

Public Notice



Mt. Crested Butte Water & Sanitation District *Regular Board Meeting Agenda*

[Tuesday, April 14, 2020 5:00 p.m.](#)

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1. Call to Order
2. Citizens Comment Period
 - Citizens may make comments on items NOT scheduled on the agenda. Per Colorado Open Meetings Law, no Board discussion or action will take place until a later date, if necessary. You must sign in before speaking. Comments are limited to three minutes.
3. WTP Update
4. [CWRPDA Loan Application](#)
5. Water Committee Update
6. COVID-19 Update
7. Clarifier Project Update
8. [District Manager Report](#)
9. [March 2020 Financial Report](#)
10. [Approve Meeting Minutes](#)
 - [March 10, 2020](#)
11. Legals
12. New/Old Business Before the Board
13. Adjourn

The Board may address individual agenda items at their discretion as necessary to accommodate the needs of the Board and audience.

Resolution No. 2020-4

A RESOLUTION AUTHORIZING THE MT. CRESTED BUTTE WATER AND SANITATION DISTRICT, ACTING BY AND THROUGH ITS WATER ENTERPRISE AND WASTEWATER ENTERPRISE, TO ENTER INTO A LOAN AGREEMENT WITH THE COLORADO WATER RESOURCES AND POWER DEVELOPMENT AUTHORITY AND THE ISSUANCE OF AN ENTERPRISE BOND AND CREATION OF A RATE STABILIZATION FUND IN CONNECTION THEREWITH, IN THE AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$23,350,000, FOR THE PURPOSE OF FUNDING A NEW WATER TREATMENT PLANT WITH A CAPACITY OF 1.5 MGD, A NEW PUMP STATION FACILITY AT THE EXISTING EAST RIVER LOCATION, A NEW RAW WATER PIPELINE CONNECTING THE TWO FACILITIES AND ASSOCIATED IMPROVEMENTS; AND AUTHORIZING AND APPROVING VARIOUS MATTERS INCIDENT THERETO.

RECITALS

WHEREAS, Mt. Crested Butte Water and Sanitation District (the “District”) is a quasi-municipal corporation duly organized and existing as a special district under the constitution and laws of the State of Colorado (the “State”), including specifically, but without limitation, Article 1 of Title 32 of the Colorado Revised Statutes, as amended (“C.R.S.”); and

WHEREAS, the District is authorized to establish Enterprises pursuant to Title 37, Article 45.1, C.R.S, and has, by legislative act of the District, previously established and created its Water Enterprise and its Wastewater Enterprise within the meaning of Article X, Section 20 of the Colorado Constitution (the “Water Enterprise” and the “Wastewater Enterprise”, and collectively the “Enterprises”); and

WHEREAS, the District is acting hereunder by and through the “Mt. Crested Butte Water and Sanitation District Water Enterprise” and the “Mt. Crested Butte Water and Sanitation District Wastewater Enterprise”, each organized under the provisions of Title 37, Article 45.1, C.R.S.; and

WHEREAS, it has been determined and is hereby determined by the Board of Directors of the District, acting as the governing board of the Enterprises (the “Board”) that it would be in the best interests of the District and the current and future residents, property owners and taxpayers thereof for the Enterprises to issue or incur indebtedness for the purpose of funding a new water treatment plant with a capacity of 1.5 MGD, a new pump station facility at the existing East River location, a new raw water pipeline connecting the two facilities and associated improvements (the “Project”); and

WHEREAS, the Board has heretofore determined and hereby determines that it is necessary and in the best interests of the District and the residents, property owners and taxpayers thereof to fund the Project by entering into a Loan Agreement dated its dated date (the “Loan Agreement”) with the Colorado Water Resources and Power Development Authority (the

“Authority”), and in connection therewith, issue its Enterprise Revenue Bond to the Authority in the aggregate principal amount not to exceed \$23,350,000 (the “Bond”); and

WHEREAS, the Loan Agreement and the Bond will constitute special limited obligations of the Enterprises payable solely from and secured by an irrevocable but non-exclusive first lien on the Net Revenue (as defined in the Loan Agreement), shall not constitute a debt, an indebtedness or a multiple fiscal year debt or other financial obligation of the District within the meaning of any constitutional or statutory provision or limitation and shall not be considered or held to be general obligations of the District; and

WHEREAS, the issuance of the Bond shall constitute “an issue of bonds of a district issued to the Colorado Water Resources and Power Development Authority which evidences a loan from said authority” within the meaning of Article 59 of Title 11, C.R.S. (the “Municipal Bond Supervision Act”), and as such the Bond will be exempt from registration with the Colorado Division of Securities; and

WHEREAS, the Board has determined and hereby determines that the creation of a Rate Stabilization Fund to be held as a separate account of the Enterprise to allow the Enterprises to maintain a Debt Service Coverage Ratio (as defined herein) of 110% while the Bond is outstanding, is in the best interests of the District and the current and future residents, property owners and taxpayers thereof; and

WHEREAS, the Bond when issued will not exceed any applicable limit prescribed by the constitution or laws of the State or the District’s Service Plan; and

WHEREAS, the Board has determined to elect to apply all of the provisions of Part 2 of Article 57 of Title 11, C.R.S. (the “Supplemental Public Securities Act”), to the Bond; and

WHEREAS, there has been presented to the Board at or prior to this meeting the substantially final form of the Loan Agreement and the Post-Issuance Tax Compliance Procedures of the Enterprises; and

WHEREAS, the Board desires to authorize the Loan Agreement and issuance of the Bond, authorize the forms and the execution and delivery by the Enterprises of the Post-Issuance Tax Compliance Procedures and such other agreements, certificates, documents and instruments as may be necessary to effect the intent of this Resolution, and authorize and approve various other matters in connection with the issuance and sale of the Bond; and

WHEREAS, pursuant to Section 32-1-902(3), C.R.S., and Section 18-8-308, C.R.S., all known potential conflicting interests of the Directors were disclosed to the Colorado Secretary of State and to the Board and the Board in writing at least 72 hours in advance of this meeting; additionally, in accordance with Section 24-18-110, C.R.S., the appropriate Directors have made disclosure of their personal and private interests relating to the issuance of the Bond in writing to the Secretary of State and the Board; and such Directors have stated for the record immediately prior to the adoption of this Resolution the fact that they have said interests and the summary nature of such interests and the participation of such Directors is necessary to obtain a quorum or otherwise enable the Board to act;

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF MT. CRESTED BUTTE WATER AND SANITATION DISTRICT, ACTING BY AND THROUGH ITS WATER ENTERPRISE AND WASTEWATER ENTERPRISE, GUNNISON COUNTY, COLORADO:

Section 1. Definitions. In addition to the terms defined in the Recitals to this Resolution, which are incorporated in this section by reference, the following terms as used in this Resolution shall have the meanings set forth below unless the context indicates otherwise. All such defined terms importing the singular include the plural and *vice versa*.

“*Authority*” means the Colorado Water Resources and Power Development Authority, a political subdivision of the State of Colorado, its successors and assigns.

“*Authorized Denominations*” means \$100,000 and integral multiples of \$1,000 in excess thereof.

“*Bond*” means the Enterprise Bond, Series 2020, issued by the Issuer in the aggregate principal amount not to exceed \$23,350,000, as authorized by this Resolution.

“*Bond Counsel*” means (a) as of the Issue Date, Kline Alvarado Veio, P.C., and (b) as of any other date, such attorney or attorneys selected by the District with nationally recognized expertise in public finance.

“*Bond Fund*” means the fund or account of the Issuer established pursuant to the provisions of this Resolution for the purpose of paying the Bond.

“*Bond Register*” means the record maintained by the Registrar that lists the names and addresses of the Owners of the Bond.

“*Bond Year*” means the period from December 2 of any calendar year to December 1 of the following calendar year.

“*Debt Service Coverage Ratio*” means the ratio of Net Revenue, plus interest expense, divided by regularly scheduled annual debt service payments on the Bond.

“*Enabling Laws*” means the State Constitution, the Water Activity Enterprise Act (as defined in the Loan Agreement), and the Supplemental Public Securities Act, and other applicable law relating to the authorization and issuance of the Bond.

“*Event of Default*” means any one or more of the events set forth in the Section hereof captioned “Events of Default.”

“*Federal Tax Code*” means the Internal Revenue Code of 1986, as amended to the date of issuance of the Bond.

“*Interest Payment Date(s)*” means the scheduled dates for payment of interest on the Bond, as set forth in the Loan Agreement.

“*Interest Subaccount*” means a subaccount of the Bond Fund affirmed by the provisions hereof for the purpose of paying the interest on the Bond.

“*Issue Date*” means the date Bond is issued and delivered to the Authority.

“*Issuer*” means the Mt. Crested Butte Water and Sanitation District, Acting by and through its Water Enterprise and Wastewater Enterprise, as issuer of the Bond.

“*Loan Agreement*” means the Loan Agreement dated as of its dated date, between the Authority and the Issuer.

“*Net Revenue*” has the meaning ascribed to such term in the Loan Agreement.

“*Operation and Maintenance Expenses*” has the meaning ascribed to such term in the Loan Agreement.

“*Outstanding*” or “*outstanding*” mean, as of any particular time, any Bond which has been duly authenticated and delivered by the Registrar under this Resolution, except:

(a) Any Bond theretofore cancelled by the Registrar or delivered to the Registrar for cancellation because of payment at maturity or prior redemption;

(b) Any Bond for the payment or redemption of which moneys or Federal Securities in an amount sufficient (as determined pursuant to the Section hereof captioned “Defeasance”) shall have been placed in escrow and in trust; and

(c) Any Bond in lieu of which another Bond has been authenticated and delivered pursuant to the Sections hereof entitled “Registration, Exchanges and Transfers; Restrictions on Transfer” or “Replacement Bond.”

“*Owner*” means the Authority.

“*Permitted Investments*” means any investment or deposit the District is permitted to make under then-applicable law.

“*Principal Subaccount*” means a subaccount of the Bond Fund affirmed by the provisions hereof for the purpose of paying the principal of and premium, if any, on the Bond and any Parity Obligations.

“*Pro Rata Portion*” means when used with respect to a required credit to the Principal Subaccount or the Interest Subaccount, the dollar amount derived by dividing the amount of principal or interest to come due on the next principal or interest payment date by the number of monthly credits required to be made prior to such payment date.

“*Project*” means any purpose for which proceeds of the Bond may be expended under the Enabling Laws, including, but not limited to, the payment of the costs of issuance of the Bond and the improvements described in the recitals hereof.

“*Rate Stabilization Fund*” means the account by such name created pursuant to this Resolution.

“*Resolution*” means this resolution, which authorizes the issuance of the Bond.

“*Tax Certificate*” means the Tax Compliance Certificate or similar certificate delivered by the District in connection with the issuance of the Bond that describes the Issuer’s expectations regarding the use and investment of proceeds of the Bond and other moneys.

Section 2. Authorization. In accordance with the Enabling Laws, the Loan Agreement and the Bond are hereby authorized by the Issuer for the purpose of paying, or reimbursing the Issuer for, costs of the Project. The Issuer hereby elects to apply all of the provisions of the Supplemental Public Securities Act to the Loan Agreement and the Bond.

Section 3. Special Obligations. The Bond, together with the interest thereon, shall be payable only out of the Bond Fund, into which the Issuer covenants to deposit the Net Revenue in amounts sufficient to pay when due the principal of and interest on the Bond. The Bond shall constitute an irrevocable and first lien upon the Net Revenue, but not necessarily an exclusive such lien. The Net Revenue is hereby pledged to the payment of the Bond. The Owner may not look to any general or other fund of the District for the payment of the principal of and interest on the Bond, except the funds and accounts pledged thereto by this Resolution, and the Bond shall not constitute a debt or an indebtedness of the District within the meaning of any constitutional or statutory provision or limitation; nor shall they be considered or held to be general obligations of the District.

