

**MINUTES OF THE
REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE
MT. CRESTED BUTTE WATER AND SANITATION DISTRICT
JANUARY 12, 2021**

Regular Meeting of the Mt. Crested Butte Water and Sanitation District (MCBWS D) Board of Directors was held at 5:00 pm on Tuesday, **January 12, 2021**, via <https://zoom.us/my/mcbwsdboardmeeting>.

Members of the Board of Directors in attendance at the meeting were as follows:
Brian Brown Carlos Velado Nicholas Kempin Nancy Woolf JD Crichton

Also present were:

Mike Fabbre, District Manager	Kyle Koelliker, Water Plant Supervisor
Perry Solheim, Finance Manager	Kim Wrisley, Admin Assistant
Bryan Burks, Wastewater Plant Supervisor	Tracy Davenport, Admin Assistant
Marcus Lock, District's Attorney	Jamie Watt – Hunter Ridge, LLC
Crockett Farnell, North Village Project Manager	Scott Clarkson, Clarkson Concepts

1. Call to Order

- The regular meeting of the Board of Directors was called to order by Brown at 5:00 pm.
- Velado announced that he is no longer a resident of Mt. Crested Butte and therefore needs to resign from the Board of Directors. He immediately excused himself from the meeting.

2. Citizen Comment Period

- Watt was present to request a new public hearing for the Hunter Ridge Inclusion Project to discuss District Rule 6.3.4 and the Board's decision to deny his request to waive annexation requirements. Watt's request to comment about some misinformation that was presented by Kempin at the Special Meeting on December 16, 2020 was overlooked in the virtual meeting chatroom therefore he would like another opportunity to clarify the information.
- Lock commented that the point in the meeting when the chat request was made was after open comments were being accepted.
- Lock noted that Kempin consulted with him to see if as a Mt Crested Butte Town Council member, there was reason to recuse himself from the December 16, 2020 Special Meeting and Lock advised that there was not.
- Lock informed Watt that to request another hearing, he will need to resubmit an inclusion petition.

3. Reorganization of the Board

- There is now a vacancy on the Board since Velado has stepped down and his position as treasurer will need to be filled immediately.
- There was discussion to determine which positions each board member will hold in 2021.
- Fabbre asked the Board to confirm that the list of members' contact information included in the packet was acceptable to them for publication. Kempin pointed out that his address should be in Mt. Crested Butte with a zip code of 81225 instead of in Crested Butte. Otherwise, the list was approved.

MOTION by Brown and seconded by Kempin to reorganize the 2021 Board of Directors with Brown remaining as Chair, Woolf as Vice-Chair, Kempin as Treasurer and Solheim remaining as Secretary. Motion voted in favor.

4. Designate Meeting Location & Notices Posting Location

- The official monthly meetings will be held the Second Tuesday of each month at 5:00 pm, 100 Gothic Road, Mt. Crested Butte or <https://zoom.us/my/mcbwsdboardmeeting>.
- Notices will be posted at the Mt Crested Butte Water and Sanitation District website (www.mcbwsd.com) (Primary Location), the District main office, the Mt Crested Butte Town Hall, and the Mountaineer Square Transit Center.

5. Update Transparency Notice

- The meeting packet included the 2021 Special District Transparency Notice on page 4 with relevant information regarding time and place designations for regular Board meetings. The notice and the District website will both be updated with a Zoom link for the Board meetings and the new positions being held by Board members will also be added.

MOTION by Woolf and seconded by Crichton to approve the 2021 Transparency Notice as discussed. Motion voted in favor.

6. MCB Pre-sedimentation Pond Property Discussion

- Farnell was present to discuss the North Village PUD proposal and whether or not the District is interested in acquiring/purchasing the property near the Snodgrass Trailhead where the District pre-sedimentation pond now sits and where the District holds an easement for its use.
- Farnell discussed some of the plans for the PUD, possible redrawing of the property lines and preservation of the view corridor.
- Farnell reported that there is a strict timeline if the District is interested in moving forward with an acquisition.
- Fabbre reviewed some of the pros and cons to be considered should the acquisition occur.
- Woolf requested that Farnell explain the pros and cons of the North Village PUD owning the property instead of the District owning it.
- Brief discussion took place regarding the process that would be required to take place should the District need to expand property use beyond the confines of the present easement.
- It was decided that further conversation is of value so Farnell and Fabbre will work through more details and have an appraisal done as the next step.
- Depending on the availability of an appraiser to provide a valuation, the District needs to make a decision in the next two months about whether or not to proceed with a purchase.

7. Water Treatment Plant Expansion Project Update

- Fabbre reported that the JVA monthly memo outlines most of the current updates for this project.
- The project has slipped behind by one week due to delays with concrete pours. Moltz has reported that they are still on schedule because they account for this type of delay in setting their deadlines. All other aspects of the project are on track.

