

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 June 17th, 2021 at the Offices of Sharp, Steinke, Sherman & Engle located at 401 Lincoln Avenue in Steamboat Springs, Colorado for their regularly scheduled meeting. Also, available online at

<https://global.gotomeeting.com/join/858019309> ; Join by phone +1 (571) 317-3112 , Access Code 858-019-309

Present: Tony Borean, President
Mike Ratliff, Vice President
Leah Wolf Martin, Treasurer
Barbara Houston, Director (Via Gotomeeting)
Jim Kinser, Director

Also, Present: Geovanny Romero, District Manager
Tom Sharp, Legal Counsel
Chris Brandewie, Rate Study Consultant
Adam Summers, Engineering Consultant (Via Gotometing)

-Tony Borean called the meeting to order at 5:00 P.M.

Meeting Minutes

-Director Wolf Martin made a motion to adopt May's board meeting minutes. Director Ratliff 2nd. Pass.

Financial Report

-The May financial report and check register were reviewed by the Board. The District Manager addressed Director Wolf-Martin's question about the IRS late fee. The District Manager explained that during the 4th quarter of 2020 the district had inadvertently underpaid the IRS for employee withholdings. Therefore, the IRS had charged late fees and interest. The directors were satisfied with that response.

-Director Wolf Martin made a motion to approve check #'s. 1,2,3 and 16003 to 16033, and 8 ACH payments to Verizon, Xpress bill pay, Casselle, Visa, IRS and Lincoln Financial. Director Houston 2nd. Pass.

Attorney's Report

- Mr. Sharp stated that he had helped the district with a new consolidation of lots and had coordinated with the bond counsel for approval of the new Water Activity Resolution that the district will be adopting.

General Manager's Report

- The district manager stated that he would no longer be covered under his wife's health insurance. Therefore, he would now be utilizing the health insurance benefits offered by the district to all employees.
- The district manager stated that he had held a meeting which involved several agencies with regards to the secondary mixing zone study results for treated effluent from the District Wastewater Plant into Stagecoach Reservoir. The purpose of this meeting was to discuss the presentation of the data collected to CDPHE. The district manager stated that the data was solid and beneficial to the District, concluding that the District treated effluent mixes throughout the Stagecoach Reservoir, not just the bay adjacent to the Plant, and that a follow up letter will be sent to the CDPHE by the district along with the necessary data for re-evaluation of the District's request for a general permit on renewal.
- An increase in the lab testing expenditures will be seen this year, said the district manager. During 2021 the district will conduct a large number of drinking water tests mandated by the State.
- Aztec Drilling is currently working on a formal proposal to drill an exempt commercial well at the district offices. The new well will serve as the source of drinking water for employees and sanitary services at the sewer plant. The well will not be covered under the District's decreed augmentation plans and would not be accounted for in the augmentation plans' overall municipal well allocation.
- New home construction within the district has increased dramatically, stated the district manager. He mentioned that the projected budgeted revenue for both tap fees and vault permits this year has already been met. Some contractors have mentioned that they still have more residential projects to start later this year.
- The district manager mentioned that he had been talking to Mr. Mike Roach (owner of Youngs Creek Estates) about well permits that had been applied for by the district for his lots and which were about to expire. The district manager told the board that he would apply for a one-year extension of those permits and later transfer ownership of them, since the District has changed its approach to ownership of exempt residential wells in new large-lot subdivisions within the District, such as Young Creeks Estates, and developers of such subdivisions should have their own decreed augmentation plans.

Old Business

- The engineering consultant mentioned that the district is on schedule to have the new wastewater treatment plant design presented to the State Department of Public Health by November. This timeline allows enough time for review, before the district applies for financing through the State Revolving Fund (SRF). Mr. Summers stated that unless any unforeseen events become apparent, the district could be breaking ground on a new replacement wastewater treatment plant as early as Summer of 2022. Mr. Summers requested the Board's consideration for approval to obtain Fluidyne detailed engineering drawings to continue with the design of the new wastewater treatment plant. Director Ratliff made a motion to allow the district to obtain the shop drawings from Fluidyne at a cost not to exceed \$35,000.00. Director Wolf-Martin 2nd. Pass.
- The district manager stated that the district had modified the USDA grant/loan application to cover 100% of construction costs in order to have a more competitive application. He stated that the USDA coordinator had

recommended that the district pursue the full amount (~8,000,000.00) as it may trigger a larger amount which may be awarded by USDA in the form of grants.

- The district manager stated that Phase I of the Meadow Green Lift Station Project is now 90% complete. The emergency storage tank has been built and it is now ready to be tested and cored. The next step of the project will be to connect the new tank to the old wet well and move on to the next phase.

- The generator that will provide secondary power to the lift station will be on site during the following month as the district would like to try it before purchase.

Director Wolf-Martin made a motion to authorize the district manager to purchase the backup generator for an amount not to exceed \$25,000.00. Director Houston 2nd. Pass

- The proposed new Snokomo Subdivision received its first approval by the Board of County Commissioners. A second approval must be made during the month of July by Routt County. The next step by the district will be to review the applicant's water and wastewater infrastructure designs for the new Subdivision. The district will most likely hire Civil Design Consultants (CDC) to review the engineering and design when it is necessary. Any engineering review fees and costs charged to the district in that process will be charged to the Subdivision developer applicant for reimbursement to the District.

- The new well (#13) has been applied for at the new location (SPOA open space located at the intersection of Filly trail and County Road 16). The district manager mentioned that the drilling crew is standing by until approval and will be ready to drill as soon as possible. SPOA has been made aware of the project several times, both via email and phone calls.

New Business

-The rate study consultant presented preliminary information to the Morrison Creek Board of Directors. Mr. Brandewie's data demonstrated possible future updates to the current fees for both water and wastewater services, including consideration of new Availability of Service Fees once District debt has been incurred. The Consultant presented different scenarios which could aid the district finance future capital improvements to include the replacement of the wastewater treatment plant.

- The district manager mentioned that as part of maintenance of the drinking water system, a cleaning of the water storage tanks had been scheduled this summer. A cleaning and inspection of the wastewater main clarifier will also be tagged along with the water tank project since the contracted company can also provide those services.

- The district manager informed the board of his upcoming meeting with the Routt County Commissioners. The district manager explained that we want to communicate the need for County support to the district and provide them with an update of the current status of operations and infrastructure conditions.

- No other new business was addressed.

The meeting adjourned at 7:30 pm.



Geovanny Romero, Secretary