

## RECORD OF PROCEEDINGS

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MINUTES OF A REGULAR MEETING  
OF THE BOARD OF DIRECTORS OF THE  
MOUNT WERNER WATER & SANITATION DISTRICT  
HELD AT THE OFFICE OF THE DISTRICT  
8:00AM Thursday, March 18, 2010

DIRECTORS PRESENT: Nancy Mayer, Jim Randall, Kathy Connell  
DIRECTORS ABSENT: Jon Halverson, Steve Gale  
STAFF PRESENT: Jay Gallagher - General Manager

OTHERS PRESENT: None

I. ESTABLISHMENT OF QUORUM AND CALL TO ORDER:

In the absence of Mr. Halverson and Mr. Gale, it was proposed and approved that Mr. Randall, as District Treasurer, should serve as acting Chair of the meeting. Mr. Randall stated that a quorum was present and called the meeting to order at 8:01A.M.

II. APPROVAL OF AGENDA FOR MEETING:

Mr. Randall asked if there were any changes in the proposed agenda. There were none.

MOTION: To approve the agenda; APPROVED: Vote 3-0.

III. APPROVAL OF SUBMITTED MINUTES OF PREVIOUS MEETINGS:

Mr. Randall asked for any editions or changes in the January 21, 2010 minutes. There were none.

MOTION: To approve the minutes of the January 21, 2010 regular board meeting; APPROVED: Vote 3-0

IV. PUBLIC HEARINGS/PUBLIC INPUT AND COMMENT:

There was no public comment.

V. TREASURER'S REPORT:

Mr. Gallagher presented un-audited financial statements for 2009. Operating revenues and expenses closely follow the numbers presented in the 2009 Quick Close on January 21<sup>st</sup> with the exception that the District received payment from the City for their share of Q4 plant operating expenses. Non-operating expenses show higher interest income for the year. On the balance sheet, the \$7.9M increase in assets for 2009 resulted from capital additions to the water and wastewater systems as the District granted final acceptance to several large development projects completed by private developers. With regard to service revenues, Mr. Gallagher said that the District office staff had made excellent progress collecting on outstanding service bills from Q3. Uncollected Q3 bills amount to \$827.

VI. DIRECTOR AND COMMITTEE REPORTS:

A. Investments Portfolio

Mr. Gallagher commented that the District had not made any changes in the portfolio since the January 21<sup>st</sup> meeting. Ms. Connell commented that staff should look closely at the Vectra Bank floating-rate CD which matures May 5<sup>th</sup>. The Board accepted the investment report.

B. 2009 Audit

Mr. Gallagher reported that the District's auditor, Bondi & Co., would be conducting the 2009 audit in the week of March 29<sup>th</sup>. As this is the last year of the three-year contract, Mr. Gallagher asked the board to give him direction at the May meeting regarding a new contract.

VII. REPORT OF THE GENERAL MANAGER:

A. Fish Creek Reservoir

Mr. Gallagher reviewed the March 9<sup>th</sup> graph of reservoir levels. The fill level continues to follow the trend of previous years, although accommodation of CWCB requests for maintaining stream flows during the summer and fall resulted in WY2010 beginning at a lower level than in previous years. Mr. Gallagher indicated that, in spite of the below-normal (73%) snow-water equivalent of the snowpack at Buffalo Pass, there should be no problem in filling the reservoir.

B. Community Water Conservation Plan

The City is still waiting for response to the December grant application to the CWCB for funds to complete the Water Conservation Plan.

C. South District Water Supply Improvements

The Alpenglow pump station went out to bid this week. The District has received bids for the pump assembly itself and will be meeting today to decide on the award. This project has required securing two water main easements which are now in hand and recorded. Now that this project is well on its way, CDC will turn its attention to completing the design for the Columbine 14-inch water main from Walton Creek Road to Alpenglow (Phase I).

D. 2010 Board Election

For the two director seats up for election, the District received no more candidate nominations than there were seats available by the filing deadline. Self-nominations were received from Mr. Halverson and Mr. Randall. Under these circumstances, the District may cancel the election with the Board passing a resolution so cancelling the election and declaring Mr. Halverson and Mr. Randall elected to four-year terms.

The Acting Chairman, Mr. Randall, suggested and the other Directors present agreed that the Board now consider the single agenda item under "X. New Business". Mr. Gallagher offered the following resolution for Board consideration:

**"WHEREAS, THE Board of Directors is authorized to cancel the election and declare candidates elected at the close of business on the sixty-third day before the election to be conducted on May 4, 2010, and**

**WHEREAS, the Board of Directors has duly certified that there were not more candidates for director than offices to be filled, including candidates filing affidavits of intent to be write-in candidates,**

**Now THEREFORE, pursuant to 1-5-208(1.5), C.R.S., the Board of Directors HEREBY cancels the regular election to be conducted on the 4<sup>th</sup> day of May, 2010 by formal resolution, and**

**THE BOARD DECLARES THE FOLLOWING CANDIDATES ELECTED FOR THE FOLLOWING TERMS OF OFFICE:**

<b>Jon N. Halverson</b>	<b>1575 Kinnikinnick Lane PO Box 881695 Steamboat Springs, CO 80488</b>	<b>Four-year Term</b>
<b>James C. Randall</b>	<b>2710 Ridge Road Steamboat Springs, CO 80487</b>	<b>Four-year Term</b>

**APPROVED AND ADOPTED this 18th day of March, 2010."**

MOTION: To approve the above resolution cancelling the May 4, 2010 election and declaring Mr. Halverson and Mr. Randall duly elected for four-year terms to serve until 2014;  
APPROVED: Vote 3-0

Mr. Gallagher continued with his report:

- E. Leadership Steamboat  
On March 5<sup>th</sup>, Mr. Gallagher had made a general water utilities presentation to 12 participants in the Chamber Resort's "Leadership Steamboat" program.
- F. Asset Management Software  
Mr. Gallagher reported that he was working with SEMS management software to determine its usefulness for improving management and maintenance of District assets.
- G. Safety Manual  
Mr. Gallagher reported that he was assembling materials for a safety manual which the District lacked. He was examining the City's safety manual to adapt it for use in our smaller organization.

The Board encouraged this effort and directed Mr. Gallagher to commence holding periodic safety meetings for safety education and review of incidents.

VIII. REPORT OF GENERAL COUNSEL:

Mr. Sharp was not present to give a report.

IX. UNFINISHED BUSINESS:

There was no unfinished business to discuss.

X. NEW BUSINESS:

With the 2010 election cancellation item considered earlier in the meeting, there was no additional new business to discuss.

XI. ADJOURN:

There being no further business, the meeting was adjourned at 8:40 AM.

Respectfully submitted,

James R.L. Gallagher, Secretary/General Manager