Section 4. Limitation on Ownership of the Bond. Ownership of the Bond shall be limited to the Authority, as permitted under the Municipal Bond Supervision Act.

Section 5. Details of the Bond.

(a) The Bond shall be issued only in fully registered form without coupons and in Authorized Denominations, provided that no individual Bond may be in an amount which exceeds the principal amount coming due on any maturity date. Unless the Issuer shall otherwise direct, the Bond shall be numbered separately from 1 upward, with the number of each Bond preceded by “R-.”

(b) The Bond shall be issued in the aggregate principal amount not to exceed \$23,350,000, shall be dated as of the Issue Date, shall bear interest at a rate not to exceed 3.10% per annum (calculated on the basis of a 360-day year of twelve 30-day months) payable on each Interest Payment Date, and shall mature as set forth in the Loan Agreement, subject to prepayment prior to maturity as provided in the Loan Agreement. To the extent principal of the Bond is not paid when due, such principal shall remain outstanding until paid and shall continue to bear interest at the rate then borne by such Bond; and to the extent interest on any Bond is not paid when due, such interest shall compound on each Interest Payment Date until paid at the rate then borne by such Bond.

Section 6. Payment of the Bond. The principal of and interest on the Bond shall be payable in lawful money of the United States of America. The principal of a Bond shall be payable to the Owner thereof upon maturity or upon prepayment.

The principal of and interest on the Bond shall be paid in accordance with the terms of the Loan Agreement.

Section 7. Redemption Prior to Maturity. The Bond shall be subject to redemption prior to maturity as provided in the Loan Agreement.

Section 8. Form of the Bond. The Bond shall be in substantially the form set forth as Exhibit D to the Loan Agreement, with such variations, omissions and insertions as may be required by the circumstances, may be required or permitted by the Loan Agreement or this Resolution or are consistent with the Loan Agreement and this Resolution and necessary or appropriate to conform to the rules and requirements of any governmental authority or any usage or requirement of law with respect thereto. The Bond may bear such other endorsement or legend as may be required to conform to usage or law with respect thereto.

Section 9. Execution and Authentication of the Bond. The Bond shall be signed with the facsimile or manual signature of the President of the Issuer, sealed with a facsimile or manual impression of the seal of the District and attested by the facsimile or manual signature of the Secretary or an Assistant Secretary of the Issuer. Should any officer whose facsimile or manual signature appears on a Bond cease to be such officer before delivery of the Bond to a purchaser, such facsimile or manual signature shall nevertheless be valid and sufficient for all purposes.

Section 10. Delivery of the Bond. Upon the adoption of this Resolution and the execution and delivery of the documents and instruments provided for herein, the Bond shall be executed and authenticated in accordance with this Resolution and thereupon issued in the name of and delivered to the Authority upon payment by the Authority to the Issuer for the Bond.

Section 11. Application and Investment of Proceeds; Tax Matters.

(a) The Bond shall be issued for the purpose, and the proceeds derived from the sale of the Bond shall be applied, as provided in this Resolution. No Owner shall be responsible for the application by the Issuer of the proceeds of the Bond.

(b) All or any portion of the proceeds of the Bond may be temporarily invested or reinvested, pending such use, in securities or obligations that are both lawful investments and that are Permitted Investments.

(c) The Issuer covenants as follows with respect to the Bond, which covenants shall remain in full force and effect until the date on which all obligations of the Issuer in fulfilling such covenants under the Federal Tax Code and Colorado law have been met, notwithstanding the payment in full or defeasance of the Bond:

(i) The Issuer shall at all times do and perform all acts and things necessary or desirable in order to assure that interest paid on the Bond shall, for the

purposes of federal income taxation, be excludable from the gross income of the recipients thereof and exempt from such taxation.

(ii) The Issuer shall not use or permit the use of any proceeds of the Bond or any funds of the Issuer, directly or indirectly, to acquire any securities or obligations, and shall not take or permit to be taken any other action or actions, which would cause any Bond to be “arbitrage Bond” within the meaning of Section 148 of the Federal Tax Code or “federally guaranteed” within the meaning of Section 149(b) of the Federal Tax Code and any such applicable requirements promulgated from time to time thereunder and under Section 103(b) of the Federal Tax Code, and the Issuer shall observe and not violate the requirements of Section 148 of the Federal Tax Code and any such applicable regulations. The Issuer shall comply with all requirements of Sections 148 and 149(d) of the Federal Tax Code to the extent applicable to the Bond. In the event that at any time the Issuer is of the opinion that for purposes of this paragraph it is necessary to restrict or to limit the yield on the investment of any moneys held by or on behalf of the Issuer under this Resolution, the Issuer shall so restrict or limit the yield on such investment.

(iii) The Issuer shall comply with the provisions and procedures of the Tax Certificate.

(iv) The Issuer shall file, or cause to be filed, an Internal Revenue Service Form 8038-G with respect to the issuance of the Bond.

Section 12. Water Revenue Fund and Wastewater Revenue Fund. The Issuer shall credit to the Water Revenue Fund and the Wastewater Revenue Fund all Net Revenue immediately upon receipt. The Issuer shall pay from the Water Revenue Fund and the Wastewater Revenue Fund all Operation and Maintenance Expenses as they become due and payable. After such payment or the allocation of Net Revenue to such payment, the Issuer shall apply the Net Revenue in the following order of priority:

FIRST: to the credit of the Interest Subaccount, the amounts required by the Section hereof entitled “Bond Fund”;

SECOND: to the credit of the Principal Subaccount, the amounts required by the Section hereof entitled “Bond Fund”;

THIRD: to the credit of any other fund or account as may be designated by the Issuer, to be used for any lawful purpose, any moneys remaining in the Water Revenue Fund and Wastewater Revenue Fund after the payments and accumulations set forth in FIRST and SECOND hereof.

Section 13. Bond Fund. Moneys in the Bond Fund shall be used solely for the purpose of paying the principal of, premium if any, and interest on the Bond. The Principal Subaccount shall be used to pay the principal of and premium, if any, on the Bond, and the Interest Subaccount shall be used to pay the interest on the Bond.

On or before the twenty-fifth day of each month, commencing in the month next succeeding the date of issuance of the Bond, the Issuer shall credit to the Interest Subaccount, from

the Net Revenue and any interest income to be credited to the Interest Subaccount pursuant to the terms hereof, an amount equal to the Pro Rata Portion of the interest to come due on the Bond on the next succeeding date for the payment of interest.

On or before the twenty-fifth day of each month, commencing in the month next succeeding the date of issuance of the Bond, the Issuer shall credit to the Principal Subaccount, from the Net Revenue and any interest income to be credited to the Principal Subaccount pursuant to the terms hereof, an amount equal to the Pro Rata Portion of the principal coming due on the Bond on the next succeeding date for the payment of principal.

Moneys credited to the Bond Fund may be invested or deposited only in Permitted Investments. The investment of moneys credited to the Bond Fund shall be subject to the covenants and provisions of the Section hereof captioned "Application and Investment of Proceeds; Tax Matters." All interest income from the investment or reinvestment of moneys credited to the Bond Fund shall remain in and become part of such subaccount.

Section 14. Rate Stabilization Fund. There is hereby created the "Mt. Crested Butte Water and Sanitation District, acting by and through its Water Enterprise and Wastewater Enterprise Rate Stabilization Fund" to be held as separate account on the books of the Enterprises. The Rate Stabilization Fund will be established at the time of issuance of the Bond in an amount not to exceed \$1,190,000 and shall be maintained at such level to ensure that the Debt Service Coverage Ratio is at least 110%. The balance in the Rate Stabilization Fund shall be tested annually on December 31. On each December 31 testing date, the Finance Manager of the District shall calculate the Debt Service Coverage Ratio; funds will be released from the Rate Stabilization Fund to the extent required for the Debt Service Coverage Ratio to be equal to or greater than 110%.

Section 15. Additional Obligations.

(a) No additional Bond, notes, interim securities or other obligations shall be issued payable from the Net Revenue and having a lien thereon which is superior to the lien of the Bond.

(b) The Issuer may issue additional obligations having a lien on the Net Revenue on parity with the Bond, or subordinate to the Bond, upon compliance with the conditions therefor set forth in Exhibit F of the Loan Agreement.

Section 16. Defeasance. When all principal and interest in connection with any Bond has been duly paid, the pledge and lien and all obligations of the Issuer under this Resolution with respect to such Bond shall thereby be discharged and such Bond shall no longer be deemed to be outstanding within the meaning of this Resolution. There shall be deemed to be such due payment when the Issuer has placed in escrow and in trust with a commercial bank located within or without the State, and exercising trust powers, an amount sufficient (including the known minimum yield from Federal Securities in which such amount may be initially invested, which Federal Securities shall not be subject to redemption or prepayment at the option of the issuer thereof) to meet all payments of principal and interest in connection with such Bond as the same become due to the maturity date or upon a designated prior redemption date for such Bond. The Federal Securities shall not be subject to redemption or prepayment at the option of the issuer thereof, and shall

become due at or prior to the respective times on which the proceeds thereof shall be needed, in accordance with a schedule established and agreed upon between the Issuer and such bank at the time of the creation of the escrow, or the Federal Securities shall be subject to redemption at the option of the holders thereof to assure the availability of the proceeds thereof as needed to meet such schedule. The sufficiency of any such escrow funded with Federal Securities shall be determined by a certified public accountant.

Section 17. Events of Default and Remedies. The occurrence or existence of any one or more of the following events shall constitute an Event of Default under this Resolution, and there shall be no default or Event of Default under this Resolution except as provided in this Section:

- (a) An Event of Default has occurred and is continuing under the Loan Agreement;
- (b) the Issuer fails to deposit the Net Revenue as required under this Resolution;
- (c) the Issuer defaults in the performance of any other of its covenants in this Resolution, and such default continues for 60 days after written notice specifying such default and requiring the same to be remedied is given to the Issuer by the Owner; or
- (d) the Issuer files a petition under the federal bankruptcy laws or other applicable bankruptcy laws seeking to adjust the obligations represented by the Bond.

Upon the occurrence and continuance of an Event of Default, the Owner, or a trustee therefor, may protect and enforce its rights by proper legal or equitable remedy deemed most effectual including mandamus, specific performance of any covenants, injunctive relief or requiring the Board to act as if it were the trustee of an express trust, or any combination of such remedies. Any receiver appointed to protect the rights of the Owner may take possession of and operate and maintain the District's Water and Wastewater Systems in the same manner as the Issuer itself might do. The failure of the Owner to proceed does not relieve the Issuer or any person of any liability for failure to perform any duty hereunder. The foregoing rights are in addition to any other right, and the exercise of any right by the Owner shall not be deemed a waiver of any other right.

Section 18. Amendments and Supplements. The Issuer may not, without the written consent of the Owner, adopt amendments or supplements to this Resolution. Upon the execution of any amendatory or supplemental resolution pursuant to this Resolution, this Resolution shall be deemed to be modified and amended in accordance therewith, and the respective rights, duties and obligations under this Resolution of the Issuer and the Owner shall thereafter be determined, exercised and enforced hereunder, subject in all respects to such modifications and amendments.

Section 19. Costs and Expenses. All costs and expenses incurred in connection with the issuance of the Bond shall be paid from legally available moneys of the Issuer, and such moneys are hereby appropriated for that purpose.

