



**MINUTES OF THE
REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE
CRESTED BUTTE SOUTH METROPOLITAN DISTRICT**

October 27th, 2021

A regular meeting of the Board of Directors of the Crested Butte South Metropolitan District was held Wednesday October 27th, 2021 at 6:00 p.m., at the office of the District, 280 Cement Creek Road, Crested Butte South and via Zoom at
<https://us02web.zoom.us/j/85150304122?pwd=QU1aVTIPSCtDUmY3VWt2Y2gzS3g3UT09>
Meeting ID: 851 5030 4122 Passcode: 891631

Board Members in attendance: Tom Dill Kurt Feltus
Margaret Dethloff Tom Hein
Benita Bellamy

Also present were: Ronnie Benson, District Manager
Annie Parr, Secretary of the Board
Eric Frolich Mike Dawson

I. Call to Order

- The meeting was called to order by Dill at 6:02 p.m.

II. Public Comment Period

- Public comments presented under Avalon supplemental availability of services letter.

III. Approve Meeting Minutes from September 29th, 2021

MOTION by Dethloff and seconded by Feltus to approve the September 29th, 2021 as drafted. Motion passed unanimously.

IV. September's 2021 Financial Reports and Current Bills

- September's major expenses were JVA for wastewater headwork improvement, Capital One for credit card charges, Timberline Electric for SCADA repairs & maintenance, and Commercial Tire Service for the motor grader recapped tires.
- Bills questioned were the SCADA repairs and maintenance for issues with programming, Commercial Tire Service for the motor grader recapped tires, and Parr's credit card charge to AMTEK for ballast for the WWTP UV disinfection. The Board found all bills questioned to be in order.

MOTION by Hein and seconded by Dethloff to approve September's current bills. Motion passed unanimously.

V. Avalon Supplemental Availability of Service of Letter

- Benson presented the Avalon supplemental availability of service letter to the Board which specified the District was capable of supplying Avalon with potable water and treating the wastewater produced by the Development.
- The terms and conditions pursuant to which the District was willing to provide water and wastewater service to Avalon would be subject of a forthcoming inclusion agreement between the parties that would be negotiated and pursuant to a future formal inclusion process.
- The inclusion of the Development would be subject to Board approval as well as specific statutory procedures of a special district if conditions in the original letter were met.

VI. Proposed 2022 Rate Increase

- The District has for consideration a 13.6% water and wastewater rate increase that would take effect January 1st, 2022.
- District management received three comments from the public regarding the proposed 2022 rate increase. The citizens that commented were not eager about the rate increase but understood why the District was proposing one. The comments were more centered on meter billing and how they were in support of moving towards that process.
- Meter billing has been a reoccurring comment from the public. The Water Efficiency Plan also recommended metered billing with value in efficiency and conservation. The District would continue to collect data and do a rate study for metered billing in 2022 with implementation in 2023.
- In August, September, and October the District public noticed the 2022 rate increase in the Crested Butte News, at the District Offices, and on the District Website.

MOTION by Hein and seconded by Dethloff to approve the 13.6% rate increase starting January 1st, 2022. Motion passed unanimously.

VII. Board Compensation

- Benson proposed compensating Board members \$100 per meeting attended to begin in 2022 which has been added to the 2022 proposed budget.
- The Crested Butte South Metropolitan Board has accepted their duties as a civil duty and has not been compensated in the past.
- The Board declined compensation in the past due to financial position and strain on the budget.
- Compensated boards are not uncommon and board meetings would continue to take more time, thought and responsibility as the District continued to grow.
- Bellamy felt new board members should have a waiting period, but the majority did not support this because the responsibility was the same for each board member regardless of time served.
- Board compensation was budget in the General, Water, and Sewer Operating Funds under miscellaneous. The Board felt for transparency board compensation should be budgeted as its own line item not within miscellaneous if approved.

MOTION by Feltus and seconded by Hein to approve Board compensation as its own line item in the budget starting January 1st, 2022. Motion passed unanimously.

VIII. 2022 Proposed Budget

- The updated 2022 proposed budget included two changes which were projected reserves for each fund beginning January 2022, as well as, Director compensation in the amount of \$100 per meeting attended.
- The District currently does not have a funding mechanism for paving and would not be included in the 2022 proposed budget. This District would continue to work on a sustainable funding plan for future pavement.
- \$60,000 was budgeted for crack seal equipment purchase in the General Capital Fund to maintain existing pavement.

MOTION by Bellamy and seconded by Hein to approve the 2022 Proposed Budget. Motion passed unanimously.

IX. Manager's Report

- District's council was currently reviewing a draft letter presented by the Meadows and Highlands to extend fall maintenance approximately ¼ of a mile.
- The District collected \$74,566 in tap fees for September.
- The Board and Holiday dinner would be Friday December 10th.
- November's regular meeting would be moved to Wednesday, December 8th and December's regular meeting would be cancelled.

X. Adjourn

MOTION by Dill and seconded by Dethloff to adjourn the meeting at 6:54 p.m. Motion passed unanimously.



Annie Parr – Secretary of the Board