8. Meridian Lake Park Corporation (MLPC) Water Committee Update

- The Committee resumed their meetings after a short hiatus. Members reviewed some action items that need to be done promptly and regrouped to develop a plan for moving forward.
- Brown reported the Committee does not have full agreement on the amount of the imbalances but he sees the differences of opinion as minor and therefore anticipates they will come to agreement within the next two meetings.
- The Committee is building an FAQ packet to provide information for potential questions or concerns that may arise in the future.
- The next meeting is scheduled for January 21, 2021.
- Solheim reported that the Committee is also making sure that reservoir access and insurance issues are properly delineated.

9. Clarifier Project Update

- Fabbre reported that negotiations have continued with Integrated Water Services (IWS) for various issues associated with final contract payments on the project. They responded to the District's latest proposal with a settlement that results in the project being 10%+ over budget, from \$2.6M to \$2.9M. Although an increase is not ideal, the District staff has determined it is not indefensible considering all the unanticipated engineering and COVID 19 related problems.
- Burks reiterated that the Clarifier Project was a very difficult one with many unknowns related to COVID 19 and several engineering issues but the new clarifier is up and running well and he feels the 10% overage is acceptable.
- The Board was in agreement that a 10% overage is acceptable and approved negotiations continue to be made by District staff.

10. District Manager Report

- Fabbre reported that the District received a third permit modification to the WWTP discharge permit regarding Cadmium. All 2020 year-end deadlines to submit Discharge Permit Reports have been met, including the disclosure deadline with Steve Bushong for a potential trial in August 2021.
- The CARES Act funding submittal deadline has been extended through the end of the year so the submittal will now be done in 2021.
- Fabbre discussed the District's stance on COVID 19 vaccinations for staff and reported that 3 operators have already been given their first doses.
- Koelliker briefly reviewed the purchase of a new snowmobile and protocols for its use.
- Fabbre reported that the District is talking with the State Revolving Fund about the potential of purchasing a Snowcat with the Water Treatment Plant Expansion funds.
- Kempin extended thanks to the Crested Butte Avalanche Center, Vail Resorts and the Ski Patrol for their partnership in keeping District operators safe for accessing the East River pump station. Fabbre reviewed the five Discharge Permit Reports and confirmed that their requirements are currently being met.

11. December 2020 Financial Report

- Solheim reported that usage was up in December due to a higher number of visitors in town but otherwise was tracking normally.

- Solheim reported that at the end of a year, the District leaves the financials open for two months to finalize all prior year transactions so there will be year-end and January financials presented at the February Board meeting.
- Solheim noted that on the Cash Flow Projection page of the packet, there is a \$4457 credit shown because although the District has been paid by insurance for a vehicle accident claim, the repairs have not yet been paid.
- The District purchased a new truck for the Wastewater Plant.
- Revenues are over-budget due to an abundance of tap fees and \$86,500 in CARES Act funding but expenditures are tracking under budget. The 2021 budget was adjusted accordingly in an attempt to meet the budget more accurately.
- Solheim highlighted some of the larger expenditures on the check report.

MOTION by Woolf and seconded by Crichton to approve the December, 2020 Financial Report. Motion voted in favor.

12. Approve Meeting Minutes

- December 8, 2020
- December 16, 2020
- Kempin noted that in the “Board Deliberation and Potential Decision” section of the December 16, 2020 minutes, the word “incapable” should read as “capable”.

MOTION by Brown and seconded by Kempin to approve the December 8, 2020 Regular Meeting minutes as submitted. Motion voted in favor.

MOTION by Brown and seconded by Woolf to approve the December 16, 2020 Special Meeting minutes as corrected. Motion voted in favor.

13. Legals

- Lock reminded the Board that there is now a vacant seat and although not required, it is better to have a full board.
- Lock commented that the Board may want to consider asking voters to remove term limits for Board members given the many vacancies it has experienced and the specialized knowledge required for serving. This vote would require a Special Election and there is flexibility setting an election in odd years in terms of when the election could be held.
- Lock commented that if the Board is interested in holding an Executive Session to discuss potentially revising the language of 6.3.4, that would be appropriate for the February Regular Board meeting.
- Discussion followed regarding the difficulties of filling vacancies and some details about how term limits function.
- Lock also clarified that Velado did not actually resign from the Board now that he is no longer a resident of the District but rather his seat was deemed vacant and that is an important distinction because it relates to the term limits.
- Woolf inquired whether or not it would be possible to provide incentives for Board members filling a seat in an effort to encourage participation. Lock agreed it is a good idea and volunteered to do some research with the SDA to see what could possibly be offered.
- Kempin suggested further conversation about the term limits and the incentives idea be discussed at the earliest appropriate time. The Board was in agreement and Brown added that there should also be an Executive Session held at the February Regular meeting regarding the language of 6.3.4.

14. New/Old Business Before the Board

- No new or old business was presented.

15. Adjourn

MOTION by Brown and seconded by Woolf to adjourn the regular board meeting at 7:06 pm. Motion voted in favor.



Perry W. Solheim, Board Secretary