Section 20. Authorization to Execute Loan Agreement and Take Additional Actions. The President and the Secretary or an Assistant Secretary of the Issuer shall, and they

are hereby authorized and directed to, take all additional actions necessary or appropriate to effectuate the provisions of this Resolution, including, but not limited to, the engagement of Kline Alvarado Veio, P.C., as bond counsel for the Bond and the execution and delivery of the Loan Agreement, the Tax Certificate and an Internal Revenue Service Form 8038-G with respect to the Bond and any other agreements, certificates, affidavits and other documents and instruments as may be reasonably required by Bond Counsel. The execution by the President of the Issuer of any document authorized herein shall be conclusive proof of the approval by the District of the terms thereof.

Section 21. Post-Issuance Tax Compliance Procedures. The Board hereby approves and adopts the Post-Issuance Tax Compliance Procedures and designates the person so identified therein as the “Responsible Person.”

Section 22. No Recourse Against Officers and Agents. Pursuant to Section 11-57-209, C.R.S., if a member of the Board or any officer or agent of the Issuer acts in good faith, no civil recourse shall be available against such member, officer or agent for payment of the Bond. Such recourse shall not be available either directly or indirectly through the Board or the Issuer, or otherwise, whether by virtue of any constitution, statute, rule of law, enforcement of penalty or otherwise. By the acceptance of the Bond and as a part of the consideration of their sale or purchase, any person purchasing or selling Bond specifically waives any such recourse.

Section 23. Limitation of Actions. Pursuant to Section 11-57-212, C.R.S., no legal or equitable action brought with respect to any legislative acts or proceedings in connection with the authorization or issuance of the Bond shall be commenced more than 30 days after the authorization of the Bond.

Section 24. Actions to be Taken Occurring on Non-Business Days. If the date for making any payment or the last day for performing any act or exercising any right under this Resolution is a legal holiday or a day on which the Principal Office of the Paying Agent or Registrar, as applicable, is authorized or required by law to remain closed, such payment may be made, act performed or right exercised on the next succeeding day which is not such a day with the same force and effect as if done on the nominal date provided in this Resolution.

Section 25. Ratification and Approval of Prior Actions. All actions heretofore taken by the officers of the Issuer and the members of the Board, not inconsistent with the provisions of this Resolution, relating to the authorization, issuance and delivery of the Bond, are hereby ratified, approved and confirmed.

Section 26. Headings. The headings to the various sections and subsections to this Resolution have been inserted solely for the convenience of the reader, are not a part of this Resolution and shall not be used in any manner to interpret this Resolution.

Section 27. Resolution Irrepealable. After any of the Bond have been issued, this Resolution shall constitute a contract between the Owners and the Issuer and shall be and remain irrepealable until the Bond and the interest accruing thereon shall have been fully paid, satisfied and discharged as herein provided.

Section 28. Repealer. All orders, bylaws and resolutions of the Issuer, or parts thereof, inconsistent or in conflict with this Resolution, are hereby repealed to the extent only of such inconsistency or conflict.

Section 29. Severability. If any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution, the intent being that the same are severable.

Section 30. Effective Date. This Resolution shall take effect immediately upon its adoption and approval.

[Execution page follows]

ADOPTED AND APPROVED by the Board of Directors of the District this 14th day of April 2020.

MT. CRESTED BUTTE WATER AND SANITATION DISTRICT,

A Colorado Special District

BY: _____
Chairperson: Brian Brown

ATTEST: _____
Board Secretary: Perry W. Solheim

CERTIFICATION OF RESOLUTION

[This Certification is not part of the Resolution]

STATE OF COLORADO)
)
GUNNISON COUNTY) ss.
)
MT. CRESTED BUTTE)
WATER AND SANITATION DISTRICT)

I hereby certify that I am the duly appointed, qualified and acting Secretary of Mt. Crested Butte Water and Sanitation District, Acting by and through its Water Enterprise and Wastewater Enterprise, Gunnison County, Colorado (the “Issuer”), and further certify as follows:

1. The foregoing pages are a true and correct copy of a resolution (the “Resolution”) authorizing the issuance by the Issuer of its Bond, Series 2020, which Resolution was passed and adopted by the Board of Directors of the District acting as the governing body of the Issuer (the “Board”) at a regular meeting of the Board (the “Meeting”) held at 100 Gothic Road, which location is within Gunnison County, on Tuesday, April 14, 2020, at the hour of 5:00 p.m., at which Meeting a quorum of the Board was present.

2. The Resolution was duly moved and seconded and the Resolution adopted at the Meeting by an affirmative vote of a majority of the members of the Board.

3. The members of the Board were present in person or telephonically at the Meeting and voted on the passage of the Resolution.

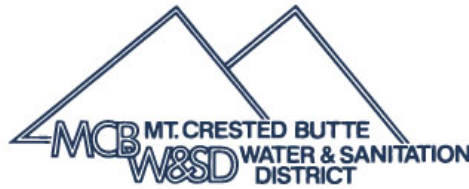
4. The Resolution was approved and authenticated by the signature of the President of the Board, sealed with the District seal, attested by the Secretary of the Board and recorded in the minutes of the Board.

5. There are no bylaws, rules or regulations of the Board which prevent the immediate adoption of the Resolution set forth in the foregoing proceedings.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the District this 14th day of April, 2020.

(SEAL)

Secretary



MEMORANDUM

To: Mt. Crested Butte Water & Sanitation District Board of Directors
From: Mike Fabbre, District Manager
Date: April 9, 2020
Subject: District Manager Report

(3-WW-C) Paradise Lift Station Enclosure

The final 5% retainage payment has been issued to the general contractor and the project is complete.

(4-WW-C) Clarifier Building

The project has had a temporary shutdown due to COVID-19 and sickness by some sub-contractors. We have prioritized the health of the District operators to ensure the WWTF continues to operate without disruptions. The general contractor is currently working on County exemptions to resume work, and we will evaluate which divisions can safely start and proceed.

(102001) WTP Expansion Project

The lot line vacation plat was recommended for approval by the Town of Mt. Crested Butte (TMCB) Planning Commission and then received approval by the Town Council. The condition use permit was recommended for approval by the TMCB Planning Commission and then received approval by the Town Council. We have started the TMCB Planning Commission process for the design review.

CBMR Water Service Line

We are working on a proposal for moving the CBMR maintenance shop water service line that travels North along the MCB WTP lot line that has been vacated. We are expediting this piece of the larger project as a request by CBMR because the maintenance shop is currently empty and offline due to COVID-19.

(102002) Daisy Circle

The Daisy Circle water main line replacement project is under contract and we are currently working through the design phase. We will be looking to go out to bid during the next 1-2 months and commence the project after the site has dried out for the season.

(202002) Inflow & Infiltration (I&I)

The I&I project has commenced as one of the many new stipulations contained in our WWTF discharge permit, and a report will be due to the State by 9/30/20. We will start with installing measuring devices in key manholes throughout the collection system in an attempt to pinpoint where excessive infiltration is originating.

(202003) Utility Bed Crew Cab Truck

Purchasing a new truck in 2020 will be put on hold indefinitely due to concerns around COVID-19 and uncertain budget projections.

General Operations

Water Operations March 2020

MCB WTP Production for March	6.97 MG
MCB WTP Production for February	7.44 MG
Peak day of Month: 3/14/2020	0.350 MG
Average Daily Plant Run Times	5.9 hours/day
Average Daily Flow Total	0.224 MG/day
MLP WTP Production for March	0.348 MG
MLP WTP Production for February	0.391 MG
Peak Day for Month: 3/2/2019	0.025 MG
Average Daily Plant Run Times	2.0 hours/day
Average Daily Flow Total	0.011 MG/day

Significant / Unusual Activities:

- Shovel off Storage Tank Roofs, and Perform Quarterly Inspections (photo #1)
- East River Pump Station Checks and Pump Maintenance
- Mt. CB Lead and Copper Samples Completed
- Mt. CB and MLP Yearly Compliance Samples Completed
- Quarterly Safety Meeting: Staff CPR and First Aid Certified (photo #2)
- Backwash Pond Solids Sampling for Potential Reuse During Expansion Project
- Zero Reading Meter Replacement and MXU's

Major Problem(s):

- Valve Can hit near Ski Jump Condos, Repaired
- COVID-19

Next Month's Major activities:

- SCADA Windows 10 Updates
- Rotational Schedule and Disinfection
- Mt. CB Disinfection Byproducts Sampling
- Fire Hydrant Flushing



Photo #1



Photo #2

Kyle Koelliker will be attending the meeting to answer any questions

Wastewater Operations March 2020

Gallons Wastewater Treated March	6.9 MG
Gallons Wastewater Treated February	5.9 MG
Average Treated Wastewater Flow	0.22 MGD
Peak Treated Wastewater Flow	0.33 MGD
Peak Treated Wastewater Date	March 13
Gallons Sludge Hauled to Town of CB	31,000 gal.

Significant / Unusual Activities:

- COVID-19
- Disinfect every building everyday
- Snow removal at the facility and throughout the collection system
- CPR training

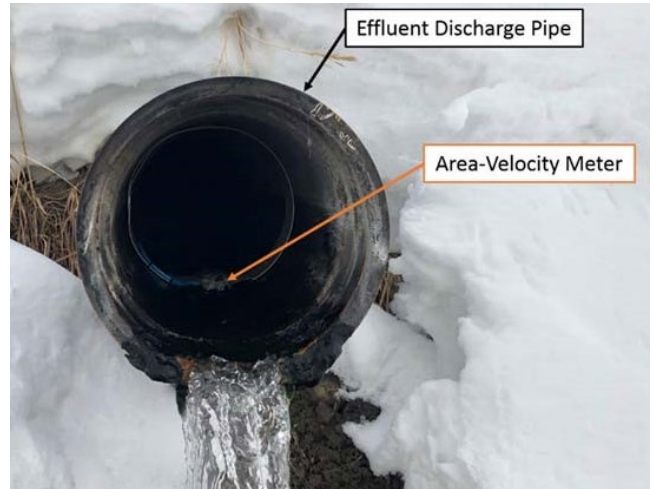
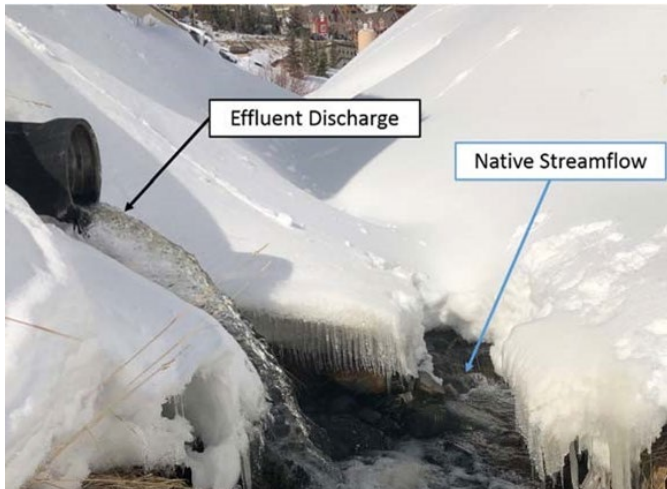
Major Problem(s):

- Motor failed for the grit paddle at headworks- A new one has been ordered

Next Month's Major Activities:

- Stay Healthy!

Pictures below are of WWTF effluent discharge pipe, native streamflow on Woods Creek, and the newly installed Parshall Flume.

