

**MINUTES OF THE MT. CRESTED BUTTE WATER AND SANITATION DISTRICT
WATER COMMITTEE AND THE MERIDIAN LAKE PARK CORPORATION WATER COMMITTEE
JULY 22, 2020**

Meeting of the Mt. Crested Butte Water and Sanitation District (MCBWS D) Water Committee & the Meridian Lake Park Corporation (MLPC) Water Committee was held at 10:00 am on Wednesday, **July 22, 2020**, via GoToMeeting at <https://www.gotomeet.me/MCBWaterSanitationDistrict>

Water Committee Members in attendance at the meeting were as follows:

Brian Brown, MCBWS D Chair, MLP resident	Robin Smith, MLPC Board Member, MLP resident
Nicolas Kempin, MCBWS D Vice Chair, MCB resident	Scott Hamilton, MLPC Board Member, MLP resident
Mike Fabbre, District Manager, MCB resident	
Perry Solheim, Finance/Admin Manager, non-District resident	
Tracy Davenport, Administrative Assistant, non-District resident	

WATER COMMITTEE MEETING

1. Call to Order

- The meeting was called to order by Brown at 10:05 am.
- Tracy Davenport has joined the meeting to help with minutes going forward.

2. Approve Water Committee Meeting Minutes – 6/24/20

- Meeting minutes approved as submitted.

3. MLPC MOA Discussion

- Everyone in agreement of terminating the MOA as amended and create a new agreement.
- Three potential paths to move forward:
 1. Create a formal Sub-District – not a path that committee is interested in.
 2. The District continues as a single District and keep record of MLP financials.
 3. Terminate MOA as amended and not keep separate processes moving forward which is preferred by all.
- Committee objective is to move forward with something that is fair and equitable for all parties involved.
- A surcharge might still be needed to deal with some of the imbalances, that would still be a possibility, as well as no surcharge depending on what Committee comes up with, but will be detailed in strict terms and limitations.

4. General Discussion

- Next steps for District staff: Summarize property and infrastructure that exists under MOA to determine costs and depreciation to date.
- MOA specifically details methodology for the District to absorb assets.
- Brown started document last meeting that lists pros and cons of MOA paths that all members of the water committee can comment on which will help come up with final MOA agreement. Document is available through Share Point invitation sent to all Water Committee members.
- Potential path forward: determine what depreciated value is and how to bring MLPC assets into the District. Apply assets against imbalance to create surcharge amount.
- Mt CB is building reserve, MLPC is running deficit. It costs more to run the MLP Water Treatment Plant than it does to run the Mt. CB Water Treatment Plant.
- The District and Upper Gunnison formed an agreement six years ago for the District to take over 300-acre feet of Long Lake. Have already conducted fishery study, geotech study, and an alternative analysis for the existing MLP pump station to run a pipeline up to Long Lake. Future plans would be connecting both systems, having a pipeline between the MLP and the MCB sides.
- The WTP Expansion project will not cause significant increases in water rates. The District was able to obtain a good interest rate on loan for WTP Expansion resulting in anticipated rate increases of only 3-4% for the next 20 years.

5. Action Items for Next Meeting

- Meeting minutes
- MOA pros/cons Share Point document for collaboration
- Assets of MLP, useful life of assets, and verbiage of MOA
- Tackle imbalance side of things

- List out intangible benefits, wildfire scenario, etc.
- Cost of plant replacement even if it is 20 years out
- Potential reduction in water supply
- Create equity in agreement

Next meeting to be scheduled for 8/12/20 at 10:00 am

6. Adjourn

Meeting was adjourned at 11:47 am



Perry W. Solheim, Committee Secretary