

**MINUTES OF THE  
REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE  
MT. CRESTED BUTTE WATER AND SANITATION DISTRICT  
MAY 12, 2026**

Regular Meeting of the Mt. Crested Butte Water and Sanitation District (District) Board of Directors was held at 5:00 pm on Tuesday, **May 12, 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, Nancy Grindlay - Vice-Chair, Jenn O'Brien - Board Member, Tom Rolleczek - Board Member

**Also present:**

Nicole Bogenschuetz - Interim District Manager/District Engineer, Adam Bembenek - Wastewater Supervisor, Brian Carney - Water Foreman, Tracy Davenport - A/P Coordinator, Darah Fuller - Attorney with WBA, Kent Fulton - Finance Manager/Board Secretary, Andrew Ken, Attorney with McGeady, Becher, Cortese, Williams, PC, Marcus Lock - District Attorney, Megan Murphy - Attorney with WBA, Linda Woulfe – Senior Executive Search Consultant with GMP Consultants, 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**

- April 21, 2026

**MOTION** by Grindlay and seconded by O'Brien to approve the April 21, 2026 meeting minutes as submitted. Motion voted in favor.

**4. Resolution 2026-03 Resolution of Overlapping Consent with the Villages at Mt Crested Butte Metropolitan District No. 1-7**

- Bogenschuetz introduced Megan Murphy, the attorney consulting on the Resolution 2026-03.
- There was consensus that an executive session was not necessary for the discussion with Murphy.
- Murphy explained Metro Districts that are being organized within the boundaries of the Mt Crested Butte Water and Sanitation District (MCBWS) must seek overlapping consent to build water and sanitary improvements. MCBWS will be the water and sanitary service provider. This resolution does not involve details of the Metro Districts' service plans but is only approving the Metro Districts to exist/to finance their own improvements. All improvements are subject to MCBWS's rules and regulations and will be approved by MCBWS later in the process.
- Murphy noted a correction to Resolution 2026-03 will be made to reflect Metro Districts 1-7 instead of 1-2.

**MOTION** by Ferrell and seconded by Grindlay to approve Resolution 2026-03 allowing Overlapping Consent with the Villages at Mt Crested Butte subject to final legal review. Motion voted in favor

**5. Interim District Manager Report**

- Bogenschuetz reviewed the highlights reported in the memorandum included in the Board packet.
- Staff anniversaries were recognized for the month of April: Kyle Koelliker with 10 years, Brian Carney with 8 years, Doug Collin with 7 years and Will Brunner with 4 years.
- Bogenschuetz and Bembenek toured the solids processing facility in the Town of Crested Butte and they are working with town staff to update the 1996 Inter-Governmental Agreement.
- The District is starting to receive phone calls regarding the Sewer Service Line Inspection Program. Three submittals have been received, two of which showed root intrusion repairs are needed.
- Bogenschuetz noted the East River Water Source Addition, First Supplement, Conditional Water Rights application that was filed back in January. In April the District received a finding of reasonable diligence from the division engineer.
- The water department has completed annual reporting and compliance sampling.

- District staff completed an IT equipment inventory. All devices have been given an inventory number and have been assigned to an employee.
- Flow projections to calculate the Capacity Expansion Sewer Tap Fee were updated and finalized based on updated Gunnison County Assessor's information, fees that were paid in 2025/2026 and recent development plans that the District has received.

## **6. Capital Projects Report**

- Bogenschuetz reported the Timberland Tank Ring Wall Repair is scheduled for a geotechnical investigation later in the week which will inform the structural design so plans can stay on track to begin construction in the fall when water demand is low.
- Summer field work has begun with an increase in construction/development work for both the District and for the Town of Mt Crested Butte.
- The District is currently working on turning around two outstanding preliminary submittals back to the developers.

## **7. April 2026 Financial Reports**

- Fulton reported Bogenschuetz has been named the Gunnison Basin Roundtable Municipal Representative for Gunnison County by the Towns of Mt Crested Butte, Crested Butte and the City of Gunnison.
- Fulton is working on the last few items that have been requested by the auditors, and the audit is on schedule.
- Another tap fee/capacity expansion tap fee for a new build was received.
- Fulton anticipates a large property tax revenue payment very soon.
- User fee revenues are on track with the budget numbers and the revenue stream is holding well.
- There will be a large capital improvements payment to HDR for the Capacity Expansion Project.

