

MORRISON CREEK METROPOLITAN WATER & SANITATION DISTRICT
24490 Uncompahgre Road, Oak Creek Colorado 80467
Phone (970) 736-8250 FAX (970) 736-0177
Email: Info@mcwater.org

RECORD OF PROCEEDINGS

The Board of Directors of the Morrison Creek Metropolitan Water and Sanitation District met on Thursday, July 16, 2009 at the offices of Sharp, Steinke, Sherman & Engle LLC located in Steamboat Springs at 401 Lincoln Avenue, Steamboat Springs, Colorado for their regularly scheduled meeting.

Present: Donald Alperti, President
Ken Burgess, Treasurer
Jack Fahres, Director
Tony Borean, Director
Ken DePaul, Vice-President – via telephone

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

Donald Alperti called the meeting to order at 3:30 p.m.

Meeting Minutes

Motion: by Ken DePaul to approve the June meeting minutes and special meeting minutes as presented. Ken Burgess 2nd. All in favor.

Financial Report

Motion: by Tony Borean to approve checks #11316-11353 & #6 & #7 along with the June statements as presented. Ken DePaul 2nd. All in favor.
-Steve Colby opened a new certificate of deposit for \$100,000 at Wells Fargo Bank.

Manager's Report

-The District Manager reported on the discrepancy between the water production at the wells and the amount metered. We had 593,000 gallon difference for the May-June period. This is about a 20% loss. In the past it has been closer to 10%. The manager commented that the use at Wagonwheel seems to be very low. The larger meters on those buildings may be missing small flows. The answer is installation of costly compound meters. An audit for water loss by a leak detection expert may also be advisable if the loss continues.

-The Colorado Water Conservancy Board is having their meeting in Steamboat Springs on September 15-16, 2009. This could be an opportunity to discuss the ISF on Morrison Creek. Steve Colby will inquire about being placed on the agenda.

-The manager asked if the August board meeting could be moved.

Motion: by Ken Burgess to schedule the next meeting on Thursday August 13, 2009 at 3:30 P.M.. Jack Fahres 2nd. All in favor.

Attorney's Report

-Tom Sharp informed the Board that a group of local opposers will be meeting with Shell Oil attorneys on August 19 at 1:00 p.m. to discuss their 375 cfs filing on the Yampa River. Tom Sharp shall be present on behalf of Morrison Creek Water and Sanitation District and Mt. Werner Water District. It would be useful to have the manager and board members of each district attend. This will be a preliminary meeting in which Shell will propose some terms and opposers will voice their concerns. Mr. Sharp voiced his concern about how this filing could affect the PBO which determines how the river water flows are managed for environmental concerns.

-Mr. Sharp discussed the recent passage of HB09-1005 which allows Special Districts to create Special Improvement Districts within their Boundaries. Previously this could only be accomplished through the County. This may be a somewhat easier way to create an improvement district for those wishing to extend lines into unserved areas of Stagecoach.

Old Business

-Tom Sharp and Steve Colby have met with HRS to discuss the conclusions in the Water Supply Masterplan. Due to the over appropriated nature of the basin above Steamboat Springs and the exclusion of much of the District from the UYWCD augmentation plan. It may be advisable for HRS to do further investigative studies to determine the exact nature of the depletive affect wells may have on streams in the District tributary to the Yampa River and to develop recommendations to insure that the District can utilize wells for providing supply in the areas of the District tributary to Little Morrison and Morrison Creek. This is particularly important in the face of a proposed ISF on Morrison Creek which would have an appropriation date of 1/1/10. HRS has provided a proposal (attached) to do the work which is broken into required and optional items.

Motion: by Tony Borean to approve the proposal from HRS not to exceed \$65,000 including optional items to be determined on an as needed basis as the work proceeds. Ken Burgess 2nd. All in favor.

-The Board deferred any action on the Water Supply Masterplan until completion of the additional investigative studies by HRS.

-Second Amendment to the County/District Vault Agreement. The Board deferred any action on the 2nd amendment to the vault agreement until after the upcoming SPOA annual meeting, Tony Stich was present to voice his concerns about changing the current vault conditions and expressing his opinion that the changes would result in a dramatic decrease in property values causing a decrease in property tax revenue to the District.

-Ken Burgess discussed the Coyote Run park water bill.

Motion: There being no further business Tony Borean moved for adjournment at 5:15 p.m. Ken Burgess 2nd. All in favor.