MINUTES OF THE
REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE
MT. CRESTED BUTTE WATER AND SANITATION DISTRICT
JUNE 9, 2026

Regular Meeting of the Mt. Crested Butte Water and Sanitation District (District) Board of Directors was held at 5:00 pm on Tuesday, **June 9, 2026**, via **https://zoom.us/my/districtboardmeeting**.

Members of the Board of Directors in attendance at the Regular Board Meeting were as follows:
Nancy Woolf - Chair, Jonathan Ferrell – Treasurer (joined the meeting at 5:10 pm), Nancy Grindlay - Vice-Chair, Jenn O'Brien - Board Member, Tom Rolleczek - Board Member (exited the meeting at 6:10 pm)

Also present:
Nicole Bogenschuetz - Interim District Manager/District Engineer, Adam Bembenek - Wastewater Supervisor, Todd Brewer - District Manager, Tracy Davenport - A/P Coordinator, Kent Fulton - Finance Manager/Board Secretary, Rick Huggins - HDR, Kyle Koelliker - Water Supervisor, Marcus Lock - District Attorney, Mike Sabon - HDR, Kim Wrisley - A/R Coordinator/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
- May 12, 2026
- May 22, 2026
- May 26, 2026

MOTION by O'Brien and seconded by Grindlay to approve the May 12, 2026, May 22, 2026 and May 26, 2026 meeting minutes as submitted. Motion voted in favor.

4. Public Hearing on the Capacity Expansion Sewer Tap Fee
- Woolf called the public hearing to order at 5:04 pm and a quorum was present.
- Bogenschuetz explained a Capacity Expansion Sewer Tap Fee was approved by resolution in May of 2025. Further work has been completed and the project is now at 90% design. An updated tap fee has been proposed for approval through Resolution 2026-04, which is found on page 8 of the Board packet.
- Bogenschuetz introduced Huggins and Sabon. They reviewed the information in the report/maps found on pages 16-22 of the Board packet. They explained their cost analysis findings and how they recommend the capacity expansion tap fees/Resolution 2025-05 be updated.
- The hearing was opened for public comment at 5:24 pm. There was discussion to clarify parcels identified as open space/not to be served and the associated responsibility regarding the capacity expansion tap fees. Bogenschuetz noted the calculations were based on information provided by the Gunnison County Assessor.
- The hearing was closed to public comment at 5:29 pm.

5. Resolution 2026-04 Capacity Expansion Sewer Tap Fee
- Bogenschuetz explained Resolution 2026-04 mainly resembles Resolution 2025-05 which allows the District to update information as needed.
- Resolution 2026-04 amends Resolution 2025-05, replacing and superseding Exhibit A2 with Exhibit A3, which is attached in the Board packet. All other terms remain unchanged.
- More updates could potentially be necessary at 100% design, mid construction and/or end of construction.

MOTION by O'Brien and seconded by Grindlay to approve Resolution 2026-04 as submitted. Motion voted in favor.

- Woolf closed the public hearing at 5:39 pm.

a. **Executive Session**
   - Consideration of an Executive session to discuss the Gothic Road Interceptor alignment (the "Subject Matter") pursuant to C.R.S. Section 24-6-402(4)(a) to discuss the acquisition or other transfer of real

property interests regarding the Subject Matter; 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 Matter, 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 Matter.

MOTION by O'Brien and seconded by Grindlay to move into Executive Session at 5:40 pm with HDR, Bogenschuetz, Bembenek, Brewer and Lock remaining for the discussion. Motion voted in favor.

MOTION by Woolf and seconded by O'Brien to exit Executive Session at 6:10 pm. Motion voted in favor. Rolleczek exited the meeting following the Executive Session.

b. <u>Potential Discussion and Action on the Subject Matter Discussed in Executive Session</u>
- o No further discussion/action took place.

