

**MINUTES OF THE  
REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE  
MT. CRESTED BUTTE WATER AND SANITATION DISTRICT  
JULY 9, 2024**

Regular Meeting of the Mt. Crested Butte Water and Sanitation District (District) Board of Directors was held at 5:00 pm on Tuesday, **July 9, 2024**, via <https://zoom.us/my/mcbwsdboardmeeting>.

Members of the Board of Directors in attendance at the Regular Board Meeting were as follows:  
Nancy Woolf - Chair, Brian Brown - Board Member, Nancy Grindlay - Vice-Chair and Jenn O'Brien - Board Member.  
Jonathan Ferrell – Treasurer, had an excused absence

**Also present were:**

Mike Fabbre - District Manager, Adam Bembenek - Wastewater Supervisor, Kent Fulton - Finance Manager, Kyle Koelliker - Water Supervisor, Marcus Lock - District's Attorney, Tracy Davenport - Recorder, Members of the public

**Board Meeting Agenda**

**1. Call to Order**

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

**2. Citizen Comment Period**

- No citizens presented comments.

**3. Approve Meeting Minutes**

- June 11, 2024

**MOTION** by Brown and seconded by Grindlay to approve the June 11, 2024 regular meeting minutes as submitted. Motion voted in favor.

**4. Collections Interceptor Line Discussion and Developers Comments**

- There was a meeting last month with the District and developers, it was requested from the developers to address the Board.
- Due to the capacity of collections interceptor line, the District will not approve any development that they cannot currently support until there is a fully executed agreement to pay for an equitable share of improvements.
- The developers main concerns are the timing and how we arrive at a cost sharing agreement.
- Developers requested the Board to initiate the analysis component of the process this summer that includes survey, Geotech, and CCTV inspections which cannot be reasonably accomplished during the winter months.
- The District's concern is who is going to pay for the potential \$550,000 investigative work.
- There was discussion about methodology on how the funds should be allocated.

**5. Saddle Ridge Ranch Estates Water Company Request and Discussion**

- Saddle Ridge Ranch Estates Water Company submitted an informal request for annexation into the District service area, but no official inclusion process has been submitted.
- The District provides wastewater service only for part of their service area.
- Saddle Ridge Ranch Estates Water Company provides water service for Saddle Ridge and Moon Ridge.
- Staff recommendation would be not to pursue annexation at this time.
- Saddle Ridge would need to submit a petition for inclusion and then there would be a formal hearing.

**6. District Manager Report**

- Fabbre highlighted a few items and noted that additional items can be seen on the report included in the agenda packet.
- Bembenek was promoted to the Wastewater Treatment Facility Supervisor position.
- The potential dissolved copper numbers are trending down, the upward trend was caused by illegal discharge into the collection system.
- Koelliker & Fabbre to meet with the state dam inspector tomorrow for the biennial dam safety inspection in Meridian Lake Park (MLP).

**7. June 2024 Financial Report**

- Fulton reported that there were some large expenses for June. McDonald Paving provided asphalt repairs and the Town of Crested Butte installed a new sensor panel for their current system.

- Fulton noted that the other income line is listed at \$117,000 which includes the value of the property around the MLP Reservoir. This is claimed as income to offset the asset received in the agreement with MLP.

**MOTION** by Brown and seconded by O'Brien to approve the June 2024 Financial Report as submitted. Motion voted in favor.

**8. Legals**

- Lock reported he has been working on the following projects: The ATAD IGA, the Collections Interceptor Line, Water Master Plan update, Easement issues, Tap Fee issues, Saddle Ridge, Employment Law issues, and a Cost Reimbursement Agreement with the Chalets of Crested Butte LLC.

**9. New/Old Business Before the Board**

- There was no new or old business discussed.

**10. Executive Session**

- Consideration of an executive session to be held pursuant to C.R.S. § 24-6-402(4)(b) and (e)(I), which concern respectively, conferences with the District's general counsel for the purpose of receiving legal advice on specific legal questions and determining positions relative to matters that may be subject to negotiations; developing strategy for negotiations; and instructing negotiators in order to discuss the ATAD IGA share and the Collections Interceptor Line.

**MOTION** by Woolf and seconded by O'Brien to enter into Executive Session at 5:48 pm with Fabbre, Fulton, and Lock remaining for the discussion. Jamie Eichenberger with HDR Engineering also joined the session.

**MOTION** by Brown and seconded by Grindlay to exit the Executive Session at 7:26 pm.

**11. Potential Discussion and Action regarding the ATAD IGA Share and the Collections Interceptor Line**

- Regarding the collection's interceptor line, there was discussion on whether the District should commit funds to do the analysis component in 2024 or if the District should wait until it is budgeted for 2025. Developers would prefer the work to be done this year. Engineers working for the District and District staff have advised that our current collection line is adequate for the use of the District's current customers.

**MOTION** by Brown and seconded by O'Brien to direct staff to commence site investigation for the Gothic interceptor improvements in 2024 with reimbursement from the developers and funds required to start this investigation will come from the District's capital reserves. Woolf, Brown, and O'Brien voted in favor and Grindlay opposed. Motion passed.

- Regarding the ATAD IGA Share, the District budgeted \$1.6 million in 2024 for this project but there's a difference of opinion with the Town of Crested Butte on the amount. The District is in negotiations with the Town of Crested Butte. The Board would like to see the forensic accounting piece done for this project.

**MOTION** by Brown and seconded by O'Brien to approve a \$1.5 million payment to the Town of Crested Butte related to the ATAD solids processing project and reserve the right to dispute any remaining additional amount that may or may not be in dispute and continue down the path of obtaining a forensic accountant and continue investigation. Motion voted in favor.

**10. Adjourn**

**MOTION** by Woolf and seconded by Brown to adjourn the regular board meeting at 7:51 pm. Motion voted in favor.

  
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Drafted by: Tracy Davenport

  
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Submitted by: Kent Fulton