

**MINUTES OF THE  
REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE  
MT. CRESTED BUTTE WATER AND SANITATION DISTRICT  
NOVEMBER 10, 2020**

Regular Meeting of the Mt. Crested Butte Water and Sanitation District (MCBWS D) Board of Directors was held at 5:00 pm on Tuesday, **November 10, 2020**, via GoToMeeting at <https://www.gotomeet.me/MCBWaterSanitationDistrict>.

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

Brian Brown      Nicholas Kempin      Carlos Velado      Nancy Woolf

**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	Scott Clarkson, Clarkson Concepts.
Tracy Davenport, Admin Assistant	JD Crichton, District Customer
Marcus Lock, District's Attorney	

**1. Call to Order**

- The meeting was called to order by Brown at 5:00 pm.

**2. Citizens Comment Period**

- No citizens presented comments.

**3. Hunter Ridge Inclusion Update** (Velado recused himself from the meeting during discussion regarding Hunter Ridge Inclusion).

- Fabbre informed the board that the 30-day public notice will be posted in the CB News on Thursday, November 12, 2020 and will run for 4 weeks to give the public an opportunity to comment before the December 16, 2020 Special Meeting. December 1, 2020 is the deadline for written comments.

**4. Water Treatment Plant (WTP) Expansion Project Update** (Velado re-joined the meeting for this discussion)

- Fabbre reported the attached JVA report outlines most of the current updates for this project.
- The project is moving forward as expected and many details are being buttoned up in preparation for the winter season.

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

- No movement since last board meeting, one of the MLPC members is having some availability challenges.
- No timeline on when MLPC members will be available to continue discussion.

**6. District Manager Report**

- Fabbre reported there was a mainline break in Meridian Lake Park on November 2, 2020. The break has been repaired and service restored.
- The Daisy Circle project was completed smoothly.
- Woolf requested an explanation of the Cares Act funding and the process for drawing on it. Solheim explained the difficulties of meeting the guidelines which were not set when the funds were requested but that the District was making good progress in receiving the full requested amount. Woolf expressed encouragement for seeking the full funding amount.

**7. October 2020 Financial Report**

- Water usage is tracking as expected.
- Currently 83% through the year, revenues are at 106% and expenditures are tracking as anticipated at 77%.
- Solheim explained the "Net Operating Results" and the "Net Excess (Deficit) of Rev/Exp" lines.
- Velado reported that the interest income should improve for 2021 because the District will be placing more funds in longer-term investments as allowed by Resolution No. 2020-5 MCBWS D Investment Policy which was passed at the October 14, 2020 board meeting.
- Cashflow is healthy.
- Velado highlighted that check #15804 for \$47,500 to Lacy Construction was for manhole and collection line repairs on Cinnamon Mtn Rd and check #10022001 to Integrated Water Services for \$107,750.92 for capital improvements to the clarifier was not the final payout for that project.

- Velado requested explanations for all items in the red listed on the Financial Summary Report. During discussion, it was determined there was an error in including last column of the Backhoe Project and there are currently no funds owed on it.

**MOTION** by Velado and seconded by Woolf to approve the October 2020 Financial Report with the correction to remove the last column from project pages 20 & 21. Motion voted in favor.

#### **8. 2021 Draft Budget Review**

- Solheim discussed the breakdown of a tap fee increase. There was discussion about how much tap fee revenue should be budgeted for 2021 and it was decided the amount should be increased from \$350,000 to \$450,000.
- Solheim presented the proposed 2021 user fee and availability of service rates, reflecting a 3% increase.
- Per Woolf's request, Solheim explained the yearly fluctuations in administrative expenses (line 12).
- Solheim and Brown reviewed the purpose of the MLPC Water Committee. It was decided that Solheim will present the original MOA bond agreement from 1995 at the next meeting for the board to review.
- Prior to the start of the regular December board meeting, there will be a public hearing to discuss the 2021 budget and a separate hearing for the 2021 rate increases.
- The board must approve a budget by December 15, 2020.

#### **9. Approve Meeting Minutes – October 14, 2020**

**MOTION** by Velado and seconded by Woolf to approve the October 14, 2020 meeting minutes as submitted. Motion voted in favor.

#### **10. Legals**

- Lock has been working on the Hunter Ridge Inclusion and its Public Hearing notices.

#### **11. New/Old Business Before the Board**

- Velado informed the board that the Town of Mount Crested Butte has asked all town employees who are able to work from home to do so. This is a recommendation from Governor Polis as a result of rising COVID 19 cases in the state and county.
- Velado noted that former District employee Steve Snyder passed away a couple of months ago.
- Velado acknowledged that JD Crichton is present at tonight's meeting and that he submitted an application to fill a vacancy on the board. Crichton was then given an opportunity to introduce himself.

#### **12. Executive Session**

- Brown requested board members remain for an Executive Session to perform the annual review for District Manager, Mike Fabbre. Fabbre confirmed an Executive Session was appropriate instead of an Open Session.
- Brown announced Executive Session for discussion of a personnel matter under C.R.S. Section 24-6-402(4)(f) (District Manager Annual Review) and NOT involving any specific employees who have requested discussion of the matter in open session; any member of this body or any elected official; the appointment of any person to fill an office of this body or of an elected official; or personnel policies that do not require the discussion of matters personal to particular employees.

**MOTION** by Brown and seconded by Velado to move into Executive Session at 6:20 pm. Motion voted in favor.

**MOTION** by Kempin and seconded by Velado to end the Executive Session at 6:57 pm. Motion voted in favor.

#### **13. Adjourn**

**MOTION** by Velado and seconded by Kempin to adjourn the regular board meeting at 6:59 pm. Motion voted in favor.



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Perry W. Solheim, Board Secretary