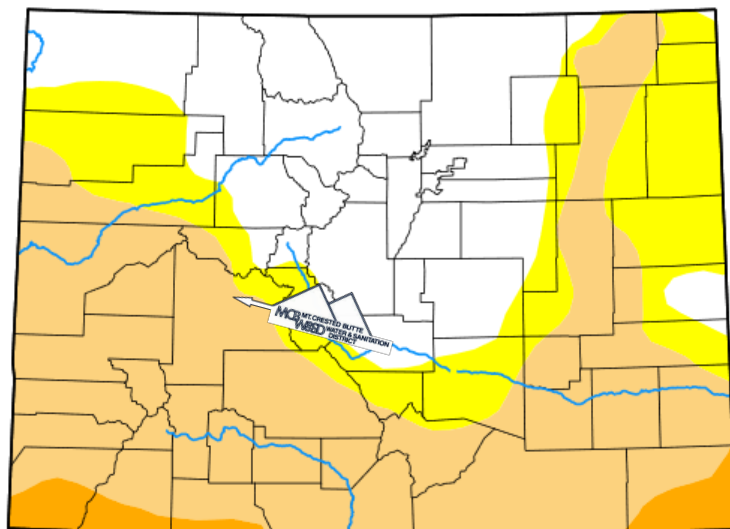


Bryan Burks will be attending the meeting to answer any questions

Stream Flow Information, Snow Pack, & Weather

U.S. Drought Monitor Colorado

March 31, 2020
(Released Thursday, Apr. 2, 2020)
Valid 8 a.m. EDT



Drought Conditions (Percent Area)

	None	D0-D4	D1-D4	D2-D4	D3-D4	D4
Current	32.23	67.77	47.33	3.25	0.00	0.00
Last Week <i>03-24-2020</i>	30.32	69.68	45.87	3.25	0.00	0.00
3 Months Ago <i>12-31-2019</i>	31.72	68.28	51.19	20.11	0.00	0.00
Start of Calendar Year <i>12-31-2019</i>	31.72	68.28	51.19	20.11	0.00	0.00
Start of Water Year <i>10-01-2019</i>	30.14	69.86	27.53	0.00	0.00	0.00
One Year Ago <i>04-02-2019</i>	78.01	21.99	4.74	0.00	0.00	0.00

Intensity:

- None
- D0 Abnormally Dry
- D1 Moderate Drought
- D2 Severe Drought
- D3 Extreme Drought
- D4 Exceptional Drought

The Drought Monitor focuses on broad-scale conditions. Local conditions may vary. For more information on the Drought Monitor, go to <https://droughtmonitor.unl.edu/About.aspx>

Author:

David Simeral
Western Regional Climate Center



droughtmonitor.unl.edu

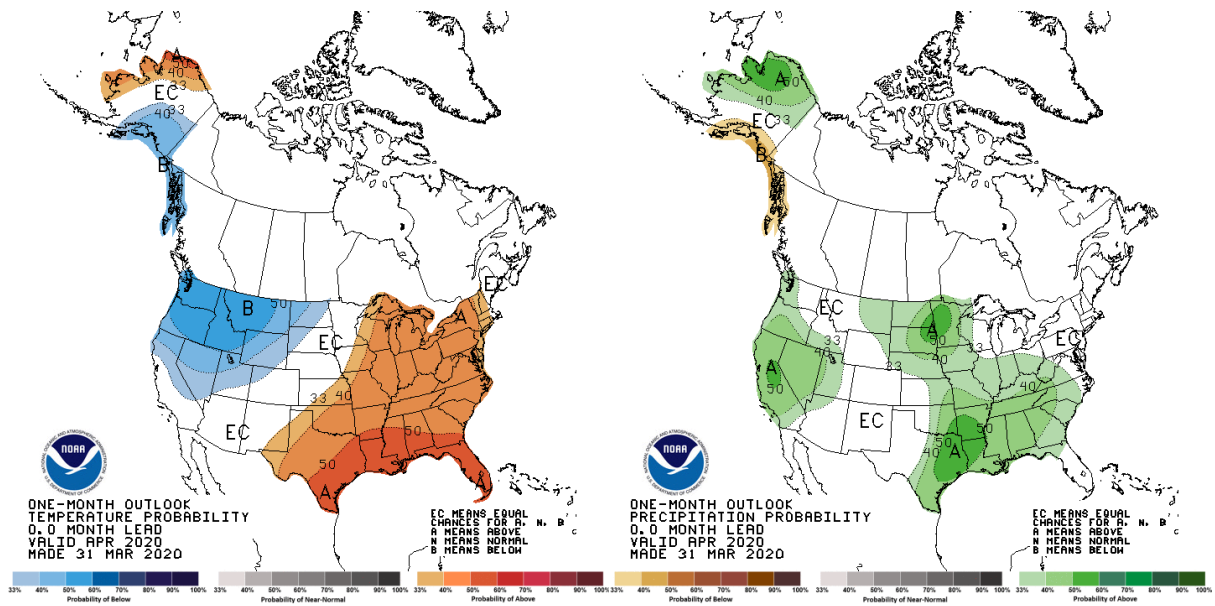
Stream flows from the USGS water resources web interface

Values below for April 8, 2020.

Stream & Location	Current Flow (CFS)	Mean	Median
EAST RIVER BELOW CEMENT CREEK NEAR CRESTED BUTTE, CO	86.6	165.0	129.0
SLATE RIVER ABOVE BAXTER GULCH @HWY 135 NEAR CRESTED BUTTE, CO	37.2	97.0	76.0
COAL CREEK ABOVE MCCORMICK DITCH AT CRESTED BUTTE, CO	8.92	22.0	21.0
TAYLOR RIVER BELOW TAYLOR PARK RESERVOIR, CO.	97.9	127.0	84.0
OHIO CREEK NEAR BALDWIN, CO	18.1	61.0	39.0
GUNNISON RIVER NEAR GUNNISON, CO	338.0	444.0	415.0

Weather

The National Oceanic and Atmospheric Administration One-Month Outlook for MCBWSD is Indicating average temperatures and average precipitation for our region. Weather through the mid-month includes a mix of possible clouds, snow, rain, and sun with temperatures ranging from 0 to 55 degrees Fahrenheit.



4/8/2020

Meridian Lake Park Reservoir No. 1 is currently at 89% of capacity.

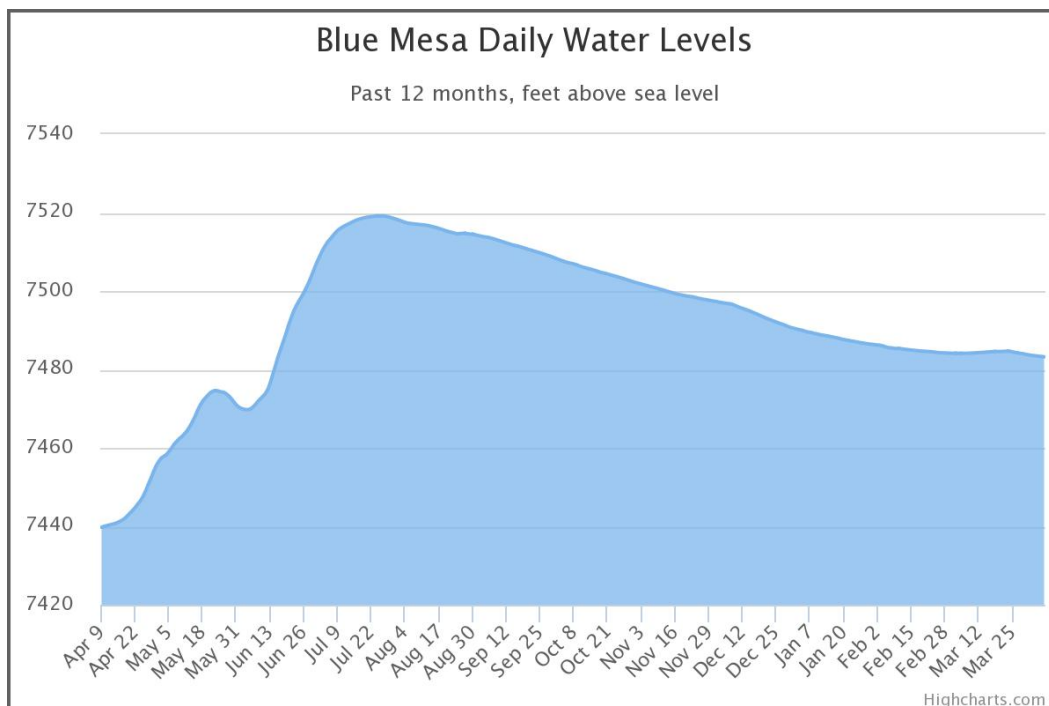
Meridian Lake Reservoir (Long Lake) is currently at 98% of capacity.

Blue Mesa Reservoir is currently at 64% of capacity.

Blue Mesa Reservoir is up 44.51 feet from one year ago, and 36.79 feet below full pool.

Taylor Park Reservoir is currently at 67% of capacity.

Lake Powell is currently at 48% of capacity. Lake Mead is currently at 44% of capacity.



Colorado SNOTEL Snow/Precipitation Update Report

Based on Mountain Data from NRCS SNOTEL Sites

Provisional data, subject to revision

Data based on the first reading of the day (typically 00:00) for Wednesday, April 08, 2020

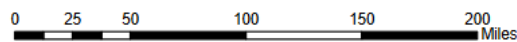
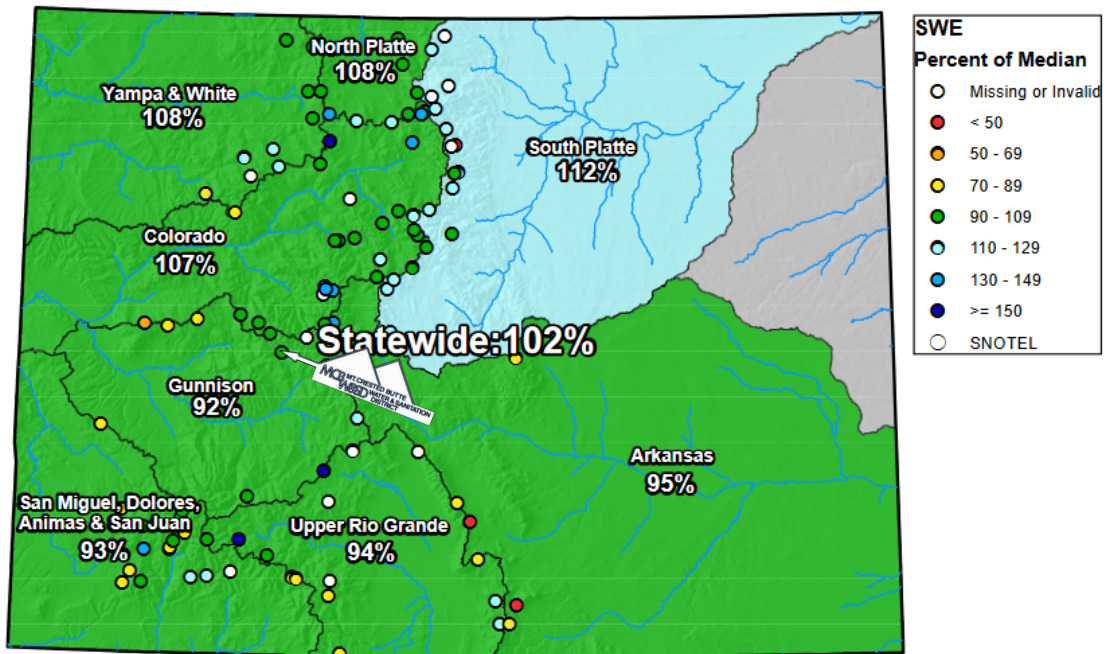
Basin Site Name	Elevation (ft)	Snow Depth (in)	Snow Water Equivalent			Water Year-to-Date Precipitation		
			Current (in)	Median (in)	% of Median	Current (in)	Average (in)	% of Average
GUNNISON RIVER BASIN								
Butte	10,160	42	13.3	13.8	96	12.4	16.4	76
Schofield Pass	10,700	76	30.3	32.4	94	22.7	32.6	70
Park Cone	9,600	34	10.1	10.0	101	10.0	12.3	81
Upper Taylor	10,640	36	11.7	N/A	*	14.2	N/A	*
Porphyry Creek	10,760	52	18.4	15.9	116	16.8	15.8	106
Basin Index (%)			92			79		

