

# RECORD OF PROCEEDINGS

## KREMMLING SANITATION DISTRICT

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REGULAR BOARD MEETING  
OCTOBER 8, 2018

The Board of Directors for the Kremmling Sanitation District met in the boardroom located at 200 Eagle Avenue. The meeting was called to order by President Jason Bock at 6:03 p.m. Directors present: Jason Bock, Dwayne Urich, Dave Sammons, Ken Bentler, and Eric Bradley. Director(s) absent: None. Staff present: Superintendent Jeremy Bock and District Manager Rich Rosene. Audience present: Paul and Sontona Stevenson.

**APPROVAL OF MINUTES:** UHRICH MOVED TO APPROVE THE REGULAR MEETING MINUTES OF SEPTEMBER 10, 2018 AS PRESENTED. SAMMONS SECONDED. MOTION CARRIED.

**APPROVAL OF EXPENDITURES:** SAMMONS MOVED TO APPROVE THE EXPENDITURES PRESENTED FOR THE PERIOD OF SEPTEMBER 11, 2018 THROUGH OCTOBER 8, 2018 IN THE AMOUNT OF \$26,897.99. UHRICH SECONDED. MOTION CARRIED.

**PUBLIC COMMENT:** Paul Stevenson came before the board with a concern about his sewer service line that backed up due to freezing in the Eagle's Nest Mobile Home Park. Mark Smith is the owner and operator of the park and is currently incarcerated. Stevenson said that Mr. Smith has not fixed a sewer line problem that occurred last winter or spring. Mr. Smith put in an above ground pipe with a wye that tied into the neighboring trailer space as a temporary fix. Stevenson said that Smith has had all summer to get it fixed correctly, but has not done anything. Stevenson thinks the service line should have thawed by now and is concerned that with fall and winter weather coming, the line would freeze and he would not have sewer service again. He would like the district to send a letter to Mr. Smith to have him fix the problem.

Rosene said that since the line is within the trailer park, it is a private system and is the responsibility of Mr. Smith. The district has no jurisdiction over a private system. The Grand County health department is probably the entity to talk to about this as it is a health hazard. Sammons asked Rosene to call the county and see what they can do about the problem. It was also suggested that Stevenson call them as well to get a case going.

**ENGINEER'S REPORT:** Superintendent Bock reported that the reclassification of Muddy Creek will go before an issues formulation hearing on November 13 in Frisco. This will be followed by a rule making hearing next June.

**OPERATOR'S REPORT:** Superintendent Bock reported that he is still having issues with the soda ash machine. He has a conference call tomorrow with the engineers at Prominence and the sales representative to discuss the problems.

The Auger Monster also has some problems. He needs Browns Hill to come up and look it over.

The reuse lines have been blown out and are ready for winter. He is going to fix the leaks at the plant by replacing the 4" pipe in the loop with 6" pipe. The pipe he ordered is on tonight's expenses. The pressure increase to get adequate pressure at the cemetery caused the problems. The system should have been able to handle the higher pressure. The flow meter needs more straight pipe near it to accurately measure the flows. Sammons asked if the entire reuse system needs to be charged to water the cemetery and how the system is blown out. Bock said there is a pressure regulator in the system that activates the pump and it charges the entire system with the designated pressure. The entire system is blown out by hooking a large compressor to the lines starting at the cemetery working back to the plant. He said that the pipe is in good shape with minimal water loss.

**2019 BUDGET PROPOSAL:** Rosene presented the proposed 2019 budget to the board. There were some small changes from the 2018 budget. On the revenue side, there will be no significant changes except in grant income as we are not expected to get any grants in 2019. The budget does include a rate increase of \$1 per month for all users and \$0.50 per thousand for the commercial overage. We are getting close to meeting the actual cost of about \$8.50 per thousand on the commercial overage charge. The increases are about 7% for the commercial overage and about 2.4% for the monthly charge. We will use our current reserves to do the two small projects planned in the next couple of years including Kremmling Country and near Bo Jump's residence.

We have talked about expanding the reuse system out to Ceriani Park and the Red Mountain ballfields. This would require some grants to complete the projects. The DOLA grants require a match, so we need to keep working on getting our reserves built back up so we can compete for grants in a few years.

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On the expense side, the Supplies and Expenses includes costs for a change to the accounting software that the town uses. We will share the cost with the town of the software with an upfront cost to acquire the software of \$5,000 and an annual maintenance cost of \$900. Most of the other administration costs will remain the same. The utility costs are based on a rolling 12 month actual cost from the previous year and a small inflation factor for any rate increases from the utilities. The insurance costs will be based on the actual cost that we will receive from the insurers before we finalize the budget in December. We have one loan with CWRPDA and we will be done with it in 2025.

The Collections and Treatment expenses are on a base amount level or a calculated level. Most of the maintenance and repairs are on a base amount and this allows Superintendent Bock to do the routine things needed. If something breaks down, then we will deal with it at that time, similar to what we had to do about the Prowler. The reuse costs are calculated mainly on the cost of the chlorine and minor repairs. The salaries are based on a 3% cost of living adjustment (COLA). The range of the COLAs is from about 2.8% to 3.2% depending on who does the study. The Capital Outlay line includes \$5,000 for capital engineering, \$60,000 for current year projects including the project by Bo Jump's and a new truck for Bock, and \$25,000 to rebuild our reserves. The new pickup will be used by Bock and his current truck will go to Etlar. The old green truck will go away. The Damage Claims line was reduce a few years ago due to our annual jetting of the lines. Bock said he has about 15 homes that he notifies in advance of the jetting as they have inadequate venting or no venting at all. The responsibility for any damage due to jetting is the homeowners. The training line is for costs for Bock and Etlar to keep their licenses current and for Bock to get his B license.

BENTLER MOVED TO SET THE PUBLIC HEARING FOR THE 2019 BUDGET FOR NOVEMBER 12, 2018. UHRICH SECONDED. MOTION CARRIED.

**OLD BUSINESS:** None.

**NEW BUSINESS:** The CEPT renewal rates for health insurance are in and have minimal rate increases of about 3.5% and the dental has a small increase. The dental provider is changing but that should have no significant impact. CEPT is an insurance pool through the Special District Association for any member districts.

UHRICH MOVED TO APPROVE THE RENEWAL OF THE CEPT HEALTH INSURANCE. SAMMONS SECONDED. MOTION CARRIED.

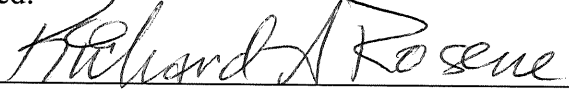
Bock asked about some old business concerning the change of banks to Grand Mountain Bank. Rosene said he had asked the bank to get the paperwork ready during last week when he was out of town and that he would pick it up the following Monday (today) as we had a board meeting that night. He forgot that today is a legal holiday, so the bank was not open. He will get the forms tomorrow and let the board members know so they can come in and sign. New signature cards for the money market account are also needed. All of the current members will need to sign.

Bock also said his current credit card is with Bank of the West and that we should get a new card.

BRADLEY MOVED TO OPEN A NEW CREDIT CARD ACCOUNT AT GRAND MOUNTAIN BANK. UHRICH SECONDED. MOTION CARRIED.

**ADJOURNMENT:** SAMMONS MOVED TO ADJOURN AT 6:33 PM. UHRICH SECONDED. MEETING ADJOURNED.

Signed:

  
Secretary