

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 15, 2013 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
Paul Matheny, Director
Bob Woodmansee, Director
Mike Ratliff, Vice President

Also Present: Steve Colby, District Manager
Melinda Sherman, Counsel
Ann Holmes, Property Owner

-President Borean called the meeting to order at 6:00 P.M.

December Meeting Minutes

-Paul Matheny moved to approve the December 20 meeting minutes as prepared. Ken Burgess 2nd. Pass.

Financial Report

-The year end financial report was discussed. After all expenses, including two sewerline rehab projects we finished with about a \$20,000 deficit for the year before any additional spending to reserve.

-Paul Matheny moved to approve the December financial report and ratify check #'s 12833 to 12851 inclusive and the ach payment to the IRS. Bob Woodmansee 2nd. Pass.

Managers Report

-The manager reported to the Board that after discussions with the engineer, Bob Furman, it was decided to aim for an April time frame for bidding on a 2013 sewerline rehabilitation project. This is so the bidders will have a better opportunity to observe onsite access conditions with no snow cover and also for Layne to complete outstanding work on the 2012 project.

-Year end report: 1 building permit for lot consolidation in Horseback. 20,020,984 gallons of water pumped from wells. 17,199,020 gallons billed. 16% loss.

-The discharge permit for the wastewater plant expires 7/31/13. Renewal application is due 1/31. Manager is completing.

-The manager is still evaluating administrators for the 457 employee retirement plan.

Attorneys Report

-Melinda & the Board discussed the possibility for conducting a mail ballot election next November.

Old Business

New Business

-2013 Time & Place for regular meetings of the Board of Directors:

-Paul Matheny made the motion for regular meetings of the Board of Directors of the Morrison Creek Metropolitan Water & Sanitation District to be every third Tuesday of every month at 6:00 P.M. at the offices of Sharp, Steinke & Sherman, 401 Lincoln Avenue in Steamboat Springs, Colorado. Bob Woodmansee 2nd.
Pass.

-2013 Employee Compensation:

The Board discussed the District's financial challenges. Our debrucing question failed last fall and we will be faced with increasing capital replacement challenges with uncertainty as to maintaining current revenue levels. Several board members expressed concern with raising employee compensation with this uncertainty. Ken Burgess noted that a 3% increase in all salary would amount to \$6000/yr.

-Ken Burgess made the motion to increase Steve Colby & Jeff Erickson annual salaries by 3% and John Dodd's hourly wage by 3%. Paul Matheny 2nd. Effective next pay period. Passed unanimously.