

**MINUTES OF THE  
PUBLIC HEARINGS AND REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE  
MT. CRESTED BUTTE WATER AND SANITATION DISTRICT**

**DECEMBER 12, 2017**

A Regular Meeting of the Mt. Crested Butte Water and Sanitation District Board of Directors was held at 5:00 p.m. on Tuesday, **DECEMBER 12, 2017**, 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:

Sara Morgan Carlos Velado Roger Cram Brian Brown

Also present were:

Mike Fabbre, District Manager Tim Seifert, Water Plant Supervisor  
Jill Norris, District Attorney Bryan Burks, Wastewater Plant Supervisor  
Nettie Gruber, Finance Manager Tracy Davenport, Admin Assistant

Also in Attendance: Reed Meredith Donna Oros Matt Gutter Kyle Koelliker

**PUBLIC HEARING – 2018 Rates & Fees Schedule**

**1. Call to Order**

The public hearing was called to order by Sara Morgan at 5:00 pm. In attendance was Reed Meredith of Evergreen Properties and Donna Oros, multiple properties manager. Meredith spoke about the fees have increased 10-12% since 2015. Funds and rates for infrastructure should be on a bond and not standard rates as the condominiums do not use all their allotted amount of water each month. At some of the condos, the water costs are 17% of their budget. He suggested a change in structure to charge users for their water usage. Oros supported Meredith’s statements. District board and managers addressed the comments.

- A bond must be voted by the residents and the principle and interest would still be paid by customers
- The last several year rates increases have been only the State CPI and the District has fallen behind in revenue to support operations
- State regulations and requirements for clean water, lab tests, old infrastructure and growth in the valley has contributed to costs
- Tap fees are used only for growth requirements of capital projects and new infrastructure
- Customer user fees are used to pay for operations
- A current study is being done to find the appropriate rates for commercial and residential and water tiers

**MOTION** to close the hearing by Velado and seconded by Brown. Motion voted in favor.

**PUBLIC HEARING – 2018 Budget**

**1. Call to Order**

The public hearing was called to order by Sara Morgan at 5:06 pm. Meredith expressed his previous comments applied to the budget as well. No further discussion was held.

**MOTION** to close the hearing by Velado and seconded by Brown. Motion voted in favor.

**REGULAR BOARD MEETING**

**1. Call to Order**

The meeting was called to order by Chairperson Morgan at 5:07 pm.

**2. Citizens Comment Period**

No citizens comments were presented.

**3. Board Director Open Position**

Matt Gutter was present as a possible candidate for the open director position. He advised he has lived in Mt Crested Butte since 2001 and has owned a property management company since 2010.

Due to the timing of the appointment and the need to advise the County Commissioners, it was decided to appoint Matt Gutter today instead of waiting for the January meeting.

**MOTION** by Velado and seconded by Brown to appoint Matthew Gutter to the vacant board position. Motion voted in favor.

**4. Final Draft #4 – 2018 Budget for Approval**

- Property tax revenue was reduced to comply with the certified county assessment instead of the previous estimated amount
- Availability of Service fees were reduced to only use the bond principle and interest in the calculation and not the agent fee
- The capital projects are based on the long-term projections from consultants
- Conservation based rates may be proposed for the 2019 budget

**MOTION** to approve the Resolution To Fix The Rate of Levy For Property Taxes by Velado and seconded by Brown. Motion voted in favor

**MOTION** to approve the Resolution Adopting the 2018 Budget by Velado and seconded by Brown with the adjustment to Line 6 Availability of Service amount to \$166,824. Motion voted in favor by Velado, Brown and Morgan. Cram abstained from voting.

**5. Manager's Report**

- Pictures were presented showing the filter maintenance project at the water plant as recommended by the CPE.
- The estimated water saved is 3-4 million gallons a year after the recent leak repairs.
- It was noted that the water budget did not include items from the CPE for repairs. Yes, the Water R&M budget, line 17, does include repairs and upgrades according to the CPE recommendations.
- One wastewater position has been filled and a 2<sup>nd</sup> offer will be made soon from candidates. Both are entry level and one certified operator is still needed.

**6. November 2017 Financial Reports**

- Revenues for property taxes will probably be just short of budget
- Tap fees are over budget
- Cash flow for monthly and year to date is negative
- Major expenses: Whetstone Road repair, lift station generator, PLC installation

**MOTION** by Velado and seconded by Cram to approve the November 2017 financial reports. Motion voted in favor.

**10. Approve Meeting Minutes**

November 14, 2017

**MOTION** by Brown and seconded by Cram to approve the November 14, 2017 minutes as written. Motion voted in favor.

**11. Legals**

- Norris has searched for a previous IGA with the Town of CB and it has not been found.
- She reported that Rob Pierce is working on the MLP 2<sup>nd</sup> Enlargement and it has been drafted and will be filed by the end of the month.

**12. New/Old Business Before The Board**

- January agenda should include: Employee Manual, Project report format, MLP financials, Raftelis Phase 2 update, recommendation to separate restricted and operation funds, office assistant
- Performance review for Fabbre as District Manager is possible for February
- Comments on the Employee Manual are due from the board by December 29<sup>th</sup>

**13. Adjourn**

**MOTION** by Brown and seconded by Velado to adjourn the meeting at 6:34 pm. Motion voted in favor.