

**MINUTES OF THE
REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE
MT. CRESTED BUTTE WATER & SANITATION DISTRICT
JULY 13, 2021**

Regular meeting of the Mt. Crested Butte Water & Sanitation District (MCBWS) Board of Directors was held at 5:00 pm on Tuesday, **July 13, 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 Jonathan Ferrell

Also present were:

Mike Fabbre, District Manager	Tracy Davenport, Admin Assistant
Perry Solheim, Finance Manager	Marcus Lock, District's Attorney
Bryan Burks, Wastewater Plant Supervisor	Evan Roberts, Town of Mt. Crested Butte
Kyle Koelliker, Water Plant Supervisor	

1. Call to Order

- The regular meeting of the Board of Directors was called to order by Chairman Brown at 5:01 pm and a quorum was present.

2. Citizens Comment Period

- No citizens presented comments.

3. Approve Meeting Minutes

- June 8, 2021

MOTION by Kempin and seconded by Woolf to approve the June 8, 2021 regular meeting minutes as submitted. Motion voted in favor.

- June 14, 2021
- Woolf requested the removal of the sentence in section G, second bullet: "He was entitled to submit another petition."

MOTION by Kempin and seconded by Woolf to approve the June 14, 2021 special meeting minutes as amended. Motion voted in favor.

4. Review Late Fee Suspension Due to Covid-19

- Late fees have been on a temporary suspension, to be revisited at the 7.13.21 meeting.
- District staff advised it has not been very financially impactful on the District side, staff would be comfortable with removing the late fee waiver.

MOTION by Brown and seconded by Woolf to stop the waiver of late fees due to Covid-19. Motion voted in favor.

5. WTP Expansion Update

- The project is still on schedule and within budget. There are a few critical path items that have the potential to have significant budget effects but have not been impactful yet.
- There are damaged panels for the East River Pump Station metal building. Those have been ordered and paid for by the people who damaged them.
- Estimated schedule of the project:
 - By the end of 2021, around November, the District will have critical switchover for the new pump station raw waterline and the new water treatment facility will come online. Operations will then start making water and recycling it back up to the pre-sedimentation pond as required by QAQC to prove that the plant operates properly and creates acceptable water.
 - Over the first couple of months of 2022, the demo and repurposing of the existing Water Treatment Plant will occur.
 - Approximately June of 2022, the entire project will be completed.
- Fabbre invited the Board on a tour for those interested in seeing the project.
- In response to a question from Crichton, Fabbre informed that the purpose of the expansion was based on two factors:
 1. The existing Water Treatment Plant came online in 1985 so it has reached the end of its useful life.

2. The capacity of the existing plant is 1.0 million gallons a day (MGD). When the new Water Plant comes online it will be a 1.5 MGD plant with the ability to expand within its footprint to a 2.0 MGD plant with the addition of a single equipment skid.

6. Meridian Lake Park Water Color Issues (Updates)

- The District had a proposal from Carollo Engineers for roughly \$32,000 for initiating a project to address the water color issues at the MLP plant. At the June meeting, the Board directed staff to move forward so the contract has been signed.
- The plan is to proceed with sampling, development of a pilot program, additional jar testing, and submittal of the pilot program plan to the CDPHE & the Water Quality Control Division.
- The suggested program would seek approval for chlorine dioxide treatment which is the path Carollo has recommended for this situation.
- The State has their own engineering department that will review the proposed program. It will be setup as a pilot program that will be in place for a 12-month period in which chemicals will be dosed into the water supply.
- The contract with Carollo is for program engineering and submission of documents to the State.
- The capital investment stage will possibly include an external chemical skid to include tubing, pumps, injection quills, etc. because of the cramped space issues at the MLP plant. The project may also addition lines to external tank storage.
- The District plans to have the program in place before the coming winter in anticipation of seeing results during the high runoff period.
- The District is still working on a full estimate of capital costs, as there are items listed on the estimate that can be repurposed from the Mt. Crested Butte Water Treatment Plant.
- The Board recommended an update on this topic when the District has any news to report.

7. District Manager Report

- Permit Modification #4 is now in effect which removes the I&I monitoring schedule.
- The deposition that Fabbre was to have with the OAC & Attorney General's office scheduled for Monday, June 21st, was canceled. Fabbre believes it was canceled due to continuing negotiations on the zero low flow issue.
- Raul with Leonard-Rice Engineers was onsite last week looking at Woods Creek and Washington Gulch.
- The week of August 10th was the originally scheduled OAC trial, but this has been postponed until the beginning of 2022.
- The District will probably be receiving Permit Modification #5 that will lay out the measuring and sampling techniques for capturing measured flows on both streams.
- There are presently concerns with equipment working in the winter climate due to negative degree weather and/or blizzards and those effects on the difficult to access monitoring locations involved.
- There was a gas leak in the Pitchfork subdivision, gas and electric was shut down. A contractor was working on a wastewater service line and the contractor hit the gas line. Pitchfork was evacuated, the gas was settling at the Wastewater Treatment Plant. Fabbre evacuated the admin building while wastewater staff were working out in the field jetting. There were concerns with running the generator with the gas concentration in the area. The power issues were causing alarms and pumps to fail. The power outage caused the phone system to go down and prevent voicemail from operating properly. Solheim is working on a solution to that issue.