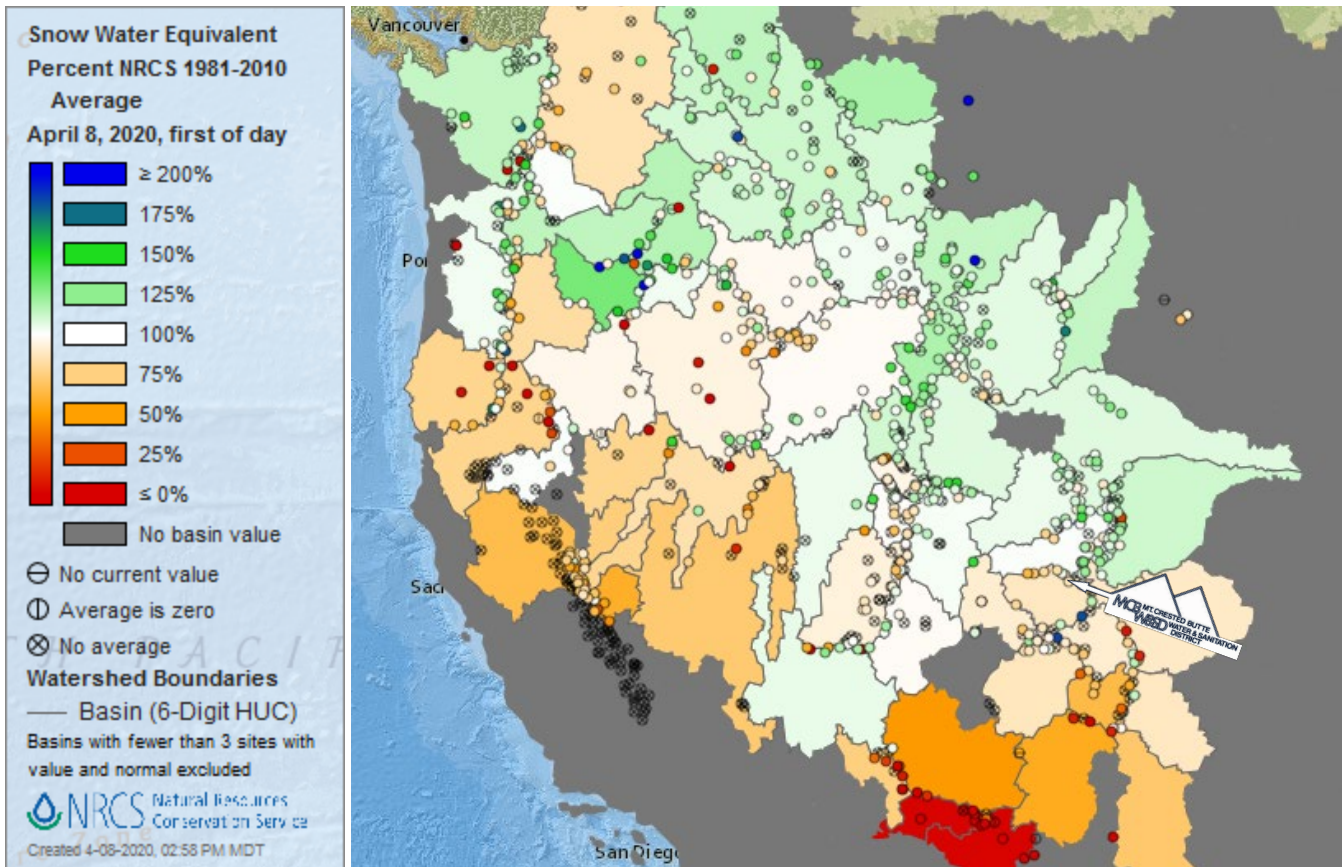
* = Analysis may not provide valid measure of condition

GUNNISON RIVER BASIN consists of 16 SNOTEL sites. Top 5 representative MCBWSD sites listed above.

Colorado SNOTEL Snow Water Equivalent (SWE) Update Map with Site Data

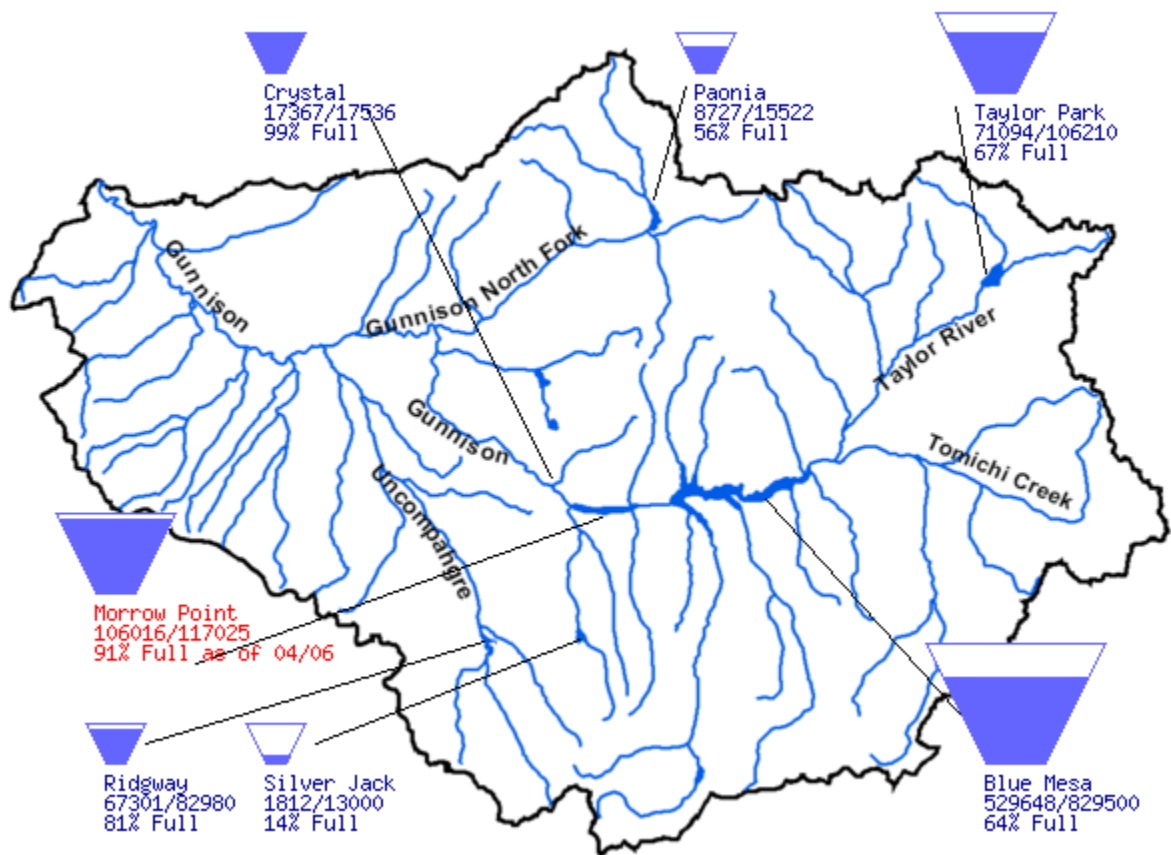
Current as of Apr 07, 2020





Data Current as of:
 04/07/2020

Gunnison River Basin, CO





www.jvajva.com

Boulder

1319 Spruce Street
Boulder, CO 80302
303.444.1951

Fort Collins

25 Old Town Square
Suite 200
Fort Collins, CO 80524
970.225.9099

Winter Park

PO Box 1860
47 Cooper Creek Way
Suite 328
Winter Park, CO 80482
970.722.7677

Glenwood Springs

817 Colorado Ave
Suite 301
Glenwood Springs, CO
81601
970.404.3100

Denver

1512 Larimer Street
Suite 710
Denver, CO 80202
303.444.1951

M E M O

TO:	<u>Mike Fabbre</u>	DATE:	<u>April 8, 2020</u>
FIRM:	<u>Mt. Crested Butte Water and Sanitation District</u>	JOB NO.:	<u>1028e</u>
ADDRESS:	<u>100 Gothic Road</u>	PROJECT:	<u>MCBWSD Water Treatment Plant Expansion Project</u>
	<u>Mt. Crested Butte, CO 81225</u>	SUBJECT:	<u>April 2020 Monthly Project Update</u>

The purpose of this memo is to update you and the District Board on the Water Treatment Plant (WTP) Expansion Project and activities completed in the month of March 2020. The summary below is intended to be brief and can be elaborated on if you or any of the Board members have specific questions or concerns.

The Environmental Report received approval from the Colorado Department of Public Health and Environment (CDPHE). A Finding of No Significant Impact (FONSI) for the project will be published on April 9, 2020 for a thirty day comment period. The Basis of Design Report (BDR), final plans and specifications received approval from CDPHE on March 25, 2020.

Following submittal of the 90 percent drawings and project manual, JVA worked closely with Moltz Construction, the CMAR Contractor, to provide additional clarifications and revisions. Moltz Construction presented a draft Guaranteed Maximum Price (GMP) to the team on April 3, 2020 based on the 90 percent drawings and project manual. The final GMP, Recommendation of Award and Notice of Award will be provided to the District in a separate letter.

JVA submitted 90 percent documents to the Crested Butte Fire Protection District for review on March 24, 2020 and conducted a follow-up call on April 5, 2020 with Ric Ems, the Fire Marshall, and answered several questions.

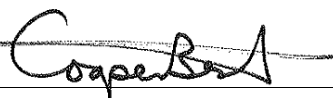
JVA and the District have been actively working with the Town of Mt. Crested Butte to vacate the lot line at the existing WTP. At the March 17th Town Council meeting, the Town approved the Lot Line Vacation. The Conditional Use Application and supporting materials was submitted to the Town and accepted by the Town Planning Commission and Town Council. A Design Review meeting with the Planning Commission is scheduled for April 22, 2020. JVA and the District continue to work closely to provide information and clarifications to the Town to keep this permitting process on schedule.

JVA is preparing the Building Permit and Land Use Application for submittal to Gunnison County for the East River Pump Station building.

Upcoming tasks include the Town of Mt. Crested Butte conditional use design review process, Gunnison County building and land use permitting process, Notice of Award and Notice to Proceed.

The project remains on schedule and within budget. Mobilization is expected to begin in early May 2020. We appreciate the opportunity to work with the District on this important project. District staff have been actively involved in weekly meetings and very responsive to our design questions and requests for direction. Please let me know if you or anyone from the District Board has any questions or concerns, we can assist with.

