

**MINUTES OF THE
REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE
MT. CRESTED BUTTE WATER AND SANITATION DISTRICT
SEPTEMBER 22, 2026**

Regular Meeting of the Mt. Crested Butte Water and Sanitation District (District) Board of Directors was held at 5:00 pm on Tuesday, **September 22, 2026**, via <https://zoom.us/my/mcbwsdboardmeeting>.

Members of the Board of Directors in attendance at the Regular Board Meeting were as follows:

Nancy Grindlay - Vice-Chair, Jonathan Ferrell – Treasurer (joined the meeting at 5:04 pm), Jenn O'Brien - Board Member, Tom Rolleczek - Board Member

Also present:

Todd Brewer – District Manager, Adam Bembenek – Wastewater Supervisor, Justin Biggs – GCM², Nicole Bogenschuetz – District Engineer, Tracy Davenport – A/P Coordinator, Tyler Harpel – SGM, Rick Huggins – HDR, Marcus Lock – District Attorney, Alex San Filippo-Rosser – District Attorney, 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 Grindlay at 5:00 pm and a quorum was present.

2. Citizen Comment Period

- No citizens presented comments.

3. Approve Meeting Minutes

- August 11, 2026

MOTION by Rolleczek and seconded by O'Brien to approve the August 11, 2026 meeting minutes as submitted. Motion voted in favor.

4. Water & Wastewater Master Plan

- Bogenschuetz introduced Huggins, who completed the Water & Wastewater Master Plan that focuses on the District's collection and distribution systems. He provided an overview of the Executive Summary that is found on page 5 in the agenda packet.
- It was noted that the Water Resource Master Plan was not part of the scope of this Water & Wastewater Master Plan.

5. Water Resources and Water Supply Status

- Bogenschuetz noted there have been some water source deficiencies identified and she outlined what the District has done to help mitigate them thus far. This includes (1) installing a Parshall flume of the Malensek Ditch, (2) evaluated and surveyed all source water infrastructure and incorporated the data into the District's GIS database, and (3) filed all due diligence for conditional water rights to protect existing water rights.
- Moving forward, the District has the following goals: (1) completing a water resource infrastructure study in 2027, where the study will focus on prioritizing existing infrastructure improvements, water quality, and compliance with Division 4 measurement rules and (2) updating the Water Resource Master Plan with an addendum using current growth projections.
- At the Schofield Pass SNOTEL site, in the East River watershed, the recent 4 inches of precipitation accumulation has helped increase area overall yearly precipitation accumulation into the 20th percentile.
- Investing time and resources into a contingency plan, which will be part of the infrastructure study, will be the best method for managing low precipitation water years.

6. Preliminary Submittal: Upper Prospect

- Bogenschuetz reviewed HDR's response to and recommendation for technical approval by the Board of Directors for the Preliminary Submittal of Upper Prospect, Phase 1 only, which is found on pages 10-11 of the board packet. Staff is seeking Board Direction for how to proceed and will hear a presentation by Biggs and Harpel regarding this project.
- Biggs explained that the developers will prepay 100% of their capacity expansion fees along with approximately \$1M in tap fees for their existing buyers. Other members of their team (present on the call) are Aaron Huckstep of Huckstep Law and Chris Peck, Principal-in-Charge.

- Harpel gave some historical information about the project and reviewed the SGM Water & Sewer Comprehensive Report found on pages 12-83 in the agenda packet.
- Bogenschuetz noted HDR and staff agree that the horizontal infrastructure of Phase 1, as presented, properly meets the *Rules and Regulations* and the *Standards and Specifications* of the District.
- Additional discussion regarding the Board's direction on this matter will be discussed in Executive Session.

7. Public Improvement Acceptance Agreement (PIAA)

a. Executive Session

- Consideration of an Executive Session to discuss the Public Improvement Acceptance Agreement between the District and Prospect Mountain Holdings, also known as Upper Prospect (the "Subject Matter") 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 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, or instructing negotiators with respect to the Subject Matter.

MOTION by Ferrell and seconded by O'Brien to move into Executive Session at 6:22 pm with Brewer, Bogenschuetz, San Filippo-Rosser and Lock remaining for the discussion. Motion voted in favor.

