

MORRISON CREEK METROPOLITAN WATER & SANITATION DISTRICT

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RECORD OF PROCEEDINGS

The Board of Directors of the Morrison Creek Metropolitan Water & Sanitation District met on January 17, 2012 at the Offices of Sharp, Steinke, Sherman & Engle located at 401 Lincoln Avenue in Steamboat Springs, Colorado for their regularly scheduled meeting.

Present: Tony Borean, President
Ken Burgess, Treasurer
Jack Fahres, Vice President
Bob Woodmansee, Director
Mike Ratliff, Director

Also Present: Steve Colby, District Manager
Melinda Sherman, Council

-Tony Borean called the meeting to order at 7:30 PM.

December Meeting Minutes

-Ken Burgess moved to approve the December 2011 minutes as written. Jack Fahres 2nd. Pass

Financial Report

-Ken Burgess moved to approve the financial report and ratify check #'s 12429 to 12460 inclusive and the two IRS ACH payments. Mike Ratliff 2nd. Pass.

Managers Report

-The manager updated the Board on the sewerline rehabilitation work. The contractor Western Slope Utilities arrived on Monday January 9 and completed the work on Saturday January 14th. The work appears to have gone well. Inspection of the manholes revealed a few minor defects which will be punch listed for correction by the contractor and we are awaiting the video tape and testing results to be reviewed by the Manager and Engineer before approving final payment, The Board directed the Manager to pay the contractor from the District's reserve fund account.

-Manager Colby gave the Board a year end report: We had one building permit for a new residence on a lot with water & sewer service. This lot had a previously paid tap fee but we collected a prepaid tap fee for a vacant lot in Blackhorse II. No building permits were issued for homes with a vault. We pumped 17,548,326 gallons of water from our wells. We metered 15,835,240 gallons of water. This is a 9.8% loss. The District took in \$197,423 more than it spent (not including reserve spending) in 2011(does not include payment on the sewer project). According to Board policy, \$141,070 will be "spent" into reserve for 2011.

Attorneys Report

-Melinda Sherman reported on the upcoming election cycle. Their will be 3- 4 year terms open.

Ken Burgess is eligible for another 4 year term. Mike Ratliff is eligible to run for a 4 year seat. Jack Fahres 2nd term is up and he is term-limited from rerunning this cycle but may rerun after an absence from the Board.
-Ken Burgess move to pass the resolution naming Melinda Sherman as the Designated Election Official and authorizing her to cancel the election should their not be more declared candidates than open seats by the deadline for nominations. Bob Woodmansee 2nd. Pass.

-Ken Burgess move to publish the "Call for Nominations" once in the legal section of the Steamboat Pilot and post it on the District website. Jack Fahres 2nd. Pass.

Old Business

-The 2nd amendment to the vault agreement was tentatively approved by the Board last summer and sent to the County Commissioners for consideration. The Commissioners have indicated their support for the amendment but want it officially adopted by the District before their official acceptance.

-Ken Burgess move to approve the 2nd amendment to the County-District Intergovernmental Agreement (the Vault Agreement) as attached. Jack Fahres 2nd. Pass unanimously.

New Business

-Jack Fahres move to designate the time and place of 2012 Board of Directors meetings to be every third Tuesday of each month at the offices of Sharp, Steinke, Sherman & Engle located at 401 Lincoln Avenue in Steamboat Springs, Colorado. The meeting will commence at 6:00 P.M. except that it will commence at 7:30 P.M. in the months of January, April, July and October. Bob Woodmansee 2nd. Pass.

-The 2011 Audit Engagement was discussed. We have received two proposals: \$5900 from Catterson & CO and \$6600 from ColoCPA.

-Mike Ratliff move to accept the proposal from Catterson & Co to perform the 2011 Audit. Ken Burgess 2nd. Pass.

-Annual Employee Evaluation:

-Jack Fahres moved to approve the recommendation to increase all employee salaries by 3%. Mike Ratliff 2nd. Pass.

-Their being no further business the meeting was adjourned at 9:30 PM.