

**MINUTES OF THE  
REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE  
MT. CRESTED BUTTE WATER AND SANITATION DISTRICT  
JANUARY 10, 2023**

Regular Meeting of the Mt. Crested Butte Water and Sanitation District (MCBWS) Board of Directors was held at 5:00 pm on Tuesday, **January 10, 2023**, via <https://zoom.us/my/mcbwsdboardmeeting>.

Members of the Board of Directors in attendance at the Regular Board Meeting were as follows:  
Brian Brown - Chair, Jonathan Ferrell - Board Member, Nancy Grindlay - Interim Secretary, Nicholas Kempin - Treasurer, and Nancy Woolf - Vice Chair

**Also present were:**

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

**Board Meeting Agenda**

**1. Call to Order**

- The regular meeting of the Board of Directors was called to order by Brown at 5:02 pm and a quorum was present.

**2. Citizen Comment Period**

- No citizens presented comments.

**3. Approve Meeting Minutes**

- December 13, 2022

**MOTION** by Kempin and seconded by Woolf to approve the December 13, 2022 regular meeting minutes as submitted. Motion voted in favor.

**4. Designate Meeting Location & Notices Posting Location**

- It was decided that the current meeting time of 5:00 pm on the second Tuesday of each month via Zoom and the posting locations at 100 Gothic Road in Mt Crested Butte and on the District website (mcbwsd.com) will remain in place.

**MOTION** by Woolf and seconded by Ferrell to approve keeping the designated posting locations as they are listed in the agenda packet. Motion voted in favor.

**5. Reorganization of the Board**

- There was consensus that three member roles will remain as they are with Brown as chair, Woolf as vice-chair and Kempin as treasurer. Grindlay will resign as interim secretary and Fulton will take over as secretary.

**MOTION** by Kempin and seconded by Grindlay to keep Brown as chair, Woolf as vice-chair, Kempin as treasurer and Fulton as secretary. Motion voted in favor.

**6. Update Transparency Notice**

- There was a review of the information required for inclusion in the transparency notice. The Designated Election Official (DEO) will be named later in this meeting and will be listed in the notice as well as the 2023 mill levy information.

**MOTION** by Kempin and seconded by Woolf to approve the 2023 Transparency Notice as presented in the agenda packet. Motion voted in favor.

**7. Designate Election Official**

- There was a review of Resolution 2023-1 naming Kent Fulton as the DEO.

**MOTION** by Kempin and seconded by Grindlay to approve Resolution 2023-1 naming Kent Fulton as the District's Designated Election Official with authority to cancel the election if there are fewer than two (2) candidates with valid self-nominations. Motion voted in favor.

**8. Discussion of 2023 Election Openings and Deadlines**

- There was a review of the Board of Director seats and their terms/limits which is displayed on Page 9/33 in the agenda packet. There will be two open seats in May.
- May 2, 2023 will be election day.
- The District website has all of the election details and self-nomination forms for open seats.
- There was a review of the Election Dates and Deadlines on page 10/33 in the agenda packet.
- There was a correction made to the "Election Dates and Deadlines" information on page 10/33. The February 28, 2023 deadline should read "DEO Shall Declare Election Cancelled if # Nominees < 2 Open Seats", not < 3 Open Seats.

**9. Discussion of a Polling Place Election Versus a Mail-in Ballot Election**

- Reasons a mail-in ballot election for the May 2, 2023 election would be most beneficial were mentioned.

**MOTION** by Kempin and seconded by Brown to approve a mail-in ballot election if an election is necessary. Motion voted in favor.

**10. District Manager Report**

- Fabbre highlighted some of the items listed on the report included in the agenda packet.
- An offer letter for the open wastewater operator position may be presented in the near future.
- An advertisement for final payments for the water treatment plant expansion project will be published in the Crested Butte News during January to close out and finalize all payments for the project.
- District staff and Law of the Rockies are working with the Bridges of Columbine project to wrap up several unresolved details before allowing tap fees to be paid. Staff and Law of the Rockies are also working on several infrastructure issues for the Prospect Ridge development project. The District will be consulting with HDR Engineers to assist in this work.
- Lock noted that a cost reimbursement agreement for the District's expenses was presented to the Prospect Ridge developer and he is waiting on a reply.

**11. December 2022 Financial Report**

- The financials for December tracked well and show nothing out of the ordinary.
- Staff is beginning to work on year-end financials and getting ready for 2023.
- Fulton will be presenting a comparison of restricted vs unrestricted funds in the coming months.
- The 2022 YTD Net Excess of \$1.6 M could potentially change to a deficit amount over the next 2 months as year-end expense invoices are received and paid.
- Since Fulton joined the District staff late in 2022, the District will work with Mayberry & Company for the 2022 audit and will possibly consider other auditing firms for the 2023 year end audit for 2024.

**MOTION** by Kempin and seconded by Woolf to approve the December 2022 Financial Report. Motion voted in favor.

**12. Legals**

- Lock stated that information about Meridian Lake Park Corporation (MLPC) will be discussed in the Executive Session.

**13. New/Old Business Before the Board**

- There was discussion about an evaluation of the District's Water Rights Portfolio and when a draft might be received. It was anticipated that it would have been received by the end of 2022. Fabbre was directed to let Ashley know that the Board would like a timeline for when a draft might be received or it may consider other firms to provide the information. It will be an agenda item for discussion in February.
- There was discussion about the ATAD cost share project with the town of Crested Butte. There is no new information available at this time but the District will be meeting with the Town of Crested Butte staff next week regarding this item.

**14. Executive Session**

- Potential executive session for discussion of the Memorandum of Agreement, as amended, between the Mt. Crested Butte Water and Sanitation District and Meridian Lake Park Corporation and potential settlement agreement related thereto under and pursuant to C.R.S. Section 24-6402(4)(a), (b), and (e)(I), which concern respectively purchase or sale of property interests, conferences with the District's attorney for the purpose of receiving legal advice on specific legal questions, and determining positions relative to matters that may be subject to negotiations, developing strategy for negotiations, and instructing negotiators.

**MOTION** by Brown and seconded by Woolf to enter into Executive Session at 5:54 pm with Fabbre, Fulton and Lock remaining for the discussion.

**MOTION** by Brown and seconded by Kempin to exit the Executive Session at 7:11 pm.

**15. Meridian Lake Park Corporation Memorandum of Agreement Discussion with Potential Action**

- There was discussion about the draft 2023 settlement agreement and draft pro forma that the Board received from Brian Brown prior to this meeting.

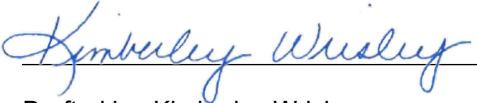
**MOTION** by Woolf and seconded by Brown to approve this current version of the 2023 settlement agreement and for Lock to move forward in presenting it to the MLPC. Motion voted in favor with Woolf, Brown and Ferrell voting in favor and Kempin and Grindlay voting against.

**MOTION** by Woolf and seconded by Ferrell to approve the proposed agreement with Pristine Point Association to clarify ambiguities of the agreement and for Lock to move forward with it. Motion voted in favor.

- It was decided that an additional pro forma is moot since these motions were approved.

**16. Adjourn**

**MOTION** by Brown and seconded by Woolf to adjourn the regular board meeting at 8:19 pm. Motion voted in favor.



Drafted by: Kimberley Wrisley



Submitted by: Kent Fulton