

**MINUTES OF THE
REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE
MT. CRESTED BUTTE WATER AND SANITATION DISTRICT
July 8, 2019**

The Regular Meeting of the Mt. Crested Butte Water and Sanitation District Board of Directors was held at 5:00 p.m. on Monday, **July 8, 2019**, at the office of the District, 100 Gothic Road, Mt. Crested Butte, Gunnison County, Colorado. Members of the Board of Directors in attendance at the meeting were as follows:

Brian Brown Sara Morgan Carlos Velado Matt Gutter Roger Cram

Also present were:

Mike Fabbre, District Manager

Kyle Koelliker, Water Plant Supervisor

Bryan Burks, Wastewater Plant Supervisor

Marcus Lock, District's Attorney

Tim Mayberry, Mayberry & Company, LLC

Cooper Best, JVA

Leanne Miller, JVA

Nettie Gruber, Finance Manager, via phone conference

Tracy Davenport, Admin Asst

Kim Wrisley, Fin/Admin Asst

Nick Spallone, Spallone Construction

Brenda Spallone, Spallone Construction

Mike Spallone, Spallone Construction

Kirsten Paulson, Spallone Construction

REGULAR BOARD MEETING

1. Call to Order

The meeting was called to order by Chairperson Brown at 5:02 p.m.

2. Citizens Comment Period

No citizens were present for comments.

3. Board Reorganization – Assistant Secretary Position

Need to approve an Assistant Secretary Position as we need someone to attest to the board resolution for establishing water activity enterprise. Current Secretary, Nettie Gruber, is out of the office for a little bit.

MOTION by Morgan and seconded by Gutter to appoint Carlos Velado as Assistant Secretary. Motion voted in favor.

4. 2018 Draft Audit Approval – Tim Mayberry

- Tim Mayberry with Mayberry & Company presented a detailed overview of the 2018 audit.
- The 2018 draft audit was presented in a different format from previous years. The main driver was to establish water activity enterprise for the potential additional debt for the Water Treatment Plant Expansion project.
- Cram questioned how the MLP debt is recorded.

MOTION by Morgan and seconded by Velado to approve the 2018 Audit with the following changes: Page 2, remove the highlight, Page 8, correct the underlines and add total expenditures, Page 17, correct the reference from personal leave to sick leave, Page 24, Note 9, correct fun to fund, and remove "draft" from all pages. Motion voted in favor.

5. Resolution for the Board to Establish Water Activity Enterprise

- Lock discussed details of the resolution for the board to establish water activity enterprise.
- The board of directors will be the directors of the enterprise.

MOTION by Morgan and seconded by Velado that the District resolves to establish the Mt. Crested Butte Water Enterprise for the purpose of carrying out business separate from the District's governmental activities and Wastewater activities by adopting the resolution presented in the board packet.

Question raised regarding the resolution, lists 2019-blank. It should be listed as 2019-1

Amend Motion to reference resolution 2019-1.

MOTION by Morgan & seconded by Velado that the District resolves to establish the Mt. Crested Butte Water Enterprise for the purpose of carrying out business separate from the District's governmental activities and

Wastewater activities by adopting resolution 2019-1. Motion voted in favor by Brown, Gutter, Morgan, & Velado. Cram opposed.

6. JVA Water Treatment Plant Expansion Project Presentation – Cooper Best & Leanne Miller

- Leanne Miller discussed the State Revolving Fund process.
- Cooper Best presented design images of what the East River Pump Station and the Water Treatment Plant Expansion will look like.
- Considering using ultrafiltration or microfiltration process for treatment and another skid will be added for possible growth in 30 to 40 years.

7. Manager's Report

- The toolcat was damaged by hitting a cattle guard, no operators were injured.
- Plant tours scheduled for July 17, 2019 and July 24, 2019.
- East River Pump Station tour to be arranged.
- Coal Creek Coalition continuing E. coli studies.

8. June 2019 Financial Reports

- Already exceeded amount for tap fees.
- Bond payment due July 30, 2019 which will come from District Money Market account.
- \$90,000 paid to Town of Mt Crested Butte for the building permit for the Clarifier building. Roughly \$68,000 of this amount is a deposit to come back to the District.

MOTION by Velado and seconded by Morgan to approve the June 2019 financial operating reports. Motion voted in favor.

9. Approve Meeting Minutes

June 12, 2019

No additions or changes were noted.

MOTION by Morgan and seconded by Gutter to approve the June 12, 2019 board meeting minutes as submitted. Motion voted in favor.

June 27, 2019

No additions or changes were noted.

MOTION by Morgan and seconded by Velado to approve the June 27, 2019 special meeting minutes as submitted. Motion voted in favor. Cram abstained.

10. Legal Matters

No legal matters were discussed.

11. Hillside Sewer Project Discussion

- Board level decision on where we sit, what's remaining
- Damage to process building roof, latest analysis is that the section that was damaged may have voided 20-year warranty.
- Remaining items are the process building roof damage, cleaning of the Oxy 3 building, and one area needs reseed and noxious weeds addressed

12. Executive Session: Potential executive session pursuant to 24-6-402(4)(b) and (e) (I), C.R.S, to discuss the Hillside Sewer project and Paradise Lift Station. The purpose of the potential executive session is to receive legal advice from counsel on specific legal questions related to these topics and to determine positions relative to these topics that may be subject to negotiations, develop strategies for any such negotiations, and instruct negotiators accordingly.

MOTION by Brown and seconded by Gutter to enter executive session. Motion voted in favor.

Lock stated during the remainder of the executive session will constitute attorney/client privileged communications and therefore no further recording need be made of it.

Time Entered Executive Session: 7:35 p.m.

Time Returned to Regular Meeting: 8:05 p.m.

13. New/Old Business Before the Board

- Raftelis deadline was end of June for MLP study. Need to set a new deadline with them.
- Gutter advised he needs to resign from the board. He is to send in a formal letter.
- Next board meeting was scheduled for August 13, 2019 but has been changed to Monday, August 12, 2019.

14. Adjourn

MOTION by Velado and seconded by Morgan to adjourn the meeting at 8:15 p.m. Motion voted in favor.

Tracy Davenport