

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, December 18, 2008

DIRECTORS PRESENT: Jon Halverson, Nancy Mayer, Kathy Connell, Jim Randall,
Steve Gale (by phone)
DIRECTORS ABSENT: none
STAFF PRESENT: Jay Gallagher - General Manager
OTHERS PRESENT: none

I. ESTABLISHMENT OF QUORUM AND CALL TO ORDER:

Having agreed that a quorum was present, Mr. Halverson called the meeting to order at 8:05 A.M.

II. APPROVAL OF AGENDA FOR MEETING:

MOTION: To approve the agenda; APPROVED: Vote 5-0.

III. APPROVAL OF SUBMITTED MINUTES OF PREVIOUS MEETINGS:

MOTION: To approve the minutes of November 20, 2008 Board meeting; APPROVED: Vote 5-0

IV. PUBLIC HEARINGS/PUBLIC INPUT AND COMMENT:

There was no public comment.

V. REPORT OF GENERAL COUNSEL:

Mr. Sharp was not present to offer his report.

VI. UNFINISHED BUSINESS:

A. Executive Session: Negotiations

Mr. Halverson recommended that the Board go into executive session to determine positions relative to matters that may be subject to negotiations, to develop strategy for negotiations, and to instruct negotiators, with regard to the following: The Bridges Pre-Application, Laurel Lane Tank Easements.

MOTION: To adjourn the regular meeting and go into executive session pursuant to CRS Section 24-6-402(4)(e) at approximately 8:07 A.M. to determine positions relative to matters that may be subject to negotiations, to develop strategy for negotiations, and to instruct negotiators, with regard to each of the items listed. APPROVED: Vote 5-0.

MOTION: To come out of executive session and reconvene the regular meeting at approximately 8:49 A.M. with no action having been taken. APPROVED: Vote 5-0.

Mr. Halverson noted for the record that, if any person who participated in the executive session believes that any substantial discussion of matters not included in the motion to go into the executive session occurred during the executive session, or that any improper action occurred during the executive session in violation of the Open Meetings Law, such person should state his/her concerns for the record..

No concerns were indicated.

Back in regular session, Mr. Gallagher, General Manager, noted the following for the benefit of the Board: At the November 20, 2008 board meeting, Wilton Development, in the presence of a representative of the Yampa Valley Medical Center, had presented a brief overview of The Bridges project as summarized in their pre-application to the City and County. The purpose of the pre-application process is to solicit comments from local government bodies, having jurisdiction over a proposed project, prior to submission of a formal application; in the case of the District Board, the purpose of the presentation was to solicit a response from the Board regarding the possibility of annexing into the District the proposed project land west of US Highway 40 and south of the existing District infiltration gallery field for the purpose of providing water and wastewater collection services to the development. The developers are aware that the District has a well-defined inclusion policy. The developers have not formally applied for annexation.

Following Mr. Gallagher's remarks, Board members discussed the potential benefits and detriments to the District if the subject lands were annexed into the District. Board members expressed concerns regarding the potential degradation of the District and City's infiltration galleries as a consequence of the proposed development of The Bridges. After considerable discussion, the following motion was made, seconded, and passed:

MOTION: Based upon information currently available to the District, the Board of Directors express their collective opinion that annexation into the District of the land south of the District infiltration gallery wellfield and described as being The Bridges proposed development and the extension of District services into this area is not in the best interests of District constituents, and is therefore strongly discouraged. However, such expression does not legally preclude the property owners from applying for inclusion of such lands into the District pursuant to District inclusion policy, and is not binding upon the Board in the event any such petition for inclusion is filed. The Board does not recommend or encourage any such petition. APPROVED: Vote 5-0

VII. TREASURER'S REPORT:

Mr. Gallagher represented that the projected operating expenses given in November had not substantially changed; that a year-end report would be generated for the January Board Meeting.

VIII. DIRECTOR AND COMMITTEE REPORTS:

A. Budget and Audit/Investments Committee Report:

1. Consideration of the draft 2009 Budget.

Mr. Gallagher asked if there were any questions regarding the draft budget. Mr. Randall requested that, in light of the economic recession, the Board should pay careful attention to the capital improvement spending as lower than projected tap fees would cause a faster drawdown of our capital reserves. The Board agreed and encouraged Mr. Gallagher to continue to take a fiscally conservative approach to District expenditures.

MOTION: To approve the draft 2009 Budget version 4. APPROVED: Vote 5-0

IX. REPORT OF THE GENERAL MANAGER:

Mr. Gallagher did not offer a report.

X. NEW BUSINESS:

A. Consideration of a resolution to incorporate FACT Act Identity Theft Prevention Policy into the Accounting Policies and Procedures Manual.

Mr. Gallagher offered the following resolution to the Board for consideration:

RESOLUTION
Incorporation of FACT Act Identity Theft Prevention Program
into the Accounting Policies and Procedures Manual

WHEREAS the Mount Werner Water and Sanitation District has developed a FACT Act Identity Theft Prevention Policy and Program in compliance with the Federal Fair and Accurate Credit Transaction (FACT) Act of 2007 and

WHEREAS the Board of Directors adopted this FACT Act Identity Theft Prevention Policy and Program by resolution on November 20, 2008.

Be it resolved that the FACT Act Identity Theft Prevention Policy and Program are hereby included in the District's Accounting Policies and Procedures Manual.

APPROVED AND ADOPTED this 18th day of December, 2008.

MOTION: To approve the resolution; APPROVED: Vote 5-0

B. 2009 board meeting schedule:

The Board agreed to hold its next meeting on January 22nd, 2009. The Board agreed that, after the January meeting, the schedule for regular meetings will be the third Thursday of every other month: March 19th, May 21st, July 16th, September 17th, and November 19th.

XI. ADJOURN:

There being no further business, the meeting was adjourned at 9:28 AM.

Respectfully submitted,

James R.L. Gallagher, Secretary/General Manager