Sincerely,

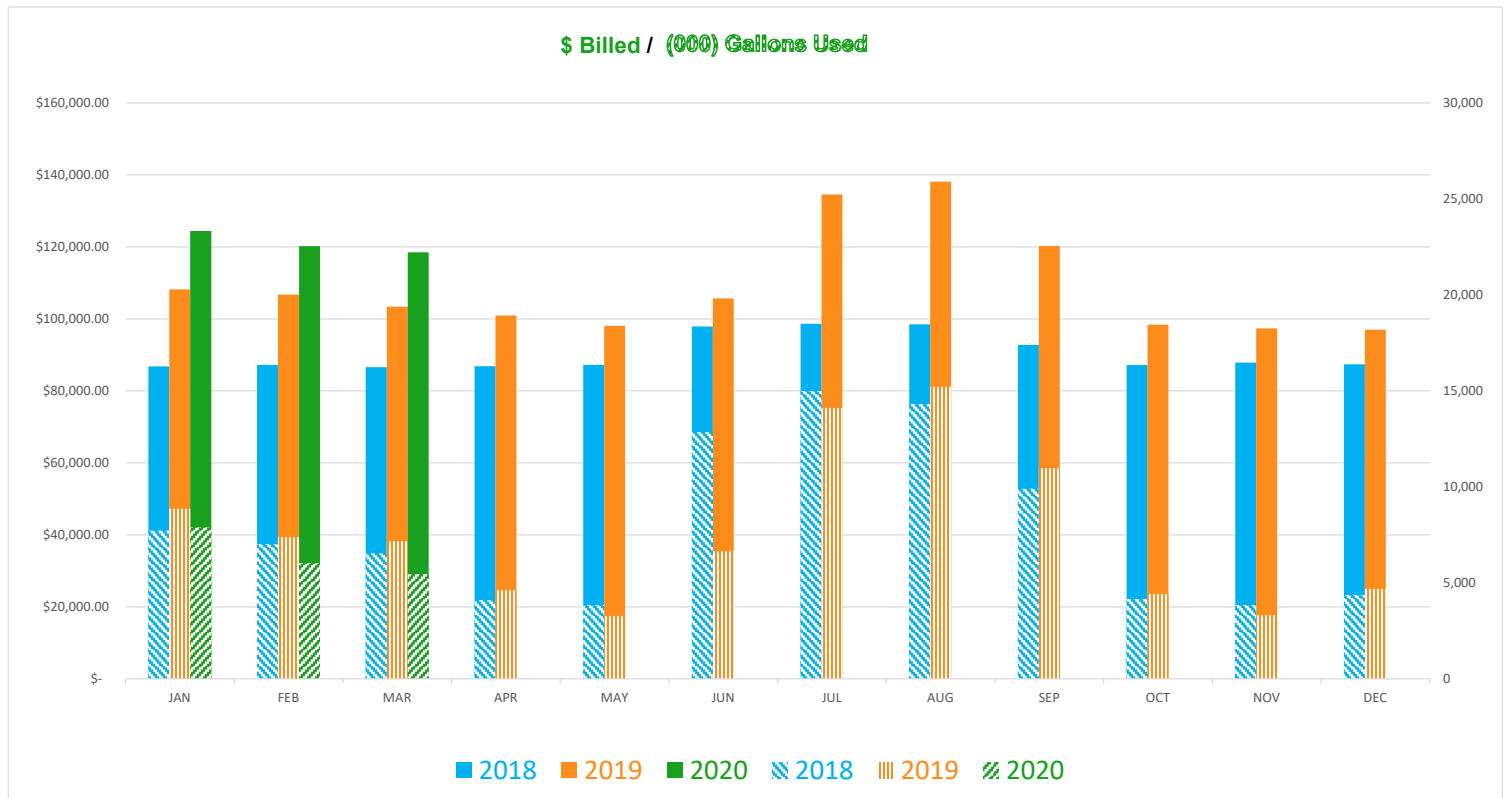
Signed: 

Cooper Best, Regional Manager

MT CRESTED BUTTE WATER & SANITATION DISTRICT

Water Billing and Usage

	2018 \$ Billed	2019 \$ Billed	2020 \$ Billed	2018 gallons	2019 gallons	2020 gallons	\$ +/- 2018- 2019	\$ +/- 2019- 2020
JAN	\$ 86,820.95	\$ 108,187.75	\$ 124,440.26	7,717	8,860	7,884	\$ 21,366.80	\$ 16,252.51
FEB	87,196.25	106,780.66	120,200.86	7,004	7,374	6,021	19,584.41	13,420.20
MAR	86,569.77	103,409.02	118,489.03	6,531	7,172	5,454	16,839.25	15,080.01
APR	86,825.07	100,942.41		4,094	4,612		14,117.34	
MAY	87,217.60	98,046.24		3,839	3,280		10,828.64	
JUN	97,904.02	105,679.39		12,838	6,643		7,775.37	
JUL	98,650.41	134,579.56		14,996	14,112		35,929.15	
AUG	98,508.31	138,113.00		14,313	15,213		39,604.69	
SEP	92,759.14	120,246.00		9,895	10,982		27,486.86	
OCT	87,157.76	98,350.00		4,161	4,412		11,192.24	
NOV	87,872.08	97,373.52		3,846	3,315		9,501.44	
DEC	87,375.57	97,011.20		4,369	4,686		9,635.63	
	\$ 1,084,856.93	\$ 1,308,718.75	\$ 363,130.15	93,603	90,661		\$ 223,861.82	\$ 44,752.72



MT CRESTED BUTTE WATER & SANITATION DISTRICT

2020 FINANCIAL RESULTS

March, 2020

REVENUE	BUDGET 2020					PERCENT of Y-T-D
	Water	Wastewater	General Fund	Total	YEAR-TO-DATE	
PROPERTY TAXES	\$ -	\$ -	\$ 392,638	\$ 392,638	\$ 420,327	36.43%
TRANSFERS IN(OUT)				-	(0)	0.00%
TAP FEES	100	100		200	4,362	1.25%
USER FEES	118,475	101,222		219,696	666,781	23.86%
AVAIL SERVICE FEES	20,958	23,839		44,797	44,797	25.33%
INTEREST INCOME	-	-	3,901	3,901	14,341	23.90%
MISC & OTHER INCOME	1,573	743	-	2,317	6,507	65.07%
MLP SURCHARGE 85/15	11,280	-	-	11,280	19,478	25.30%
TOTAL REVENUE	152,386	125,904	396,539	674,829	1,176,593	25.46%
EXPENDITURES	BUDGET 2020					PERCENT of Y-T-D
Operations	Water	Wastewater	General Fund	Total	YEAR-TO-DATE	
Chemicals	-	-	-	-	-	0.00%
Laboratory	2,205	5,427	-	7,632	13,849	9.23%
Operating Equipment/Supplies	4,788	2,376	-	7,165	7,599	9.50%
Safety Equipment	988	90	-	1,078	1,447	14.47%
Uniforms	-	-	-	-	430	4.30%
Outside Services	-	87	-	87	357	2.38%
Repairs & Maintenance	15,951	7,337	-	23,288	34,676	12.84%
Utilities	8,748	11,939	-	20,687	42,817	16.47%
ATAD Sludge TCB	-	-	-	-	-	0.00%
MLP Operations	7,044	160	-	7,203	11,320	22.64%
Legal	1,195	2,517	-	3,712	17,511	35.02%
Consultants	893	9,747	-	10,640	23,097	11.84%
Water Grant	-	-	-	-	2,000	100.00%
Engineering	-	-	-	-	25,000	0.00%
Fuel/Vehicle Expense	1,031	4,256	-	5,287	13,555	27.11%
Office Admin	3,725	13,921	7,059	24,705	119,735	32.19%
Salaries, Taxes & Benefits	37,281	29,216	37,281	103,777	332,460	25.32%
Bond Principal & Interest/Fees	-	-	-	-	188,828	50.00%
County Treasurer Fees	-	-	11,607	11,607	11,977	34.72%
TOTAL OPERATIONS EXPENDITURES	83,848	87,072	55,947	226,867	821,658	23.99%
Net Operating Results (Excl. CapEx)	\$ 68,539	\$ 38,832	\$ 340,591	\$ 447,962	\$ 354,935	
Capital Improvements	149,507	159,115	-	308,622	442,535	
CWRPDA Loan Draws	-	-	-	-	-	
Net CapEx	149,507	159,115	-	308,622	442,535	
TOTAL ALL EXPENDITURES	233,355	246,187	55,947	535,489	1,264,192	
NET EXCESS(DEFICIT) OF REV/EXP	\$ (80,968)	\$ (120,283)	\$ 340,591	\$ 139,340	\$ (87,600)	

25% Year Elapsed

MT CRESTED BUTTE WATER & SANITATION DISTRICT

Cash Flow Projection

Starting date	Jan-20
Cash balance alert minimum	2,000,000

	2020 BUDGET	Jan-20	Feb-20	Mar-20	Apr-20	Total
Unrestricted Cash	3,067,438	3,067,438	3,059,504	2,840,498		
REVENUE		Jan-20	Feb-20	Mar-20	Apr-20	Total
PROPERTY TAXES	952,945	8,015	19,675	392,638		420,328
DEBT SERVICE TAXES	200,739					0
TAP FEES	350,000	4,062	100	200		4,362
USER FEES	2,794,202	225,692	221,393	219,696		666,781
AVAIL SERVICE FEES	176,827	0	0	44,797		44,797
INTEREST INCOME	60,000	5,779	4,661	3,901		14,341
MISC INCOME	10,000	460	3,730	2,317		6,507
MLP SURCHARGE	77,000	4,099	4,099	11,280		19,478
CWRPDA Loan Draw	7,800,000	0	0	0		0
TOTAL CASH RECEIPTS	12,421,713	248,107	253,658	674,829	0	1,176,594
Total cash available	15,489,151	3,315,545	3,313,162	3,515,327	0	
EXPENSES		Jan-20	Feb-20	Mar-20	Apr-20	Total
CHEMICALS	58,000	0	0	0		0
LABORATORY	150,000	3,923	2,294	7,632		13,849
OPERATING EQUIP / SUPPLIES	80,000	-1,836	2,270	7,165		7,599
SAFETY	10,000	59	310	1,078		1,447
UNIFORMS	10,000	430	0	0		430
OUTSIDE SERVICES	15,000	90	180	87		357
R&M	270,000	5,510	5,878	23,288		34,676
UTILITIES	260,000	0	22,131	20,687		42,818
ATAD SLUDGE	78,000	0	0	0		0
MLP OPERATIONS	50,000	746	3,370	7,203		11,319
LEGAL	50,000	0	13,799	3,712		17,511
WATER GRANT	2,000	0	2,000	0		2,000
OFFICE ADMIN	372,000	80,469	14,561	24,705		119,735
SALARIES / BENEFITS	1,313,000	122,329	106,353	103,777		332,459
VEHICLES / FUEL	50,000	6,352	1,918	5,287		13,557
CTY TREASURER FEES	34,500	13	357	11,607		11,977
CONSULTANTS	195,000	0	12,458	10,640		23,098
ENGINEERING	50,000	0	0	0		0
						0
SUBTOTAL CASH PAID OUT	3,047,500	218,085	187,879	226,868	0	632,832
						0
						0
BOND EXPENSES	377,656	0	188,828	0	0	188,828
CAPITAL IMPROVEMENTS	8,978,000	37,956	95,957	308,622		442,535
						0
SUBTOTAL	9,355,656	37,956				
TOTAL CASH PAID OUT	12,403,156	256,041	472,664	535,490	0	1,264,195
Change in Cash		(7,934)	(219,006)	139,340	-	(87,600)
Unrestricted Cash on hand (end of month)	3,085,995	3,059,504	2,840,498	2,979,838	0	2,979,837

