

MORRISON CREEK METROPOLITAN WATER & SANITATION DISTRICT

24490 Uncompahgre Road, Oak Creek, Colorado 80467

Telephone (970) 736-8250 / Fax (970) 736-0177

Email: info@mcwater.org

RECORD OF PROCEEDINGS

The Board of Directors of the Morrison Creek Metropolitan Water & Sanitation District met on November 17th, 2022 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](tel:+15713173112) , Access Code 858-019-309

Present: Anthony Borean, President
Mike Ratliff, Vice-president
Leah Wolf Martin, Treasurer
Barbara Fox, Director

Also, Present: Geovanny Romero, District Manager
Tom Sharp, Legal Counsel
Adam Sommers, Consulting Engineer

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

Public Comment

- No public comments were presented

Meeting minutes

-Director Ratliff made a motion to adopt October's meeting minutes as discussed during the meeting. Director Houston 2nd. Pass

Financial Report

- Director Ratliff had a question about a reimbursement to Ms. Doreen Young. The district manager stated that the reimbursement had been issued due to an overpayment, since the house sold and both the customer and the title company paid. Director Wolf Martin made a motion to approve checks 16570 through 16598 inclusive of EFT and Ach payments. Director Ratliff 2nd. Pass

Attorney's Report

-Mr. Sharp stated that he conducted legal work on two particular areas. The first one was the consolidation of parcels the Horseback and Eagles Watch subdivisions. The second area of work was regarding the management of the district's water rights portfolio. He stated that the work had been performed to maintain the water rights of wells 3,4,6 and 7 which are part of the original district portfolio. Mr. Sharp stated that there are no issues with wells 3, 6 and 7, however well 4 appears to be at a different location than what was

originally decreed. Mr. Sharp stated that he will continue to work along the State Engineer's Office to correct the problem. Mr. Sharp also stated that it is important that the district maintains the rights of Well 4 primarily because the date of its decree is prior to the instream flow degree of the Little Morrison Creek which was 1977.

Old Business

- Wastewater Plant updates: The engineering consultant who is managing the construction of the new wastewater treatment plant stated that the project had a significant delay due to the lack of senior oversight of the contractor (Integrated Water Systems). He mentioned that the company is currently undergoing large changes at the upper management level which has reflected on the work on site. There is approximately a 6-week delay on work at no fault of the district or Aquaworks, he stated. Mr. Sommers stated that he supports the decision of the district to send a letter to IWS regarding the problem.

The district manager requested the Board's approval of pay application #5. Director Wolf Martin made a motion to allow the district manager to pay application # 5. Director Ratliff 2nd. Pass

The district manger requested the board's approval of Change order #2. Director Houston made a motion to approve change order #2. Director Wolf Martin 2nd. Pass

- Well 13 Development: The district manager stated that he continues to work to try to get the pump and motor installed on well 13 to satisfy the state's requirements and to close the permit. The district manager mentioned that there will be some additional water quality testing to be done since the first set of samples exceeded some of the radio-isotope limits. The exceedance is most likely due to the sand in the samples.

- Availability of Services Fees: The Board revisited the conversation about availability of services which was tabled during the October's boar meeting. The board decided to table the decision making to analyze all public comments. The board decided not to implement the ASF at the full 50% rate but instead they decided to start with a 44% of the base fees for both water and sewer. The 44% of the base feed is to be charged to all vacant lots that are currently served by water and sewer will help pay for the loan commitment the district currently has for the construction of the new wastewater treatment plant.

New Business

- Budget: The district manager presented the final draft of the 2023 budget to the board along with the documents for its adoption.

Director Ratliff made a motion to approve the resolution to adopt the 2023 budget. Director Houston 2nd. Pass

Director Wolf Martin made a motion to appropriate sums of money. Director Ratliff 2nd. Pass

Director Houston made a motion to approve the resolution setting the 2023 Mil Levy. Director Wolf Martin 2nd. Pass

- Employee Cost of Living Adjustment: The district manager told the board that during 2022 the inflation rate in the United States was of about 8% and probably even higher in our area. He asked the board to approve an increase to the payroll budget by 6% in 2023. The district manager specified that he is only asking for a 6 % since the district provides health insurance at no cost to the employees which is also increasing in cost. Also, he stated that he did not want to ask for a larger increase as he wants to ensure the district can afford future increase in salaries.

Manager's Report

- District Manager Annual Review: The district manager announced to the board that he had fulfilled a second year of employment with the district. The district manager expressed his gratitude to the board for their support and positive environment and encouraged the board members to provide feedback on his performance.

Director Borean state that he has been impressed with the performance of the General Manager since hired. He stated that the manager's drive and future planning are bringing the district to a new era.

The district's attorney stated that the District Manager has efficiently and rapidly grasped the complexities of the district and has brought the district into the 21st century. Mr. Sharp stated that he is pleased to work with him and looks forward to many more years.

Director Wolf Martin and Director Ratliff concurred with the prior statements and stated that they are impressed with the managers' attitude, professionalism and warm personality.

- Tri-State land: The district manager said that after his negotiations with Tri-State for some of their land to be sold, Tri-State had stated that they want to list the properties on the open market first. The district manager mentioned that he will begin the discussions again once the parcels are listed.

Additionally, the district manager brought up that Salt Box Construction had purchased a 86 acre parcel from Tri-state which they plan to develop. The district manger informed the board that he had attended to a pre-development meeting between Salt Box, the district and Routt County to assess feasibility of the project.

- The district attorney stated that the state's division engineer will be proposing the implementation of new rules and regulations concerning measuring devices within our basin. He recommended that the district manager have a dialog with the Upper Yampa Water Conservancy to ensure that there is no injury to the district's water rights.

- No other new business was addressed

The meeting adjourned at 6:45pm.

Geovanny D. Romero

Geovanny Romero, Secretary