<u>6. Public Hearing on the Irrigation Tiered Rates</u>
- Woolf called the public hearing to order at 6:12 pm and a quorum was present.
- Bogenschuetz reviewed drought conditions and emergency restrictions that are currently in place to reduce irrigation and overall usage. She then presented a consideration of Irrigation Tiered Rates citing page 53 of the Board packet which shows updated calculations of proposed tiered rates that would produce a break-even revenue impact.
- The hearing was opened for public comment at 6:15 pm.
- The hearing was closed to public comment at 6:18 pm.
- Grindlay presented an email received by the Board during this meeting from a District customer regarding the proposed tiered rates, attached herein. The comments of the email were considered and a District representative will respond to the customer.
- Bogenschuetz explained the data used for the updated tier calculations which aim to reduce water usage by 20% between May and September.

MOTION by Ferrell and seconded by Grindlay to approve the proposed tiered rates on page 53 of the Board packet. Motion voted in favor.

- Woolf closed the public hearing at 6:22 pm.

<u>7. Ratification of Employee Contract and Appointment of District Manager</u>
- The District Manager position has been offered to and accepted by Brewer. He and Woolf have signed a contract.
- The Board has appointed Bogenschuetz as the Assistant District Manager.

MOTION by Grindlay and seconded by Ferrell to ratify and approve the executed contract to appoint Todd Brewer as the District Manager and to approve the appointment of Nicole Bogenschuetz as the Assistant District Manager. Motion voted in favor.

<u>8. Interim District Manager Report</u>
- Bogenschuetz reviewed highlights reported in the memorandum included in the Board packet.
- Ben Manahan transferred from a Wastewater Operator Position to a Water Operator Position.
- Samuel Glenn joined the Wastewater Department as an operator.
- Will Brunner, water operator, passed his Water Treatment Class A certification test.
- The Wastewater Department has received several calls regarding the sewer service line inspection program. Seven reports have been submitted and of these, two reported issues that will need repaired and one of the two has completed the repairs.
- The Water Department has completed annual hydrant flushing and is preparing to perform hydrant pitot measurements to calibrate the hydraulic model and pressure zones.
- The annual financial audit is underway and progressing nicely.
- Cost reimbursement invoices have been sent out to all active developments that have incurred costs.
- Bogenschuetz presented the 90% Design Gothic Road Interceptor Project to the Mt Crested Butte Town Council, provided engineering support for the Town of Mt Crested Butte Babbling Brook Project that damaged a high-pressure water line and prepared for the Meridian Lake Park Dam No.1 inspection by the state.
- Bogenschuetz reminded the Board to set up multi-factor authorization for District emails to help with cyber security improvements.

9. Capital Projects Report

- Bogenschuetz reported the Timberland Tank Ring Wall Repair geotechnical investigation by CMT has begun and once finalized will inform HDR's structural design.
- AECOM was on site at Long Lake to collect additional survey information and continue working toward the 60% Design milestone.
- HDR continues work on the Gothic Road Interceptor Project, finalizing flow projections for the capacity expansion sewer tap fee and incorporating changes from the service plan discussed at the May Board meeting.
- Work continues on the review of preliminary submittals for Bear Crossing, the Beckwith Hotel and Hunter Ridge developments.

10. May 2026 Financial Reports

- Fulton reported he anticipates invoices for wastewater repairs will be received soon.
- A large tap fee that was paid at the very end of April, originally showed up on May financials, but has now been appropriately adjusted back to April so tap fees are now up to date.
- A preliminary audit report is in process from the auditor. Fulton expects to send that report to the Board for review prior to the July meeting when it will be up for approval.

MOTION by O'Brien and seconded by Grindlay to approve the May 2026 financial report as submitted. Motion voted in favor.

11. Legals

- Lock noted he has been very busy working with the District on the subject matters already discussed in this meeting.
- The District Manager Search Committee is appreciative of and extended thanks to Lock for his support and guidance during the process of hiring.

12. New/Old Business Before the Board

- It was suggested that the District hold a welcome event when Brewer starts as the District Manager.
- Bogenschuetz noted the "All Hands Meeting" already scheduled on July 21, 2026 will include a BBQ lunch and would be a convenient time to hold the welcome event. Brewer confirmed he would be available at that time.

13. Adjourn

MOTION by O'Brien and seconded by Woolf to adjourn the regular board meeting at 6:40 pm. Motion voted in favor.

Kimberley Wrisley

Drafted by: Kimberley Wrisley

Kent Fulton

Submitted by: Kent Fulton