CHECK REPORT - MARCH 2020

Date	Check Number	Payee or Description	Check Amount	
3/2/2020	15352	CO EMPLOYER BENEFIT TRUST	\$ 24,294.38	
3/13/2020	15353	ALPINE ENVIRONMENTAL CONSULTANTS LLC	\$ 1,627.50	CONSULTANTS (102032 \$245.00, 202032 \$1382.50)
3/13/2020	15354	ALPINE LUMBER COMPANY	\$ 83.64	
3/13/2020	15355	ALPINE OFFICE SYSTEMS, INC.	\$ 216.32	
3/13/2020	15356	AMAZON CAPITAL SERVICES	\$ 134.16	
3/13/2020	15357	ARKANSAS VALLEY PUBLISHING	\$ 82.20	
3/13/2020	15358	ATMOS ENERGY	\$ 2,699.50	UTILITIES
3/13/2020	15359	CARNEY, BRIAN T.	\$ 266.09	
3/13/2020	15360	CARQUEST - MONTY'S AUTO PARTS	\$ 277.62	
3/13/2020	15361	CASELLE, INC.	\$ 989.00	
3/13/2020	15362	CENTURYLINK	\$ 719.66	
3/13/2020	15363	CITY OF GUNNISON	\$ 110.00	
3/13/2020	15364	CLARKSON CONCEPTS	\$ 1,295.24	CONSULTANTS (102030 \$647.62, 202030 \$647.62)
3/13/2020	15365	COLORADO ANALYTICAL LAB, INC.	\$ 430.00	
3/13/2020	15366	CRESTED BUTTE ACE HARDWARE	\$ 527.08	
3/13/2020	15367	CRESTED BUTTE NEWS INC	\$ 574.43	
3/13/2020	15368	DANA KEPNER COMPANY	\$ 1,475.84	OP SUPPLIES
3/13/2020	15369	EC ELECTRIC, INC.	\$ 4,943.51	R&M W, WW, & MLP
3/13/2020	15370	ELAN FINANCIAL SERVICES	\$ 4,614.47	OFFICE SUP, OP SUP, PERMITS, PHONES, AUTO EXP, EDUCATION, SAFETY, PUBLICATIONS, OTHER EXP
3/13/2020	15371	ENERGY LABORATORIES, INC.	\$ 5,575.00	LAB - SAMPLING
3/13/2020	15372	ENVIRONMENTAL SYSTEMS RESEARCH INSTITUTE	\$ 2,500.00	SUBSCRIPTIONS (ARC GIS)
3/13/2020	15373	FARIS MACHINERY COMPANY	\$ 2,725.51	AUTO EXP - JETTER TRUCK
3/13/2020	15374	FASTENAL COMPANY	\$ 305.50	
3/13/2020	15375	GUNNISON COUNTRY PUBLICATIONS	\$ 128.90	
3/13/2020	15376	GUNNISON COUNTY ELECTRIC ASSOC	\$ 19,822.56	UTILITIES
3/13/2020	15377	HACH COMPANY	\$ 796.35	
3/13/2020	15378	LAW OF THE ROCKIES, LLC	\$ 3,772.55	LEGALS
3/13/2020	15379	LAWSON PRODUCTS, INC	\$ 467.36	
3/13/2020	15380	MICRO MOTION INC	\$ 3,337.92	OP SUPPLIES/REPAIR & MAINT - MLP
3/13/2020	15381	MOUNTAIN CLEAN INC	\$ 200.00	
3/13/2020	15382	NAPA - LAUDICK AUTO PARTS INC	\$ 87.94	
3/13/2020	15383	PAINT CENTER	\$ 119.48	
3/13/2020	15384	PAPER-CLIP LLC	\$ 134.63	
3/13/2020	15385	PARISH OIL CO., INC.	\$ 322.27	
3/13/2020	15386	PLUMMER	\$ 1,162.50	WW CAP IMP (20200102)
3/13/2020	15387	PORZAK BROWNING & BUSHONG LLP	\$ 2,250.00	LEGALS - DRAFT DISCHARGE PERMIT
3/13/2020	15388	SCHMUESER GORDON MEYER	\$ 1,667.50	W CAP IMP LEGALS (10200105)
3/13/2020	15389	STANFORD COMPUTER & TECHNICAL SERVICES	\$ 200.00	
3/13/2020	15390	TIMBER LINE ELECTRIC & CONTROL	\$ 10,111.00	OFFICE EXP - WW
3/13/2020	15391	UE COMPRESSION	\$ 196.72	
3/13/2020	15392	UTILITY NOTIFICATION CNTR CO	\$ 40.00	
3/13/2020	15393	WASTE MANAGEMENT CORPORATE SER, INC	\$ 134.34	
3/13/2020	15394	WATER TECHNOLOGY GROUP	\$ 15,779.33	REPAIR & MAINT - W, OP SUP - WW
3/13/2020	15395	XTREAMINTERNET	\$ 159.00	
3/25/2020	15396	GUNNISON CO CLERK & RECORDER	\$ 13.00	
3/30/2020	15397	POSTMASTER	\$ 288.42	
3/31/2020	15398	ACZ LABORATORIES, INC	\$ 273.00	
3/31/2020	15399	ALPHA MECHANICAL SOLUTIONS LLC	\$ 750.00	
3/31/2020	15400	AMAZON CAPITAL SERVICES	\$ 648.58	
3/31/2020	15401	CABELA'S LLC/BASS PRO LLC	\$ 370.86	

CHECK REPORT - MARCH 2020

Date	Check Number	Payee or Description	Check Amount	
3/31/2020	15402	COLORADO ANALYTICAL LAB, INC.	\$ 1,127.00	LAB - SAMPLING
3/31/2020	15403	COLORADO RURAL WATER ASSOC	\$ 275.00	
3/31/2020	15404	DUFFORD,WALDECK,MILBURN&KROHN	\$ 795.00	
3/31/2020	15405	FASTENAL COMPANY	\$ 168.09	
3/31/2020	15406	FERGUSON WATERWORKS #1116	\$ 1,285.45	REPAIR & MAINT - W
3/31/2020	15407	FILANC CONSTRUCTION COMPANY INC.	\$ 9,118.37	WW CAP IMP - PARADISE L/S 2019 PRJ
3/31/2020	15408	FLUID TECHNOLOGY, INC	\$ 2,106.30	REPAIR & MAINT - WW
3/31/2020	15409	HACH COMPANY	\$ 706.02	
3/31/2020	15410	INTUITION CONSULTING	\$ 500.00	EDUCATION - CPR TRAINING
3/31/2020	15411	PROFESSIONAL WATER TECHNOLOGIES	\$ 1,748.88	CHEMICALS - MLP
3/31/2020	15412	RESOURCE ENGINEERING INC.	\$ 7,717.22	CONSULTANTS - WW (202031)
3/31/2020	15413	STANFORD COMPUTER & TECHNICAL SERVICES	\$ 670.00	
3/31/2020	15414	UE COMPRESSION	\$ 62.18	
3/3/2020	92201	DIRECT DEPOSIT TOTAL	\$ 24,791.13	
3/17/2020	92202	DIRECT DEPOSIT TOTAL	\$ 24,385.35	
3/13/2020	3132001	WRIGHT EXPRESS FLEET SVC	\$ 1,448.80	FUEL
3/17/2020	3172030	BROWN, BRIAN	\$ 100.00	
3/17/2020	3172031	KEMPIN, NICHOLAS	\$ 100.00	
3/17/2020	3172032	MORGAN, SARA E.	\$ 100.00	
3/17/2020	3172033	VELADO, CARLOS	\$ 100.00	
3/18/2020	3182030	INTEGRATED WATER SERVICES, INC.	\$ 148,834.20	WW CAP IMP (20200103)
3/31/2020	3312030	UPS	\$ 262.88	
3/31/2020	3312031	UPS	\$ 185.59	
3/31/2020	3312032	VERIZON WIRELESS	\$ 462.24	
3/31/2020	3312033	JVA, INCORPORATED	\$ 147,826.43	W CAP IMP ENGINEERING (10200102)
3/2/2020	229202001	CCOERA 401K	\$ 3,487.40	
3/2/2020	229202002	CCOERA 457K	\$ 1,376.28	
3/2/2020	229202003	COLORADO STATE TAXES	\$ 2,577.00	
3/2/2020	229202004	CREDIT UNION OF COLORADO	\$ 100.00	
3/2/2020	229202005	FEDERAL WITHHOLDING TAXES	\$ 8,756.72	
3/16/2020	930201928	CCOERA 401K	\$ 3,487.40	
3/16/2020	930201929	CCOERA 457K	\$ 1,376.28	
3/16/2020	930201930	CREDIT UNION OF COLORADO	\$ 100.00	
3/16/2020	930201931	FEDERAL WITHHOLDING TAXES	\$ 8,572.98	
			\$ 524,411.05	

Water Capital Projects Financial Summary

Activity#	Project Name	Division	Start Date	Estimated Completion Date									
102001	WTP Expansion	Water	5/1/2020	6/1/2022									
	20-WF-1	Approved Project Budget Total	Adjustments to Initial Project Cost Estimate	Current Total Project Estimate	Project Costs Through 2019	January 2020 Costs Incurred	February 2020 Costs Incurred	March 2020 Costs Incurred	2020 YTD Costs	2020 Project Budget Plus 2019 Carryover	2020 Project Remaining Budget	Total Historical Project Costs to Date	Estimated Costs to Complete
01	Project Management	750,000	850,000	1,400,000					-	350,000	350,000	-	1,400,000
02	Engineering	1,200,000	-	1,200,000	902,917		94,099	147,826	241,926	297,083	55,157	1,144,843	55,157
03	Construction	17,150,000	700,000	17,850,000					-	7,150,000	7,150,000	-	17,850,000
04	Contingencies		2,675,000	2,675,000					-	-	-	-	2,675,000
05	Legal	-	50,000	50,000			1,003	1,668	2,670	-	(2,670)	2,670	47,330
	Total Project:	19,100,000	4,075,000	23,175,000	902,917	-	95,102	149,494	244,596	7,800,000	7,552,487	1,147,513	22,027,487

Activity#	Project Name	Division	Start Date	Estimated Completion Date									
102002	Daisy Circle	Water	1/1/2019	10/15/2020									
	20-WF-2	Approved Project Budget Total	Adjustments to Initial Project Cost Estimate	Current Total Project Estimate	Project Costs Through 2019	January 2020 Costs Incurred	February 2020 Costs Incurred	March 2020 Costs Incurred	2020 YTD Costs	2020 Project Budget Plus 2019 Carryover	2020 Project Remaining Budget	Total Historical Project Costs to Date	Estimated Costs to Complete
01	Project Management	5,000		5,000					-	5,000	5,000	-	
02	Engineering	24,000	-	24,000					-	24,000	24,000	-	24,000
03	Construction	120,000		120,000					-	120,000	120,000	-	120,000
	Total Project:	149,000	-	149,000	-	-	-	-	-	149,000	149,000	-	144,000

Activity#	Project Name	Division	Start Date	Estimated Completion Date									
102003	1MG Tank Foundation-Timberland	Water	6/1/2020	8/30/2020									
	20-WF-3	Approved Project Budget Total	Adjustments to Initial Project Cost Estimate	Current Total Project Estimate	Project Costs Through 2019	January 2020 Costs Incurred	February 2020 Costs Incurred	March 2020 Costs Incurred	2020 YTD Costs	2020 Project Budget Plus 2019 Carryover	2020 Project Remaining Budget	Total Historical Project Costs to Date	Estimated Costs to Complete
01	Project Management	15,000		15,000					-	15,000	15,000	-	
02	Engineering	35,000	-	35,000					-	35,000	35,000	-	35,000
03	Construction	150,000		150,000					-	150,000	150,000	-	150,000
	Total Project:	200,000	-	200,000	-	-	-	-	-	165,000	200,000	-	185,000

