

**MINUTES OF THE  
REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE  
MT. CRESTED BUTTE WATER AND SANITATION DISTRICT  
MARCH 9, 2021**

Regular Meeting of the Mt. Crested Butte Water and Sanitation District (MCBWS) Board of Directors was held at 5:00 pm on Tuesday, **March 9, 2021**, via <https://zoom.us/my/mcbwsdboardmeeting>.

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

Brian Brown      Nancy Woolf      Nicholas Kempin      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
Jonathan Ferrell, District Customer	Scott Clarkson, Clarkson Concepts

**1. Call to Order**

- The regular meeting of the Board of Directors was called to order by Brown at 5:02 pm. JD Crichton joined the meeting at 5:03 pm.

**2. Citizen Comment Period**

- No citizens presented comments.

**3. New Board Member Candidates**

- Kathy Hooge withdrew her name as a candidate.
- Jonathan Ferrell confirmed his candidacy for the vacant seat.

**MOTION** by Kempin and seconded by Crichton to appoint Jonathan Ferrell as a Mt Crested Butte Water and Sanitation District Board member. Motion voted in favor.

**4. Single Audit Engagement Letter - Updated**

- Solheim explained that due to the District's CWRPDA loan status and the amount of Federal funding received from the EPA, the District's auditor, Tim Mayberry, is required to perform government Single Audit procedures as part of the annual financial statement audit.
- This Single Audit engagement letter will supersede the annual audit engagement letter that was approved at the February 9, 2021 meeting.

**MOTION** by Kempin and seconded by Woolf to approve the Single Audit Engagement Letter from Mayberry & Co, LLC to perform the District's Financial Statement Audit. Motion voted in favor.

**5. Water Treatment Plant Expansion Project Update**

- Fabbre reported that the JVA monthly memo outlines most of the current updates for the project. Everything is progressing nicely, and it is on schedule.
- Crichton requested a tour of the new plant be scheduled in the near future.
- Fabbre is in favor of scheduling tours of the new water plant and/or the wastewater plant. He also reported that Lacy Construction has drone footage on their website (<https://www.lacyconstructionltd.com>) of the work they did on the raw water pipeline.

**6. Meridian Lake Park Corporation (MLPC) Water Committee Update**

- Brown reported that the Committee continues to meet bi-monthly to discuss the financial imbalance.
- The committees are still in the negotiation phase, working to refine the numbers and making progress.
- Kempin confirmed the Committee is making progress and is working hard to consider all aspects of the issues. He expressed appreciation for all the time and research the Committee members have contributed.
- Fabbre noted District meeting minutes being reviewed by the Committee date from 1995 to present.

**7. Meridian Lake Park (MLP) Water Color Issues**

- Fabbre reviewed the history of water discoloration in MLP that goes back to the inclusion into the District as well as details of the testing/sampling that has been done to determine the cause.
- Koelliker reviewed additional procedures that have been done to identify and resolve the issue.

- Manganese is a naturally occurring mineral in the environment and is considered a nuisance issue instead of a health based issued.
- Koelliker drafted a letter for the Board to consider for distribution to the MLP residents to notify them that the District is aware of the water discoloration, to assure them there are no health risks associated with the sporadically tinted water and to explain some of the measures staff and engineers have taken to resolve the issue.
- The Board agreed that a letter should be sent to residents. Suggested adjustments for the letter were discussed and an updated draft will soon be available for review.
- Discussion took place about various methods that the District could consider using for customer notifications and gathering data.

#### **8. District Manager Report**

- In addition to the report provided in the meeting packet, Fabbre noted the updated CDC health guidelines for fully vaccinated people and reported the District is considering if/how changes will be made for conducting business and operations.
- The District presented Ian Karras with an employment offer to fill the open Wastewater Operator position and he has accepted it.
- Brown commended the District for providing employees additional sick time to be used following their COVID-19 vaccinations.
- Kempin inquired which types of vehicle maintenance District staff does on site. Burks replied that the District does oil changes, tire rotations and other regular maintenance items.
- Kempin also highlighted and expressed appreciation for the area weather/drought monitoring maps that Fabbre includes each month in his report.
- Crichton asked about the District's ability to provide water services for the increasing development of the area. Fabbre explained that the WTP Expansion Project loan process involved a calculation and a projection of the District's abilities to provide water for now and the future, prior to loan approval. There are details of the study available in the Project Needs Assessment (PNA) available on the District website. Fabbre also commented that the District keeps a close eye on the constantly changing needs that area development demands.
- Per Brown's inquiry, Fabbre confirmed the District does not dictate items of a PUD but developers are required to meet District rules and regulations when installing their water and sewer infrastructure by submitting plans to District engineers for approval. Once installed and inspected, mainlines become District property after an 18 month warranty period.

#### **9. December 2020 Period 13 Financial Report**

- Solheim reported the only change for the report is additional capital expenditures. The final capital expenditures for the Daisy Circle project will be reported on the 2021 financials instead of 2020, as the differences will not have a material effect on financial results.

**MOTION** by Woolf and seconded by Kempin to approve the December 2020 Period 13 Financial Report as submitted. Motion voted in favor.

#### **10. February 2021 Financial Report**

- Solheim reported there was a slight increase in usage, likely due to an uptick in tourism occupancy rates in the area.
- Solheim explained the financials on page 25 which reflect 20% of the budget expenditures when only 17% of the year has passed. This is due to the workers' compensation and liability insurance premiums that were paid in full for the year and because of the first two of four yearly bond payments were paid.
- Kempin highlighted that the Elan Credit Card payment reflected on the check register report is higher than usual because of office furniture, cell phone and yearly subscription/membership purchases.
- Kempin noted a payment to Gunnison Valley Physicians is for required drug testing for CDL drivers. Solheim reported there will be more safety related expenses in the future, but they are already part of the budget.
- Kempin expressed appreciation for the new style of reports on pages 32-33 and the clarity they provide.
- Solheim reported that the Timberland Tank project that was already approved but is not shown on page 30 will be a carry forward project from 2020 but will not be undertaken until after the WTP Expansion Project is completed in 2022. Fabbre reminded the Board that last year the project was tabled until after the WTP expansion is completed. Solheim will add it to the financial report with a projected completion date in 2022.

**MOTION** by Kempin and seconded by Crichton to approve the February 2021 Financial Report. Motion voted in favor.

#### **11. Approve Meeting Minutes**

- February 9, 2021

- Kempin asked for confirmation that the last bullet point under item #5, Daisy Circle Water Line Project Financial Reconciliation, was correctly written as "...Fabbre should continue the negotiations while staying within the confines of the budget" instead of what he recalled as "...staying within the confines of the contract". The Board confirmed the minutes were accurate as written.
- Solheim noted there will now be a signature line for the person who drafted the minutes in addition to a signature line for the person submitting the minutes. On this draft, there will also need to be a correction to the spelling of Kimberley Wrisley's name.

**MOTION** by Woolf and seconded by Kempin to approve the February 9, 2021 regular meeting minutes as amended. Motion voted in favor.

**12. Legals**

- Lock reported that if the Board decides to put changes to Board term limits to a public vote, he recommends doing it as part of the May 2022 election.
- He also reported that the Board has the option to lengthen, shorten or eliminate term limits.
- Lock recommended putting discussion of changing term limits with a possible May election on the agenda for the August 2021 meeting to allow adequate preparation time.

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

- No new or old business was presented.

**14. Adjourn**

**MOTION** by Brown and seconded by Kempin to adjourn the regular board meeting at 6:38 pm. Motion voted in favor.



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Drafted by: Kimberley Wrisley



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Submitted by: Perry Solheim