8. June 2021 Financial Report

- Kempin complimented the admin staff for training and implementation of new minutes techniques.
- The District annual audit has been delayed, Solheim is actively investigating and will have an update at the next meeting. The District will be seeking an extension for filing the audit with DOLA.
- Billing and usage has normalized.
- District payroll numbers now reflect full staff.
- Overall District billings are behind budget due to decreased visitors & Covid-19.
- District expenditures stand at 46% of budget through 50% of the year.
- The new District benefit of an optional 3% retirement match will start July 1st and 100% of staff will be participating.
- Page 25 Water Capital projects, Daisy Circle capital project from 2020 was paid in June to Dietrich Dirtworks for \$39,835.94. A budget amendment will need to be approved before year end. Solheim plans to wait to present amendments until the District determines if MLP pilot program will require capital project budgeting.

MOTION by Woolf and seconded by Kempin to approve the June 2021 financial report. Motion voted in favor.

9. Review Town of Mt. Crested Butte Request to Encroach on District Property

- Kempin recused himself from this agenda item due to his position on the Mt. Crested Butte Town Council.
- The Town wants to upgrade the Snodgrass Trailhead and install a bus turnaround. The Mountain Express small bus can turn around in the 62-foot range, adding a bike carrier requires a 70-foot space. The Town has

proposed a 70-foot bus turnaround. The existing right of way is 80 feet across the road; large enough to accommodate the project but requiring rerouting of the recently installed Rec path.

- The Town provided a revised plan that still encroaches on District property.
- The encroachment requested is upon a parcel at the Water Treatment Plant, in an area that is already extremely cramped.
- The District has an existing culvert critical to drainage of the site. This culvert is designed to take a considerable amount of water in the case of a catastrophic plant failure.
- The District has never allowed any encroachment upon its property, including upon utility easements.
- Roberts acknowledged the existing culvert is District property and does not belong to the Town of Mt. Crested Butte as was miscommunicated to the Town of Mt. Crested Butte by the SGM engineering firm.

10. Legals

- Lock had nothing to report.
- Kempin to recuse himself from the Town of Mt. Crested Butte portion of the executive session.

11. New/Old Business Before the Board

- Discussion regarding in-person and/or remote meetings, Lock advised that the governor signed HB 21-1278 which allows the District to decide to continue virtual meetings or a hybrid format.
- It was asked if downstream water rights get exercised, how would that affect District water rights. Lock advised holding a work session to give the Board an overview on water rights. Fabbre will contact water counsel, Rob Pierce with Dufford, Waldeck to schedule a work session on this topic.
- It was asked how the District monitors adherence to the irrigation schedule. The District water operators will advise customers of the irrigation schedule if property owners are watering outside of the permitted times.
- SDA in-person conference scheduled for September 14 – September 16, 2021 in Keystone, CO. Fabbre was asked to be a guest panelist for one of the presentations regarding State Revolving Fund Loans. The District will keep the regular board meeting scheduled for September 14th as a virtual meeting.

12. Executive Session

- Chairman Brown announced an executive session pursuant to C.R.S. § 24-6-402(4)(a), (b), and (e)(1), which concern respectively the potential transfer of real property, conferences with the District's general counsel for the purpose of receiving specific legal advice from the District's general counsel concerning specific legal questions, and determining negotiating positions and strategy, and instructions to negotiators regarding the Town of Mt. Crested Butte's request to use certain District property, and pursuant to C.R.S. § 24-6-402(4)(b), and (e)(1) regarding the District's agreements with the Meridian Lake Park Corporation.
- Kempin to recuse himself from the Town of Mt. Crested Butte portion of the executive session.

MOTION by Brown and seconded by Crichton to move into executive session at 6:54 pm. Motion voted in favor.

MOTION by Woolf and seconded by Ferrell to end the executive session at 7:31 pm. Motion voted in favor.


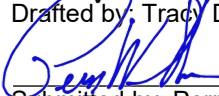
Continuation of Review Town of Mt. Crested Butte Request to Encroach on District Property

- Brown does not want to allow the encroachment.
- Woolf supports Fabbre's decision to not allow the encroachment and feels this is a good decision for the District Manager to make.
- Crichton supports Fabbre's position and supports his decision.
- Ferrell supports Fabbre as well and that there is no need to give away District property.

MOTION by Brown and seconded by Woolf to deny the request to encroach on District property. Motion voted in favor.

13. Adjourn

MOTION by Crichton and seconded by Woolf to adjourn the regular board meeting at 7:40 pm. Motion voted in favor.


Drafted by: Tracy Davenport

Submitted by: Perry Solheim