

**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, November 16, 2006 at the offices of 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
Tony Borean, Director
Ken Burgess, Treasurer
Jack Fahres, Director

Also: Steve Colby, District Manager
Suzie Hawkins, Recording Secretary
Tom Sharp, Council

Ken DePaul called the meeting to order at 3:28 p.m.

Meeting Minutes

Motion: by Tony Borean to approve the minutes as presented. Ken Burgess 2nd. All in favor.

Financial Report

Motion: by Ken Burgess to ratify checks #9864-9909 and the financials as presented. Jack Fahres 2nd. All in favor.

Manager's Report

-The Well #10 pumphouse is framed. The power line is trenched in.
-We have received the draft permit renewal for the WWTP. The permit seems to be eliminating any dilution offered by the Stagecoach Reservoir. The current permit uses a 10 to 1 dilution ratio in determining the discharge parameters. This has resulted in tighter fecal coliform and residual chlorine limits. Ammonia nitrogen remains the same. The permit has the option for the District to perform a "Mixing Zone Study" to obtain some dilution in the reservoir. The

manager will prepare comments on the draft after consultation with RTW and the attorney at the River district.

Motion: by Ken Burgess to encourage Steve Colby to keep the board advised. Jack Fahres 2nd. All in favor.

-The leak in the upper tank has been found and temporarily repaired. A more permanent repair and filling under the tank will have to be done next summer.

-The manager presented some facts and projections on water use and capacity in the District. Once Well #10 is online, there will be some additional capacity in the range of several hundred SFR's. The manager recommended staying ahead of the curve on water supply planning.

-Ken DePaul would like to see water treatment plant costs.

-Steve Colby will be on vacation December 2-12, 2006.

Attorney's Report

-Mr. Sharp reported on the easements on Mr. Heckbert's property west of Blackhorse II where the District's upper water tank is located. It appears the District has adequate easements on both the access road and water line. The easements apply to the roadway and 10 feet on each side of the water main. Any other easements portrayed on the Emerald Mountain Survey map do not apply.

President's Report

-Nothing to report.

Old Business

-HRS has prepared a letter addendum to their report addressing questions on test wells. This report on well hydrogeology in certain parts of the District is now complete.

New Business

-The proposal from RTW to design, prepare bid specifications and manage installation of a SCADA system is \$18,607. Other options such as issuing an RFP for a design/build proposal were discussed. Steve will discuss this with John Faulkner and get more information. The Board deferred any decision on proceeding with the system.

-The proposal/estimate from RTW to do a Vault Impact Study is \$29,000. The need for such a study was discussed. Mr. Fahres

believes any study should be sure and contain an environmental risk assessment. It was decided that the need to implement an impact fee for vaults is apparent at least in the amount of our standard sewer tap fee. The Board deferred any decision to proceed on RTW's proposal.

Motion: by Tony Borean to add to Decembers Agenda "Consideration of Amendment to District Rules and Regulations to impose a sewage vault system impact fee and setting such fee including public hearing". Jack Fahres 2nd. All in favor.

-The 2007 Budget Hearing Notice has been posted in the legal section two times. The mill levy has been calculated to allow the maximum under the Tabor Amendment.

Motion: by Ken Burgess for a Resolution to appropriate the sums of money set forth in the approved budget. Jack Fahres 2nd. All in favor.

Motion: by Ken Burgess to set the mill at 20 mills with 1.189 temporary reduction. Tony Borean 2nd. All in favor.

Motion: by Ken Burgess to approve the budget as presented. Tony Borean 2nd. All in favor.

Motion: by Ken Burgess to authorize Steve Colby the adjust the budget after receiving the final assessment numbers from the County. Jack Fahres 2nd. All in favor.

Motion: by Ken Burgess to adjourn at 6:45 p.m. Jack Fahres 2nd. All in favor.