MOTION by Grindlay, there wasn't a second, to exit Executive Session at 6:57 pm. Motion voted in favor.

b. Potential Discussion and Action on the Subject Matter Discussed in Executive Session

MOTION by Rolleczech and seconded by O'Brien to accept the Upper Prospect Preliminary Submittal and approve the Public Improvement Acceptance Agreement with minor amendments as discussed in Executive Session. Motion voted in favor.

8. Board Retreat Planning

- Brewer proposed holding a Board retreat in October or November. He suggested discussing several items, including the handbook, the Master Plan, roles/responsibilities of the staff/Board and the 2027 budget.
- Lock affirmed the idea of holding a retreat and suggested the Board consider appointing an interim chairperson now that Director Woolf has stepped down. It was decided that an interim chairperson will be appointed during the "New/Old Business" agenda item.
- There was consensus that a retreat would be helpful so Brewer will send out a poll regarding potential dates. District leadership staff will also be invited.

9. District Manager Report

- Brewer announced that Kyle Pendleton, wastewater operator, passed the wastewater C exam, Sam Glenn, wastewater operator, passed the wastewater D exam, Davenport celebrated 13 years with the District, Steven Sunderlin, wastewater operator, celebrated 1 year with the District, Bogenschuetz attended the Rocky Mountain Water Conference in Keystone, CO and Water Supervisor, Kyle Koelliker, completed service with the District on September 1.
- Brewer attended the Special District Association conference in Keystone, CO.
- Brewer reviewed the points of his memorandum included in the Board packet.
- The District is advertising for the Water Supervisor position in the newspaper and on several websites.
- Water production in August was 2 million gallons less than in July.
- It is anticipated that the Timberland Tank Ringwall Project will begin in April 2027 when the excavation moratorium ends.

10. Engineering Report

- Bogenschuetz reported on capital project accomplishments. The District and HDR are finalizing the alignment of the Gothic Road Interceptor Line with stakeholders, easements and title work. The work remains ongoing and will be presented to the Mt. Crested Butte Town Council in the near future.
- HDR is dividing the Gothic Road Interceptor specifications package into two separate packages. Package 1 covers the distance between Snowmass Road and the wastewater facility and it focuses on the rehabilitation of the existing interceptor with a cure in place pipe (CIPP) liner. This is a repair to address the pipe's condition that is the District's responsibility. Package 2 is going to be focused on the capacity improvements from Snowmass Road going north to Prospect Drive and will be funded by development.
- The bid package with specifications and drawings for the Timberland Tank Ringwall Repair was assembled and an invitation to bid was posted on August 20th in the newspaper and on the District website. The District has received three bids and the project award will be announced later this month.

11. August 2026 Financial Reports

- Davenport reported revenues for the District were \$65K in property taxes and \$176K+ in tap fees bringing the year-to-date total for tap fees to \$740K. One of the tap fees received was for a property in Saddle Ridge and \$116K was collected for capacity expansion fees.
- Large expenses reported were \$33K to AECOM, \$71K to HDR and \$33K for quarter 2 solids processing to the Town of Crested Butte.
- The safety equipment credit in the financial report is for a reimbursement payment received from the Colorado Special Districts Association Safety & Loss Grant Program which offers reimbursement for 50% of safety-related invoices.
- Water usage is down by approximately 4 million gallons from August 2025 and revenue is down by \$11K as the result of conservation efforts.

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

12. Legals

- Lock reported he received an updated draft of the Inter-Governmental Agreement for solids processing from the Town of Crested Butte. He and San Filippo-Rosser are working to finalize the agreement.

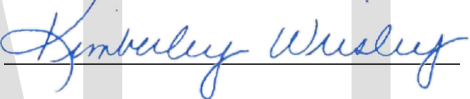
13. New/Old Business Before the Board

- There was discussion to appoint Grindlay as the Interim Board President since Director Woolf stepped down as President on September 7, 2026. The Board will consider reorganizing once a new Board member is appointed.
- The Board expressed appreciation and gratitude to Nancy Woolf for her 7+ years of service to the Board and the District.

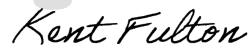
MOTION by O'Brien and seconded by Rolleczek to appoint Grindlay as the Interim Board President. Motion voted in favor.

14. Adjourn

MOTION by Ferrell and seconded by Rolleczek to adjourn the regular board meeting at 7:34 pm. Motion voted in favor.



Drafted by: Kimberley Wrisley



Submitted by: Kent Fulton