

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, May 20, 2010 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, President
Ken Burgess, Treasurer
Tony Borean, Director
Bob Woodmansee, Director
Jack Fahres, Director

Also: Steve Colby, District Manager
Suzie Hawkins, Recording Secretary

Kevin McBride, UYWCD

Donald Alperti called the meeting to order at 3:28.m.

Robert Woodmansee and Tony Borean were administered the Oath of Office by Tom Sharp (notary) to begin their new four year terms as Board members.

Meeting Minutes

Motion: by Bob Woodmansee to approve the May meeting minutes as presented. Jack Fahres 2nd. All in favor.

Financial Report

Motion: by Tony Borean to approve check #'s 11754 to 11781 along with the April statements as presented. Ken Burgess 2nd. All in favor.

-The Glenhorn account is the last remaining "availability of service" account outstanding. The District ceased charging these fees in August 2000.

Manager's Report

-Kevin McBride, General Manager of the UYWCD was present, at Mr. Sharps request, to discuss the 03CW53 Morrison Creek pipeline case, which the UYWCD is appealing to the Colorado Supreme Court. The issue preventing settlement of the case with the opposers primarily involves a minimum bypass of 2 CFS. If the UYWCD agrees to bypass at least this amount it may render this water right unreliable as a municipal source for the MCMWSD. The MCMWSD had adopted a water supply masterplan which primarily relies on wells for meeting the District's future needs. In order to get well permits however in much of the District an augmentation plan will be necessary. The District has filed a plan for augmentation with the Court but as of this date the plan has not been approved. The consensus

of the MCMWSD Board was to recommend that Mr. McBride urge the UYWCD to not agree to a minimum bypass until the MCMWSD augmentation plan has been officially approved by the court.

- The District's contract for water storage in Yamcolo reservoir will need to be renewed this summer. The current cost for 60 acre feet of storage is \$1560. It is likely that the renewal cost will be considerably more. The manager and attorney are both board members of the UYWCD and will have to recuse themselves from any negotiations. It is likely that the MCMWSD will join with other entities in the negotiations.
- The manager suggested hiring a part time person to work in the office. The Board directed him to have costs & recommendations for the June meeting.
- The manager has been supplying the auditor with requested information for the 2009 audit.
- The application to rezone Meadowgreen Multifamily 1 to commercial was discussed. The manager reported that a "Substantial Interest in Serving" letter may be acceptable to county planning in lieu of a full "Commitment to Serve" letter. The manager will work with the attorney on such a letter for consideration by the board.
- The manager discussed the possibility of using a bill paying service which would integrate automatically with the district's accounting software. The service would offer customers the ability to pay online or pay by credit card if we chose. The board did not want to consider the service, at least until we make a decision on the bookkeeping.

Attorney's Report

-Nothing to report other than the agenda items.

President's Report

-Nothing to report at this time.

Old Business

-Mr. Sharp discussed the District's policy to require all wells within the District to be permitted in the name of the District. He has prepared a memorandum which was circulated to the board (attached) outlining his view of the pro's & con's of the District's policy. After discussing the matter the board decided to not make any changes to the well policy at this time. Mr. Sharp will prepare an amended IGA with the other policy changes of the District concerning the issuance of building permits in unserved Stagecoach lots for consideration by the Board to be sent to the County.

New Business

-Mr. Sharp has prepared a resolution amending the District's rules & regulations concerning the procedure for termination of service for non payment as discussed at the last meeting.

Motion: by Ken Burgess to adopt the resolution changing section 8.11 of the Districts rules & regulations. Tony Borean 2nd. Pass.

-The manager presented a proposed resolution to the Board to authorize the opening of District accounts in Yampa Valley Bank.

Motion: by Ken Burgess to approve the resolution and approve the transfer of \$400,000 from Colotrust into 2 CD's in YVB and \$150,000 from Wells Fargo into a MM account in YVB. Bob Woodmansee 2nd. Pass.

Motion: by Tony Borean that their being no further business that the Board adjourn at 5:13 P.M.. Bob Woodmansee 2nd. Pass.