Note: Construction includes \$10,000 for Small Tank Drainage Issue

Activity#	Project Name	Division	Start Date	Estimated Completion Date									
102004	Backhoe	Water	10/1/2019	1/10/2020									
	20-WF-4	Approved Project Budget Total	Adjustments to Initial Project Cost Estimate	Current Total Project Estimate	Project Costs Through 2019	January 2020 Costs Incurred	February 2020 Costs Incurred	March 2020 Costs Incurred	2020 YTD Costs	2020 Project Budget Plus 2019 Carryover	2020 Project Remaining Budget	Total Historical Project Costs to Date	Estimated Costs to Complete
06	Lease Buyout and Purchase	167,500		-	37,956	37,956			37,956	129,544	91,588	75,912	(75,912)
	Total Project:	167,500	-	-	37,956	37,956	-	-	37,956	130,000	91,588	75,912	(75,912)

Note: 2020 Budget would be offset by sale of existing backhoe for approx \$100,000

Total All Projects: \$ 37,956 \$ 95,102 \$ 149,494 \$ 282,552 \$ 8,244,000 **TOTAL Water CAPEX**

WasteWater Capital Projects Financial Summary

Activity#	Project Name	Division	Start Date	Estimated Completion Date												
202001	Clarifier Project	WasteWater	6/1/2019	3/1/2020												
	20-WWF-1				Approved Project Budget Total	Adjustments to Initial Project Cost Estimate	Current Total Project Estimate	Project Costs Through 2019	January 2020 Costs Incurred	February 2020 Costs Incurred	March 2020 Costs Incurred	2020 YTD Costs	2020 Project Budget Plus 2019 Carryover	2020 Project Remaining Budget	Total Historical Project Costs to Date	Estimated Costs to Complete
02	Engineering				87,900	-	87,900	57,379		1,008	1,163	2,170	30,521	28,351	59,549	28,351
03	Construction				2,695,600	404,760	2,600,360	1,654,521			148,834	148,834	1,041,079	892,245	1,803,355	797,005
	Total Project:				2,783,500	404,760	2,688,260	1,711,900	-	1,008	149,997	151,004	1,071,600	920,596	1,862,904	825,356

Activity#	Project Name	Division	Start Date	Estimated Completion Date												
202002	Inflow & Infiltration (I&I) General-2020&Ongoing to 5-year Rollout	WasteWater	1/1/2020	1/1/2024												
	20-WWF-2				Approved Project Budget Total	Adjustments to Initial Project Cost Estimate	Current Total Project Estimate	Project Costs Through 2019	January 2020 Costs Incurred	February 2020 Costs Incurred	March 2020 Costs Incurred	2020 YTD Costs	2020 Project Budget Plus 2019 Carryover	2020 Project Remaining Budget	Total Historical Project Costs to Date	Estimated Costs to Complete
03	Construction				59,000		59,000					-	59,000	59,000	-	59,000
07	Study				65,000		65,000					-	65,000	65,000	-	65,000
	Total Project:				124,000	-	124,000	-	-	-	-	-	124,000	124,000	-	124,000

Activity#	Project Name	Division	Start Date	Estimated Completion Date												
202003	Utility Bed Crew Cab Short Bed	Wastewater	1/1/2020	1/31/2020												
	20-WWF-3				Approved Project Budget Total	Adjustments to Initial Project Cost Estimate	Current Total Project Estimate	Project Costs Through 2019	January 2020 Costs Incurred	February 2020 Costs Incurred	March 2020 Costs Incurred	2020 YTD Costs	2020 Project Budget Plus 2019 Carryover	2020 Project Remaining Budget	Total Historical Project Costs to Date	Estimated Costs to Complete
06	Purchase				40,000		40,000					-	40,000	40,000	-	40,000
	Total Project:				40,000	-	40,000	-	-	-	-	-	40,000	40,000	-	40,000

Activity#	Project Name	Division	Start Date	Estimated Completion Date												
202004	ATAD IGA Share	Wastewater	1/1/2020	12/31/2020												
	20-WWF-4				Approved Project Budget Total	Adjustments to Initial Project Cost Estimate	Current Total Project Estimate	Project Costs Through 2019	January 2020 Costs Incurred	February 2020 Costs Incurred	March 2020 Costs Incurred	2020 YTD Costs	2020 Project Budget Plus 2019 Carryover	2020 Project Remaining Budget	Total Historical Project Costs to Date	Estimated Costs to Complete
02	Engineering				50,000	-	50,000					-	50,000	50,000	-	50,000
	Total Project:				50,000	-	50,000	-	-	-	-	-	50,000	50,000	-	50,000

Total All Projects: \$ - \$ 1,008 \$ 149,997 \$ 151,004 \$ 1,285,600 TOTAL WW CAPEX

Water Consulting Summary

Activity#	2020 Budget	Contractor	January	February	March	April	YTD	Remaining Budget
102030	\$ 25,000	General			\$ 648		\$ 648	\$ 24,352
102031	10,000	Resource Engineering		1,909			1,909	8,092
102032	35,000	Alpine Environmental (Water)		1,418	245		1,663	33,338
102033	10,000	Raftelis MLP					-	10,000
	<u>\$ 80,000</u>		<u>\$ -</u>	<u>\$ 3,326</u>	<u>\$ 893</u>	<u>\$ -</u>	<u>\$ 4,219</u>	<u>\$ 75,781</u>

WasteWater Consulting Summary

Activity#	2020 Budget	Contractor	January	February	March	April	YTD	Remaining Budget
202030	\$ 25,000	General			\$ 648		\$ 648	24,352
202031	10,000	Resource Engineering		7,714	7,717		15,431	(5,431)
202032	20,000	Alpine Env (Draft Discharge Permit)		1,418	1,383		2,800	17,200
202033	10,000	Raftelis MLP					-	10,000
202034	50,000	Pinyon (Draft Discharge Permit)					-	50,000
	<u>\$ 115,000</u>		<u>\$ -</u>	<u>\$ 9,132</u>	<u>\$ 9,747</u>	<u>\$ -</u>	<u>\$ 18,879</u>	<u>\$ 96,121</u>

**MINUTES OF THE
REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE
MT. CRESTED BUTTE WATER AND SANITATION DISTRICT
MARCH 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, **March 10, 2020**, 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 Carlos Velado Nicholas Kempin Sara Morgan

Also present were:

Mike Fabbre, District Manager	Jamie Watt, District Customer
Kyle Koelliker, Water Plant Supervisor	Chuck McGinnis, District Customer
Bryan Burks, Wastewater Plant Supervisor	Nancy Woolf, District Customer
Tracy Davenport, Admin Assistant	Cooper Best, JVA
Marcus Lock, District's Attorney	Scott Clarkson, Clarkson Concepts

REGULAR BOARD MEETING

1. Call to Order

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

● Draft

2. Citizens Comment Period

- Watt was present to discuss sewer line options for the Hunter Ridge project.
- No other citizens presented comments.

3. Cancel Election & Declare Candidates Elected. Resolution 2020-2

- Resolution 2020-2 and notices to candidates presented in board packet.
- Morgan & Cram will serve until 5/5/20. Existing and new candidates to be sworn in at May board meeting.
- Three candidates self-nominated for four board seats. Two candidates will serve three year term, one candidate will serve 2 year term. One seat remains open.

MOTION by Velado and seconded by Morgan to cancel the election and declare candidates elected as stated in Resolution 2020-2. Motion voted in favor.

4. Election Updates

- Discussion was had regarding posting on web only or to include posting locations.
- Legally, only posting required is posting on the web.
- Notice of cancellation to be posted on the website and the posting locations.

5. Water Treatment Plant Expansion Project Update

- Colorado Water Resources & Power Development Authority (CWRPDA) held meeting last Friday, loan was approved.
- Moltz Construction developing the guaranteed max price through the CMAR process.
- District may need to pass a resolution that rates will be raised in 2021 which was already planned. Some revenue sources tough to estimate such as tap fees. We need to show that we can cover the debt service ratio.

6. Wastewater Enterprise, Resolution 2020-3

- District's Bond counsel recommends a three fund structure: General Fund, Water Fund, and Wastewater Fund.
- District will pledge Water & Wastewater funds to support the CWRPDA loan.

MOTION by Morgan and seconded by Velado to establish the Wastewater Enterprise Resolution 2020-3. Motion voted in favor.

7. WTP Expansion Project 90% Design Review

- Submitted Basis of Design report to CDPHE and are expecting approval letter any day now.
- Lot line vacation plat & conditional use permit approval with the Town of Mt. Crested Butte in upcoming weeks.

- Best presented exterior and interior design renderings and discussed details of the project.
- Estimate construction to start May of 2020, two years for completion.

8. Water Committee Update

- The District Water Committee presented proposed agenda. Requesting feedback from the Meridian Lake Park Water Committee and will hold their first meeting soon.

9. District Manager Report

- Paradise Lift Station secondary subcontractor has still not been paid. The District will pay the 5% retainage to general contractor as the statutory 90-day window has passed.
- Clarifier Building behind schedule but still anticipate being online for spring runoff.
- North Village was sold and is being developed. The District owns a conditional water right of 700 acre feet decreed in 1984. The main purpose was for all municipal purposes and also has a snowmaking caveat. Crescent Lake is 160-acre feet and is owned by CBMR which was decreed in 2008.
- The District will still plan to pursue Long Lake water right.

10. February 2020 Financial Report

- Letter regarding audit and disclosures presented in board packet from auditor, Tim Mayberry.
- Major expenses paid to Resource Engineering, IWS for the Clarifier, and JVA for the WTP Expansion project

MOTION by Velado and seconded by Kempin to approve the February 2020 Financial Report. Motion voted in favor.

11. Approve Meeting Minutes

MOTION by Morgan and seconded by Velado to approve the 2/11/20 meeting minutes as submitted. Motion voted in favor.

12. Legals

- Executive session to discuss the Hunter Ridge Inclusion process.
- COVID-19 is here in the Valley, Governor Polis declared state of emergency today. Prudent steps to minimize risk such as board meetings. Potentially pass temporary emergency rule of the board to be able to meet telephonically.

MOTION by Morgan and seconded by Kempin to allow the Mt. Crested Butte Water & Sanitation District Board of Directors to enact a temporary emergency rule that when under a state of emergency declared by the governor of Colorado and under the guidance of the District Manager and public health officials if it is deemed appropriate to be able to participate and vote telephonically. Motion voted in favor.

13. New/Old Business Before the Board

- Fabbre advised that parcel of land by driveway is currently owned by Muellers, we are looking into purchasing it.
- Small office remodel, back two offices of admin building.

14. Executive Session

- Velado recused himself from the executive session

Draft

Brown announced executive session pursuant to C.R.S. § 24-6-402(4)(b), which allows conferences with the District's attorney for the purposes of receiving legal advice on specific legal questions. The purpose of the executive session will be to discuss with the District's attorney the process for considering the Hunter Ridge Petition for Inclusion.

MOTION by Kempin and seconded by Morgan to move into executive session at 7:16 pm.

Lock advised that the remainder of the discussion that will occur in executive session pursuant to C.R.S. § 24-6-402(4)(b) to discuss with the District's attorney the process for considering the Hunter Ridge Petition for Inclusion that during the remainder of the executive session will constitute attorney/client privileged communications and therefore no further recording need be made of it.

MOTION by Brown and seconded by Kempin to end the executive session at 7:50 pm

15. Adjourn

MOTION by Morgan and seconded by Kempin to adjourn the meeting at 7:51 pm. Motion voted in favor.

● Draft

Perry Solheim, Board Secretary