

**MINUTES OF THE
MEETING OF THE WATER COMMITTEE OF THE
MT. CRESTED BUTTE WATER AND SANITATION DISTRICT
JULY 8, 2020**

Meeting of the Water Committee of Mt. Crested Butte Water and Sanitation District was held at 10:00 a.m. on Wednesday, **July 8, 2020**, via GoToMeeting at <https://www.gotomeet.me/MTWaterSanitationDistrict>. Committee Members in attendance were as follows:

Brian Brown, MCBWSD Chair, MLP resident
Robin Smith, MLPC Board Member, MLP resident
Mike Fabbre, District Manager, MCB resident
Perry Solheim, Finance/Admin Manager, non-District resident

Nicolas Kempin, MCBWSD Vice Chair, MCB resident
Scott Hamilton, MLPC Board Member, MLP resident

COMMITTEE MEETING

1. Call to Order

- The meeting was called to order by BB at 10:08 a.m.

2. Discussion of Meeting Minutes

- Smith expressed favor for general over specific minutes for ease of public consumption.
- Hamilton agreed with general notes.
- Fabbre inquired about where minutes to be posted.
- It was agreed to post approved minutes under MLP Discussion section of District website.

3. Continued Discussion regarding current MCBWSD/MLPC relationship in light of 1995 and 2013 MOA's

- Smith inquired about original transfer of assets in consideration of initial MOA.
- Smith observed that Raftelis report seems to detail District assets but not MLPC assets contributed.
- Fabbre observed that some assets were acquired after the agreements, but that the specific asset lists are part of the missing exhibit.
- Smith requested that District staff attempt to create an analysis of the consideration given by the District and MLPC for the completion of the contract contained in the MOA.
- Smith asked how water rights are recorded.
- Fabbre answered there are multiple sources for verifying water rights but no single database. Further, water rights can change with time, legal filings and investments made to utilize particular rights.

4. Discuss Potential Solutions

- Brown explained options document with a project strategy. Document to be posted on SharePoint.
- Options include the following:
 1. Leave MOA and Amendment as existing.
 2. Create an additional amendment.
 3. Create an official MLPC Sub-District.
 4. Abolish MOA's.
- Smith: # 1 just leaves problem in place.
- Hamilton: What would #2 look like? Would it involve picking a Raftelis report method? Would capital and capital debt be amended?
- Brown: Amendment could be created to clarify ambiguity by explicitly defining the scope of assets, debt and revenue streams covered by the agreement.
- Kempin: Other information is needed before an option can be chosen. Expressed doubt that a mechanism can be chosen before a general solution is decided.
- Brown suggests the committee take a step back before moving forward on option discussion.
- Brown initiates discussion about whether solution should be driven by original intent of the agreements or what is best for moving forward, or some combination of both.
- Hamilton expressed difficulty to recreating intent from the past, stated a primary goal should be simplification to ensure all involved understand and agree.
- Smith agreed recreating past intent problematic.
- Brown states only #3 and #4 seem viable options.
- Hamilton, in seeking to understand the interests of both sides, asked about what the non-MLPC part of the District concerns are.
- Kempin: concerns are shared: both sides want fees and rates to be fair.
- Fabbre responded to Brown's question as to his concerns as an MCB resident: wants defensible, clear and fair resolution. As an MCB resident reading MOA's objectively, the agreement seems to be seeking to

protect MCB residents from bearing disproportionate share of cost of providing water to MLP area. Reads the MOA's as attempting to detail costs that must be borne by MLP residents rather than the District as a whole, but is too ambiguous as written to provide concrete guidelines.

- Kempin expressed importance of a legally defensible solution.
- Discussion regarding legal aspects of solutions occurred. Brown will contact District legal counsel to find out general legal guidelines.
- Brown detailed that a SharePoint file folder will be created where committee members can find relevant documents and provide comments from various perspectives.

5. Objectives before Next Meeting

- Brown will contact counsel for legal opinion.
- The updated document will be posted on SharePoint and committee members will be given access to the file folder location.
- Solheim will begin to examine original transaction to identify assets given in consideration for agreement.
- Brown will speak with individuals involved with the initial agreement in an effort to provide more historical context.

6. Next Meeting

- Set for 10 a.m., Wednesday, July 22, 2020 via <https://www.gotomeet.me/MCBWaterSanitationDistrict>.

7. Adjourn

- Meeting was adjourned at 11:47 a.m.



Perry Solheim, Committee Secretary