**MOTION** by O'Brien and seconded by Grindlay to approve the April 2026 financial report as submitted and to congratulate Bogenschuetz on her new position with the Gunnison Basin Roundtable. Motion voted in favor.

## **8. Employee Retention Committee Update**

- O'Brien reported work continues and a lot of progress has been made. She thanked the staff and LaDonna Garcia for their diligent efforts in moving this project forward.

## **9. Legals**

- Lock reviewed the projects that he and staff have been working on, namely Resolution 2026-03 for Overlapping Consent, support for the District Manager Search Committee, and updating the IGA with the Town of Crested Butte for the solids processing project. He is expecting a draft from the Town of Crested Butte incorporating some changes and he is working with District staff to discuss their changes as well.
- The Village at Mt Crested Butte project is active again. A letter of intent is being developed.
- The Upper Prospect letter of intent is being turned into a comprehensive agreement and a draft will be available within the next couple of weeks.
- The resolution for the past expansion fee intended to fund the trunkline will be updated for the next board meeting, accounting for more refined data of the cost/cost allocations.

## **10. 2025 Consumer Confidence Report (CCR) Review**

- Bogenschuetz reported the CCR's for the Mt Crested Butte Water Treatment Plant and the Meridian Lake Park Water Treatment Plant have been completed. The reports show all sampling done within the last year is below the maximum contaminate level and the District's water quality is great.
- In 2024 the District received a violation for the Meridian Lake Park Water Treatment Plant because the storage tank inspection was not completed within the adequate timeline. The resolution for that 2024 violation took place on January 31, 2025, extending the violation into 2025, and therefore it needed to be included on the 2025 CCR.
- 2023 lead and copper levels are reported on the 2025 reports because the lead and copper requirements are only required to be reported every three years.

## **11. Irrigation Restrictions**

- Bogenschuetz reminded the Board that a motion was approved at the April Board meeting, which approved emergency irrigation restrictions. She followed up to that by leading discussion regarding whether rates would change in association with the emergency restrictions. She referenced slides from the Board packet showing the potential impact of two possible scenarios, one being with an increase to rates and the other without an increase.
- She reviewed information shared at the North Valley Water Manager's meeting regarding their responses, current restrictions and what actions are anticipated in the coming months. A "cheat sheet" is being compiled for all of the North Valley Water Districts to post on their websites to help the community and property managers know which Districts have which restrictions.

- If emergency irrigation restrictions are implemented without an increase to rates, there could be a significant revenue loss. If the proposed rate increases are to be implemented in addition to the emergency restrictions, the District would potentially see a large profit. It was suggested that the District determine a breakeven point.
- Fulton suggested keeping the proposed base rate amounts but adjust the tiered rates permitted for estimating a breakeven point. Base rate users would see no change to their rates. Bogenschuetz noted that research shows that by implementing irrigation restrictions, outdoor irrigation can be reduced by 20%.
- The District staff will draft a Resolution that establishes an estimated breakeven point after recalculating the tiers and increases to the rates, which will be presented for approval at the June Board meeting. If approved, the Resolution will be effective on July 1, 2026. A 30-day notice for this potential rate change has already been published.

**12. Search Committee Update**

- Grindlay reported the search committee for the District Manager position has narrowed down the pool of potential candidates and will be discussing them in the Executive Session. She reviewed the timeline and calendar of events leading up to a decision. The committee is permitted to announce their decision and successful candidate 14 days after the May 15, 2026 published notice of interviews.

**13. Executive Session**

- Consideration of an executive session to discuss the District Manager Position (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 negotiators with respect to the Subject Matter, and C.R.S. Section 24-6-402 (f)(I), which concerns personnel matters related to the Subject Matter.

**MOTION** by Woolf and seconded by Grindlay to move into executive session at 6:12 pm with Fulton and Woulfe remaining for the discussion. Motion voted in favor.

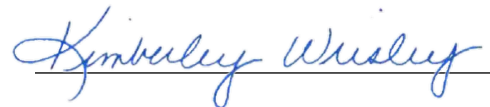
**MOTION** by Rolleczek and seconded by O'Brien to exit executive session at 7:08 pm. Motion voted in favor.

**14. Potential Discussion and Action on the Subject Matters Discussed in Executive Session**

- No further discussion or action was discussed.

**15. Adjourn**

**MOTION** by Rolleczek and seconded by O'Brien to adjourn the regular board meeting at 7:10 pm. Motion voted in favor.



Drafted by: Kimberley Wrisley



Submitted by: Kent Fulton