

**MORRISON CREEK METROPOLITAN WATER & SANITATION
DISTRICT**

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RECORD OF PROCEEDINGS

The Board of Directors of the Morrison Creek Metropolitan Water and Sanitation District met on Thursday, January 19, 2006 at the offices Sharp, Steinke and Sherman, LLC located in Steamboat Springs at 401 Lincoln Avenue, Steamboat Springs, Colorado for their regularly scheduled meeting.

Present: Ken DePaul, President
Jack Fahres, Director
Ken Burgess, Treasurer
Tony Borean, Director

Absent: Donald Alperti, Vice-President

Also: Steve Colby, Manager
Suzie Hawkins, Recording Secretary
Tom Sharp, Council
William Wernig
Cassandra Krause
Matthew "Quint" Redmond
Ji-Ang Song
Don Valentine
Vicky Hanna

Ken DePaul called the meeting to order at 3:34 p.m.

December Meeting Minutes

Motion: by Ken Burgess to approve the minutes as submitted for December 15, 2005. Jack Fahres 2nd. All in favor.

Point of Order

Cassandra Krause asked the Board of Directors to donate topographical lidar in the Meadowgreen and Eaglesnest area's for a trails project she is undertaking.

Financial Report

Motion: by Tony Borean to ratify check #'s 9422-9464 and approve financials as presented. Jack Fahres 2nd. All in favor.

Point of Order

William Wernig presented invoices to the Board for the Special Assessment Area. The affected lot owners have been notified that the Board would be considering and setting the special charge at this meeting.

Motion: by Ken Burgess to approve the invoices for a total of \$56,855.99 and set the special assessment charge and to pass the final resolution imposing special charges to lot 72, 73, 74 and 75 Black Horse I of \$14,213.99 per lot. Tony Borean 2nd. All in favor.

Manager's Report

-Property & liability insurance is due. The largest component is the wastewater treatment plant. After discussion the Board directed the manager to pay the premium of \$12,880.

-The manager reported that Brian Stahl had made a request for the district to allow HDPE pipe instead of copper pipe for service line connections in his new project. The District has always required copper pipe. HDPE is increasingly being accepted not only for service line but mainlines as well. The manager recommended that the District form a standards committee to review our standards on a regular basis. Our standard for service lines will remain the same for now.

Motion: by Ken Burgess to form a Standards Review Committee to include Tony Borean, Steve Colby and Ken DePaul. Jack Fahres 2nd. All in favor.

-The manager gave a report on building activity in Stagecoach. 19 permits were issued for homes on central service and 15 on vaults in 2005. The manager distributed information from the county showing historical building activity and the current estimate of the population of Stagecoach (785 persons). There is potential for at least another 585 single family connections in the lower system with existing lots &

current approvals not counting any future development on multifamily lots or unplatted tracts. The total number of vaults possible is approximately 662. The WWTP received over 500,000 gallons from vaults in 2005.

Attorney's Report

-Tom reported that the Reidy Morningside special charge resolution has been recorded and a resolution for the rate hearing has been prepared and forwarded to the manager and Board for comment.

President's Report

-Mr. DePaul discussed the Morningside Plan. Final copies should be provided to the SPOA. Tony will write a letter to the SPOA for their newsletter thanking them for the funds and informing lot owners of the plan.

Rate Committee

The draft resolution was reviewed and discussed. Tom will make the necessary changes prior to the February 16, 2006 meeting.

-Notification will be by direct mailing to water service customers and in the legal section of the newspaper.

-Ken Burgess move that the February 16th regular meeting to be held at the District Offices in Stagecoach beginning at 3:30 P.M. with a recess at 5:30 and the rate hearing portion to be at 7:00 P.M.. Tony Borean 2nd. Pass.

-Steve and Ken Burgess will prepare a presentation for the meeting.

Woodchuck Mountain

Ji-Ang Song and Quint Redmond of TSR group gave a presentation of Mr. Songs development plans for Woodchuck Hill. The property has two areas with HDR zoning. The conceptual plan calls for small lots in the HDR zones and larger lots under an LPS concept on the rest of the property. Ultimate development could be in the area of 900 lots. The eastern portion of the property is not in the District. Any development on this portion proposed for District service would require annexation of the property into the District. Mr. Song is requesting Commitment of District Service for the areas within the District. The Board discussed the District's ability to serve the development and what additional facilities might be necessary. A

water tank/site and additional water supply/well sites were discussed. The Board directed the attorney and manager to prepare a form of Commitment letter for their consideration at a special meeting.

Motion: by Ken Burgess to recess this discussion until February 2, 2006 at 5:00 p.m. in the conference room of Sharp, Steinke and Sherman, LLC. Tony Borean 2nd. All in favor.

Old Business

Motion: by Ken Burgess to Ratify the RICID Settlement Agreement and Correction to the Settlement (attached). Jack Fahres 2nd. All in favor.

New Business

Re: Cassandra Krause's request for LIDAR information.

Motion: by Ken Burgess to direct Cassandra Krause to obtain costs from Skidge Moon for the LIDAR and make a request to SPOA for funds. Tony Borean 2nd. All in favor.

Motion: by Jack Fahres to appoint Melinda Sherman to be the Designated Election Official. Ken Burgess 2nd. All in favor.

Annual Employee Review. The Board directed the following salaries to be effective 2/1/06: Donna Wylie \$33,405/yr; Jeff Erickson \$41,174/yr; Steve Colby \$75,000/yr; John Dodd to \$29/hour

Motion: by Ken Burgess to adjourn at 8:06 p.m.