



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

March 27th, 2024

A regular meeting of the Board of Directors of the Crested Butte South Metropolitan District was held Wednesday March 27th, 2024 at 6:00 p.m., at the office of the District, 280 Cement Creek Road, Join <https://us02web.zoom.us/j/83794801921?pwd=S3QybFFSNWpyL2ljcXN5QWhWb3RKZz09> Meeting ID: 837 9480 1921 Passcode: 819268

Board Members in Attendance: Margaret Dethloff - Vice President, Tom Hein - Secretary Treasurer, Kurt Feltus - Director, and Benita Bellamy - Director

Also present Were: Ronnie Benson - District Manager, Annie Parr - Recorder & Office/HR Manager Christian Robertson - Water Operations Coordinator, Pat Wallace, and Tom Dill.

I. Call to Order

- The meeting was called to order by Dethloff at 6:06 p.m.

II. Public Comment Period

- Tom Dill resigned as the Boards President after twelve years of service. Dill resigned because he no longer owns property or resides in the District.

III. Approve Meeting Minutes from February 28th, 2024

MOTION by Feltus and seconded by Hein to approve the minutes from February 28th, 2024 with the grammatical edit discussed. Motion passed unanimously.

IV. February 2024 Financial Reports and Current Bills

- February's major expenses were Rice Lake West for the wastewater treatment plant expansion construction payment 19, Capital One for credit card charges, and JVA for the wastewater treatment plant expansion construction administration engineering.
- February bills and financials discussed were Deluxe for high security checks and envelopes, snow removal revenue and expenses in the Road Fund, and tap fee revenue in the Water and Sewer Capital Funds. The Board found all bills and financials discussed to be in order.

MOTION by Hein and seconded by Bellamy to approve February's current bills. Motion passed unanimously.

V. Pat and Sue Wallace - Water Drainage

- Pat presented a PowerPoint presentation outlining the current issues from water drainage and long-term solutions on Barbra Place by his home at 62 Barbra Place.
- The current issues are mostly from a natural spring that creates unusually heavy volume of ice build up at 69 Barbra Place, a shallow GCEA power line under the culvert at 69 Barbra Pl., runoff from the driveway at 69 Barbra Pl. does not flow into the ditch on Barbra Pl, and repeated efforts from the District have been short term fixes.
- Wallace's proposed solutions would be a collaboration with the District to lower the GCEA power line, reset and regrade culvert at 69 Barbra Pl., driveway drainage mitigation on 69 Barbra Pl., and the Wallaces would add road base to build up private parking area at 62 Barbra Pl.
- Benson has contacted GCEA about the power line and will continue to proceed with long-term solutions in this area in collaboration with the property owners.

VI. Snow Removal and Outside Work

- The District has historically provided outside work and snow removal on private properties to help the community. In the past companies would not perform these duties in the District because there were not enough residents, and it became a necessity for the District to provide snow removal and outside work on private properties. The District has always prided itself on providing a helping hand when possible, within the District.
- Snow removal and outside work on private properties is not within the Districts service plan of water, sewer, and road maintenance as a public entity.
- These services are considered private contract work and the District's insurance will not cover these services.
- The Board felt continuing to provide snow removal and outside work on private properties would be more of a liability than an asset for the District.

MOTION by Hein and seconded by Feltus to no longer provide outside work effective immediately and starting the fall of 2024, the District will no longer be providing snow removal on private properties. Motion passed unanimously.

VII. Water Meter Presentation

- Robertson presented three proposed rate structures for meter billing. Rate structure #1 did not change from the last presentation and proposed a base rate of \$45.19 per month for distribution and 6,000 gallons of treated water with 6,000 gallon tiers for use above the base rate per 1,000 gallons. The first tier at \$5.00, second tier at \$5.50, third tier at \$6.25, fourth tier at \$7.25, and the fifth tier with unlimited use at \$8.50 per 1,000 gallons. Robertson stated rate structure #1 should be considered the high end guard rail with the least amount of risk.
- Rate structure #2 has the same proposed base rate as rate structure #1 being \$45.19 per month for distribution and 6,000 gallons of treated water but with 18,000 gallons for use in the first tier at \$3.00, second tier at 16,000 gallons for use at \$6.00, and the third tier with unlimited use at \$12.00 per 1,000 gallons. Robertson stated rate structure #2 should be considered the low end guard rail with the most amount of risk which was still conservative.

- Rate structure #3 has the same proposed base rate as rate structure #1 and #2 and the same gallons tiers as rate structure #2 with 18,000 gallons for use in the first tier but at \$3.50, second tier at 16,000 gallons for use at \$6.50, and the third tier with unlimited use at \$12.00 per 1,000 gallons. Robertson stated rate structure #3 should be considered the middle option.
- All properties, including commercial properties, would have the same rate structure for meter billing.
- The proposed base rate for all the rate structures would be a rate increase for water at properties that have an EQR less than 1.18 and would be a decrease for water at properties that have an EQR greater than 1.18. The average residential EQR in the District is 1.23. Properties at 1 EQR would have an 8% increase on monthly fees overall.
- The Board was in favor of rate structure #2 and #3 which gives customers more use at a lower cost and a slower transition of change from flat rate billing to meter billing.
- Robertson, Benson, and Parr were in favor of selecting a rate structure for approval tonight so customers can track their use especially during the irrigation month to prepare, make adjustments to use, and estimate future meter billings.
- Discussion continued with the pros and cons of each proposed rate structure.

MOTION by Hein and seconded by Bellamy to approve rate structure #2 for meter billing starting January 1st, 2025. Motion passed unanimously.

VIII. Resolution 24-02 Modifying Authorized Check Signers

MOTION by Feltus and seconded by Hein to approve Resolution 24-02 modifying authorized check signers. Motion passed unanimously.

IX. 2024-2025 Ski Pass Bonus

- The Board discussed the 2024-2025 ski pass bonus is given as a supplemental check that is taxable income. The bonus may be used to purchase a ski pass or other lifestyle improvements.

MOTION by Feltus and seconded by Bellamy to approve the 2024-2025 ski pass bonus for eligible employees. Motion passed unanimously.

X. Manager's Report

- The District is going to continue to pursue information on the amount of money that Gunnison County pays for incorporated areas for roads in efforts to better understand if incorporation is a viable option for CB South.
- Benson and Robertson attended a Planning Commission site visit and work session on March 21st for the Avalon Project. The project was well received by the Commission, but an affordable housing/higher density component was requested. Avalon will be amending the site plan that will be reviewed at another work session when completed.
- An RFP has been released to the public requesting a bid for the installation of 275 meters. The deadline for the RFP was today March 27th, 2024 and only one bid was received from Vally Water

Compliance, which is owned and operated by Benson. The District will proceed based on District Counsel recommendations.

- The District did not collect any tap fee revenue in March.
- Benson expressed gratitude for Dill’s twelve years of service and stated the District will be looking to appoint a Director until the next election.
- The Board will proceed with delegating a president or any other or all positions at the next regular meeting.
- April’s regular meeting will be moved to Tuesday, April 30th, 2024.

XI. Adjourn

MOTION by Hein and seconded by Feltus to adjourn the meeting at 8:10 p.m. Motion passed unanimously.



Drafted/Submitted By: Annie Parr