

**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, February 15, 2007 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: Donald Alperti
Ken Burgess
Jack Fahres
Ken DePaul

Also: Steve Colby, District Manager
Suzie Hawkins, Recording Secretary
Tom Sharp, Council
Art Fine, Property Owner
James "Bear" Ackerman, Emerald Mountain Survey
Michael Roach, Property Owner/Developer

Ken DePaul called the meeting to order at 3:30 p.m.

Meeting Minutes

Motion: by Donald Alperti to approve the January minutes as presented. Ken Burgess 2nd. All in favor.

Financial Report

Motion: by Donald Alperti to ratify checks #10003-10048 and the financials as presented. Jack Fahres 2nd. All in favor.

Manager's Report

-A water main break occurred in Project I & II last Sunday. It took several days to pinpoint the leak. Duckell's excavation was hired to assist with the repair. The ageing condition of the District's lines was discussed and the possibility of increasing problems in the future. Having a contractor perform a leak audit is a possible method of locating problems. The manager will investigate.

-Vault Impact Study proposal was reviewed by attorney Sharp and the manager. Mr. Sharp suggested several changes and RTW is revising the proposal.

-The manager attended the SPOA meeting to discuss their request to do master planning for the Horseback and Southshore subdivisions. It was agreed that Steve will work with Tony Stich on a Horseback RFP and Jim Funk for a Southshore RFP & try to obtain 3 proposals. SPOA will fund the plans. In a subsequent meeting with Tony Stich LID formation was discussed. It is likely that the level of engineering required for LID formation is considerably greater than that that would be done for a master plan such as that done in Morningside I. It was the consensus of the Morrison Creek Board that the intention was for a master plan.

Attorney's Report

-Nothing additional to add at this time.

President's Report

-The president proposed leasing space at the waste water plant to the SPOA for an office. Mr. Fahres requested that a monthly lease be required that can be terminated by the District at any time. Mr. Sharp was directed to prepare a lease for review. SPOA will be responsible for providing their own phone and internet service.

Motion: by Donald Alperti to agree to lease the space to the SPOA for \$350/month subject to review of a lease. Jack Fahres 2nd. Pass 3 to 0. Ken Burgess did not vote.

-Signing checks was a problem this month because two signatures are necessary and Ken DePaul was in Arizona. The Board authorized Donald Alperti to be added as a check signer.

-The District's investments were discussed. The Districts funds are in two Colotrust accounts.

-The vault impact fee was discussed. The manager has received comments and questions concerning the fees and whether the impact fees will be a future credit towards tap fees.

Motion: by Donald Alperti that District policy is that impact fees will not be credited toward tap fees. Jack Fahres 2nd. All in favor.

Old Business

-Arthur Fine and Bear Ackerman were present to request the District agree to vacate the Right of Way between Lot's 1, 16 and 17 Meadowgreen at Stagecoach and CR 16. The Board agreed to the vacation if the lot owners dedicate similar easement area around the area as exists on the lots and a twenty foot wide easement centered on the existing waterline going through the area.

-Bear Ackerman representing Chris Irons requested the District consider vacating the side lot easements on lots 27, 28 and 29 in Skyhitch I for a consolidation and replatting. Manager Colby indicated that existing mapping does not show water or sewer main line routing between any of these lots. The Board agreed to vacate the easements if an area equal to that being vacated is added to the easement area surrounding the replat. Our standard lot consolidation agreement will also be required for the replat.

-Michael Roach was present to discuss his proposed second filing for Young's Creek Estates. He will likely be purchasing the adjacent property which is behind Young's Peak and next to Lynx Basin Ranch. The property is zoned HDR but he is proposing four five acre lots which he believes is more compatible with the area. Mr. Roach was strongly encouraged to consider extending a water main to service the project.

- The manager informed the Board that Scott Eggleston has informed him that he and Al Saterdal are dropping the third lot and are agreeable to blanket easement area outside of the building envelopes on their Horseback consolidation proposal.

-CWPP (Community Wildfire Protection Plan). The core group has requested that MCW&SD contribute for a third of the mailing costs. The manager noted the district will benefit from the plan as the District's facilities will be designated as critical areas for protection in the plan. The board approved the \$160 contribution for mailing the fliers.

-A proposal from Red Oak Consultants (formerly IUG) was distributed to the Board. The manager requested the proposal to update the rate study/financial plan which was done for the District in 1999. Mr. Sharp commented on the Boards powers to set rates and the methodology and justification for setting rates. Professional studies can be valuable if the rates are challenged in court. Coordination with the vault study was discussed. It would be advantageous to have the vault work completed in order to include it in the financial plan. The work could be complementary. The Board tabled the proposal for future consideration and so they could review it further.

New Business

-There was discussion about the proposed elevation increase of Stagecoach Reservoir.

Motion: by Jack Fahres to adjourn at 5:09 p.m. Ken Burgess 2nd.
All in favor.