

# 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 September 15, 2016 at the Offices of Sharp, Steinke, Sherman & Engle located at 401 Lincoln Avenue in Steamboat Springs, Colorado for their regularly scheduled meeting.

Present: Bob Woodmansee, President  
Mike Ratliff, Vice President  
Paul Barry, Treasurer  
Leah Wolf Martin, Director  
Tavis Rodgers, Director

Also Present: Steve Colby, District Manager  
Tom Sharp, Counsel  
Steve Elkins  
John Troka, SPOA

-President Woodmansee called the meeting to order at 4:00 P.M.

### August Meeting Minutes

-Leah Wolf-Martin made the motion to approve the August meeting minutes as prepared and e-mailed to the Board. Paul Barry 2<sup>nd</sup>. Pass.

### Financial Report

-The financial report and check register were reviewed.

-Paul Barry made the motion to ratify the payment of check #'s 13942 to 14212 inclusive 3 ACH payments to the IRS, 2 ACH payments to Lincoln Financial and to accept the financial report. Mike Ratliff 2<sup>nd</sup>. Pass.

### Managers Report

-The charges for sludge removal are considerably higher than originally projected. A total of 150,000 gallons of sludge was processed and removed. We skipped sludge removal last year which has resulted in a lot to remove this year. Because the landfill is not currently composting the charges for dumping were higher. The total bill from Veris Environmental was \$48,119.

-The manager has investigated bringing power to the upper tank site. YVEA has quoted a cost of \$35/foot. The manager estimates that it would be a minimum of 1000'. The Board requested more information on the cost for installing the deicing system for budget purposes.

-We have received a proposal from Triangle Electric for backup power to the 3 high priority sites. The total is \$131,700. This was broken down as follows: WWTP = \$51,100.00, Lift Station = \$40,300, Booster I = \$40,300. We would have to provide the concrete pads for the generator units. It was decided that it was probably advisable to create an RFP and obtain other proposals for the project

-The manager updated the Board on new requirements from the CDPHE & EPA to review our lead & copper testing protocol. At the tap testing is done every 3 years at 10 of the oldest service connections in the District. Historically the District has had very low levels, often below detection level for these metals.

-The lift station pump has had to be returned several times for modifications to the impeller for proper fit.

-The ladder has been removed from the upper tank by Liquid Engineering.

#### Attorneys Report

-Mr. Sharp has requested to have the status conference to discuss progress on the augmentation plan with the opposers and water court judge to be rescheduled to 1/22 or 1/23 2017. He has discussed the HRS memorandum which details the proposed methodology for calculating depletions and returns from proposed wells/well fields to the nearest streams with hydrologist Peter Boddie of HRS. The memorandum has been sent to the DWR, CWCB and other opposers for their comment/approval before making the necessary changes to the augmentation plan to ultimately gain a court decree.

#### Old Business

-No Old Business

#### New Business

##### 2016 Sewerline Rehabilitation Project

-The manger reported that we have worked out arrangements with the landowner for access and work to be done to allow the contractor to get to the manholes necessary to insert the liners. The landowner is requiring a \$9000 escrow account with local attorney Jonathan Melvin to insure payment of the subcontractor MRW Excavating according with the terms of the Temporary License Agreement. The contractor Layne Inliner is ready to proceed. Mr. Sharp has reviewed The Contract for the 2016 Sewerline Rehabilitation Project with Layne Inliner and Temporary License Agreement have been reviewed by Attorney Sharp. The recommended change is to increase the liquidated damages to \$1000/day and to move the completion date to November 18, 2016.

-Mike Ratliff made the motion to approve the contract with Layne Inliner for the 2016 Sewerline Rehabilitation Project with the recommended changes and to approve the Temporary License Agreement with the \$9000 escrow provision with the landowners. Tavis Rodgers 2<sup>nd</sup>. Pass.

#### 2017 Budget

-The Manager has submitted a proposed 2017 Budget to the Board of Directors.

There was an initial review and discussion n of the Budget. The property tax revenue was discussed and has been calculate using the TAV number from the assessor's office. There has been a modest increase in Stagecoach values with a small amount due to new construction. TABOR allows an increase in property tax revenue due to projected inflation and growth due to construction of real property. The inflation estimates are provided by several governmental agencies. The manager will insure that we are using the most current information. The capital improvement line was discussed and the manager will insure we have enough budgeted to allow for all capital improvement/ replacement projects foe next year. The adoption of the Budget and certification of the mill levy to the Routt County Commissioners prior to December 15<sup>th</sup> 2016.

-Leah Wolf Martin made the motion to designate the November 17, 2016 regular board meeting as the 2017 budget adoption meeting. Bob Woodmansee 2<sup>nd</sup>. Pass.

### Wittemyer Property

-Steve Elkins was present to update the Board on the intention of a group he is involved with to purchase the Wittemyer property and resume operation of the original Stagecoach Ski area. They are pursuing a plan to create approximately 140 or so single-family lots on the property plus multi-family and commercial at the base area. They are considering snowmaking and have discussed water availability with UYWCD. The possibility of forming a separate metro district for necessary infrastructure was discussed. This would require MCMWSD approval. The MCMWSD is not in a position to bond for any extensions.

### Public Comment

-John Troka, President of SPOA, addressed the Board. He would like to reconnect with the District board. He is an owner of one lot in the south end of Stagecoach. He understands the need to make the District work for all. Would like more information on the life and replacement plans for the WWTP. A discussion of the original District service plan ensued. Mr. Troka asserted his belief that the service plan should or is required to be updated. District Counsel Sharp, who was district counsel during the 1978 chapter 11 federal bankruptcy proceedings, explained that the bankruptcy approved by the court specifically exempts the District from any implied requirements of the service plan or requirement to take on any indebtedness to extend service to the unserved areas. The Board has indicated their agreement with this assessment. Pre-tap fee certificates were issued to any lot owners who had pre-paid tap fees on any unserved lots. Such pre-tap certificates expressly exempted the District from any obligation to provide water & sewer service to any unserved lot as of date of issuance of the certificates

-There being no further business the meeting was adjourned at 8:00 P.M...