ratio for the Water Treatment Plant will be met.
- Stage 1, planning and engineering with HDR, for a roof repair on the headworks building is on the 2026 projects list with the expectation that the repair work/construction will be done in 2027.
- It was suggested that the District consider creating an assistance program to help vulnerable income level residents pay their water/sewer bills.
- The hearing was opened for public comment, no comments were presented.
- There was consensus that agenda items #6 and #7 will be presented at this point instead of later in the meeting.

MOTION by O'Brien and seconded by Ferrell to approve Resolution #2025-7, a resolution appointing Kent Fulton as the 2026 budget officer for the Mt Crested Butte Water and Sanitation District, a Colorado Special District, for the budget year 2026. Motion voted in favor.

MOTION by O'Brien and seconded by Grindlay to approve Resolution #2025-8, a resolution adopting the budget for the Mt Crested Butte Water and Sanitation District, a Colorado Special District, for the calendar year commencing January 1, 2026 and ending December 31, 2026. Motion voted in favor.

MOTION by Woolf and seconded by Rolleczek to close the Public Hearing on the 2026 Budget at 5:22 pm. Motion voted in favor.

5. Public Hearing on the 2026 Rates and Fees

- Woolf called the hearing to order at 5:23 pm.
- Fulton reviewed page 21 of the agenda packet which shows the various proposed fee increase amounts (6% for user fees, 8% for availability of service and tap fees).
- The hearing was opened for public comment, no comments were presented.

MOTION by O'Brien and seconded by Grindlay to approve the 2026 rates and fees and Resolution #2025-11, a resolution adopting setting utility rates and fees for the Mt Crested Butte Water and Sanitation District, a Colorado Special District, for the calendar year commencing January 1, 2026 and ending December 31, 2026. Motion voted in favor.

MOTION by Woolf and seconded by Ferrell to close the Public Hearing on the 2026 Rates and Fees at 5:27 pm. Motion voted in favor.

6. Appropriate Sums of Money for 2026 – Resolution 2025-9

- Fulton explained that the sums of money shown in the 2026 budget need to be approved for general operating expenses within the three separate District funds (General, Water and Wastewater).

MOTION by O'Brien and seconded by Rolleczek to approve the appropriation of sums of money via Resolution #2025-9, a resolution to appropriate sums of money for the Mt Crested Butte Water and Sanitation District, a Colorado Special District, for the calendar year commencing January 1, 2026 and ending December 31, 2026. Motion voted in favor.

7. Approve 2026 Mill Levy Rate – Resolution 2025-10

- Fulton reviewed the Gunnison County 2026 mill levy calculations on pages 30/31 of the agenda packet. The rate will increase to 6.336% mills and the District will receive \$3150 from the county for abatements.

MOTION by O'Brien and seconded by Rolleczek to approve the 2026 mill levy rate and Resolution 2025-10, a resolution fixing the rate of property within the Mt Crested Butte Water and Sanitation District, a Colorado Special District, for the year 2026. Motion voted in favor.

8. Discussion of the Hunter Ridge Subdivision Application for Inclusion

- Bogenschuetz reported that the District received a petition for inclusion from the Hunter Ridge Development Team. Staff is seeking direction from the Board about how to proceed, which requires negotiations in a public meeting.
- Lock noted that the developer had inquired as to when capacity expansion fees and cash in lieu of water rights would be due. He has advised their legal counsel that those fees would be part of an inclusion agreement, should the Board approve one, and they would be owed to the District at the time the agreement is executed and the property is included in the District.
- The Board directed staff to set a public meeting to discuss this matter. Public meetings require a 30-day public notice so it's anticipated that a meeting would take place in late January or early February.
- It was suggested that the applicant notify properties adjoining the parameters of the project area, within 200 feet or the distance required by the Town of Mt Crested Butte, with separate, individualized notifications.

9. Discussion of the Interceptor Line Project and Funding

- Fabbre reported HDR has provided documents for the 90% design and costs. It is anticipated that feedback and comments will be completed by the end of the year. Easement and alignment issues will be discussed to help achieve 100% design.
- There was discussion regarding funding options that need to be considered. The Board would like the District to begin pursuing funding options and if possible, ones that do not impact current customer rates.

10. District Manager Report

- Fabbre celebrated staff anniversaries: Bembenek has been with the District for 8 years, since 2017.
- Fabbre noted the District Holiday Party is on Friday, December 12, 2025.
- Fabbre reported the District is in the Administrative Extension period of the Discharge Permit. No changes are allowed during this timeframe. The District is trending well with compliance.
- Annual employee reviews have begun. Staff will be participating in an anonymous survey conducted by third party, CPSHR, and the results will be passed on to the Board once they are compiled.

11. Capital Projects Report

- Bogenschuetz highlighted 3 projects: the Timberland tank repair and replacement, the Long Lake 30% design and the Gothic Road interceptor 90% design, all are on track to be completed by the end of the year. The Master Plan is being finalized. It is scheduled to be completed, on budget, by the end of the year.

12. November 2025 Financial Report

- Fulton reported November was a quiet month.
- Invoices will be coming in for the recent water main break.
- Fulton is expecting final, end of year billing from consultants to wrap up soon.
- The monthly financial statement is down but the yearly statement is up so the District is tracking to be above budget for the year.
- Fulton reviewed costs for the C3 door found on page 58 of the agenda packet. A \$2000 deposit refund was received for this.

MOTION by O'Brien and seconded by Rolleczek to approve the November 2025 Financial Reports. Motion voted in favor.

13. Legals

- Lock reviewed the projects that he and staff continue to work on.
- Lock reported that a meeting will take place on December 17, 2025 with representatives for the Town of Crested Butte regarding a final resolution to the ATAD agreement dispute.

14. New/Old Business Before the Board

- Forms for the sewer service line inspections are in process and a date for enforcement will be determined once the forms are finalized. Staff are planning to meet with local realtors to inform them of the new process.

15. Executive Session

Consideration of an executive session to discuss (1) application for inclusion of the Hunter Ridge Subdivision (2) Collections Interceptor Line; (the "Subject Matters") pursuant to C.R.S. Section 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 Matters, and C.R.S. Section 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 Matters.

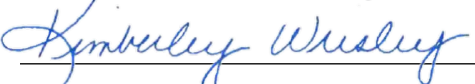
- There was agreement that an executive session is not necessary at this time.

16. Potential Discussion and Action Regarding the Subject Matters Discussed in Executive Session

- An Executive Session was not held so there was no discussion of potential action.

17. Adjourn

MOTION by O'Brien and seconded by Rolleczek to adjourn the regular board meeting at 6:18 pm. Motion voted in favor.



Drafted by: Kimberley Wrisley



Submitted by: Kent Fulton