

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 February 19, 2009 at the offices of Sharp, Steinke, Sherman, & Engle LLC, 401 Lincoln Avenue in Steamboat Springs, Colorado for their regularly scheduled meeting.

Present: Donald Alperti, President
Ken Burgess, Treasurer
Tony Borean, Director
Ken DePaul, Director

Also: Steve Colby, District Manager
Suzie Hawkins, Recording Secretary
Tom Sharp, Council
Andrew & Emily Schmidt

Donald Alperti called the meeting to order at 3:30 P.M.

Meeting Minutes

Motion: by Ken DePaul to approve the January 15, 2009 minutes as presented. Ken Burgess 2nd. Pass.

Financial Report

Motion: by Ken Burgess to ratify check #'s 11,121 to 11,160 inclusive and approve the January financial report. Ken DePaul 2nd. Pass.

Managers Report

- A map which delineated the areas which the water supply masterplan will include was presented and reviewed. The area of the "Stonewall" portion of the Song development West of CR16 needs to be included. The Heckbert property west of BH II may also need to be included.
- The manager informed the Board that he had had submitted the paper work to be included on the eligibility lists for the State Drinking Water and Wastewater Project Revolving Funds.
- We have been notified by the State WQCD that they have accepted the mixing zone study with conditions and they have proposed new effluent limits. The ammonia nitrogen limit is considerably higher with some relaxation of the residual chlorine limit. The permit must now be amended.
- The manager informed the Board of the age and condition of the Districts trucks. The Board directed the manager to obtain prices for a new truck.

Attorneys Report

- Mr. Sharp reviewed the status of the proposed 2nd amendment to the vault agreement. He and Ken Burgess and Steve Colby had met earlier in the day with John Merrill, Tom Sullivan and Mike Zopf who had discussed concerns they and the BCC had with the amendment as drafted. Concerns with public involvement were discussed and it was decided that upon mutual approval of the amendment a 2nd public hearing would be held with notification to those affected along with a copy of the proposed amendment. Mr. Sharp will draft a new agreement with the changes discussed for approval by the MCMWSD Board at the March meeting.
- Mr. Sharp updated the Board on the water rights change case for wells 2r & 10. We are awaiting the attorney generals office ruling on the proposed “deminimus” status for the well 2r impact to Little Morrison Creek.

Public Comment

- Andrew Schmidt presented a letter to the Board which he then read. He and his wife own lot 49 in Meadowgreen. The lot does not have a prepaid tap fee. They are concerned about the recent tap fee increase which they stated they only learned about recently and may prevent them from building. He requested that they be given the opportunity to pay the tap fees at the previous rate.
- The Board tabled any reply to the Schmidt’s request until the March meeting.

New Business

- Doug Bradfield, representing Jiang & Young Song, was present to discuss the Song Mountain Development on Woodchuck Hill and request a “Commitment to Serve” letter from the District. The District has previously issued a “Substantial Interest in Serving” letter to Mr. and Mrs. Song which specified certain conditions before a full “Commitment” letter can be issued. Mr. Bradfield indicated that they are beginning the sketch plan process with Routt County Planning. The current PUD plan is for 366 dwelling units on 272 lots in 6 phases. A portion of the later phase would require annexation of land into the District. Mr. Sharp emphasized the importance of the commitment letter in identifying key requirements from the developer for water supply and wastewater treatment facilities. Mr. Colby stated that the water supply masterplan currently underway would be important in identifying these needs. Mr. Sharp also noted that annexation will require a separate agreement and compliance with an “Annexation Policy”. The Board declined to issue a Commitment to Serve letter but stood by the “Substantial Interest in Serving” letter already issued.

- The Manager informed the Board that we need to approve the audit engagement for the 2008 audit. Greg Hamilton has recently merged his company with Colorado CPA Services but is still associated with the Company. The proposal is very close to the cost for last year at a not to exceed amount of \$6600. The 2009 budget is \$7000.

Motion: by Ken DePaul to approve the engagement of Colorado CPA Services to do the 2008 audit with the condition that Greg Hamilton is the principal oversight. Tony Borean 2nd. Pass

- There being no further business the meeting was adjourned at 5:00 P.M..