

RECORD OF PROCEEDINGS

KREMMLING SANITATION DISTRICT

REGULAR BOARD MEETING
NOVEMBER 13, 2017

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 6:00 p.m. Directors present: Jason Bock, Dwayne Uhrich and Ken Bentler. Director(s) absent: Dave Sammons and Jim Ward. Staff present: Superintendent Jeremy Bock and District Manager Rich Rosene. Audience present: Kim Cameron of the Grand Gazette.

APPROVAL OF MINUTES: UHRICH MOVED TO APPROVE THE REGULAR MEETING MINUTES OF OCTOBER 9, 2017 AS PRESENTED. BENTLER SECONDED. ALL "AYE" VOTES.

APPROVAL OF EXPENDITURES: UHRICH MOVED TO APPROVE THE EXPENDITURES PRESENTED FOR THE PERIOD OF OCTOBER 10, 2017 THROUGH NOVEMBER 13, 2017 IN THE AMOUNT OF \$58,142.06. BENTLER SECONDED. ALL "AYE" VOTES.

PUBLIC COMMENT: None.

ENGINEER'S REPORT: No report.

OPERATOR'S REPORT: Superintendent Bock reported that Water Technology Group is having some issues with the sensors they installed. The sensors were installed on heavy duty PVC pipe and they are not rigid enough. He will have the installers come back to do a better job. There is currently no ammonia in the discharge and the water temperature is 6.1 degrees C.

OLD BUSINESS: None.

NEW BUSINESS: The signature cards at Grand Mountain Bank and Bank of the West need to be updated for the new board member and to remove Dave Jones. Each board member needs to go to the two banks to update their information and sign the cards.

UHRICH MOVED TO UPDATE THE SIGNATURE CARDS TO REMOVE DAVE JONES AND TO ADD KEN BENTLER TO THE CHECKING ACCOUNT (#3351) AT BANK OF THE WEST AND THE MONEY MARKET ACCOUNT (#9805) AT GRAND MOUNTAIN BANK. BENTLER SECONDED. ALL "AYE" VOTES.

PUBLIC HEARING FOR PROPOSED RATE INCREASES: President Bock opened the public hearing for the proposed rate increases at 6:10 pm. Rosene explained the need for the proposed rate increases for 2018. He recommends that the monthly use rate be increased by \$1 per month to \$42 per month (a 2.5% increase) and the commercial overage charge be increased by \$.50 per thousand gallons to \$7.00 per thousand gallons (a 7.7% increase). Our current cost per thousand gallons is about \$8.50 to treat our effluent. We have sold two taps this year in the Grand West subdivision.

Bock closed the hearing at 6:14 pm.

BENTLER MOVED TO APPROVE RESOLUTION 2017-11-1, A RESOLUTION TO AMEND APPENDIX "A" SCHEDULE OF FEES AND CHARGES OF THE KREMMLING SANITATION DISTRICT RULES, REGULATIONS AND BYLAWS. UHRICH SECONDED. ALL "AYE" VOTES.

PUBLIC HEARING FOR THE 2018 BUDGET: President Bock opened the public hearing for the 2018 budget at 6:15 pm. Rosene went over the proposed budget and explained the revenues and expenditures. The revenues come from service fees, shared employee work done for the town, miscellaneous income, property taxes, specific ownership taxes, interest, and the balances on our two grants. The expenditures are based on current year expenses with about a 3% inflation factor for next year. The administration costs include such items as shared employees from the town, district manager salary, town hall utilities, casualty and workers' compensation insurance, attorney, auditor, training for the administrative staff, memberships, and treasurer's fees. We have not received the final statement from the auditor yet and it will include the cost of the single audit needed in 2016 for the grant expenditures. Our one outstanding loan to Water Power Resources is included. It is a 20 year loan and will go until 2025.

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Expenses under collections and treatment includes the operation of the treatment plant, salaries and benefits, engineering, vehicles, training for collections staff, utilities for the plant, treatment chemicals, permits, and testing supplies. The capital outlay is based on the work for the plant through the remaining grants and some engineering for future projects. The health insurance costs are set for 2018 as we have received the new rates already. The electric rates will not increase next year, so the 2017 actual costs were used for 2018.

Uhrich asked when the reuse system is planned to be operational. Bock said he plans to have it in operation in 2018 and the expenses there include the chlorine and supplies needed to get it into operation. The high school football field and practice fields are being looked at but we will need to have discussions with the town board about how we charge for the reuse water and how we will share those revenues so that it doesn't impact the town water revenue. If the fields need to be changed back to town water, it is a pretty easy process to reconnect.

Rosene said that the final adoption of the budget will be at the December board meeting. We are still waiting for the final assessed valuation from the assessor's office and the final invoice from the auditor. There will be some minor changes from tonight's version to account for the new assessed valuation and updates on anticipated expenditures.

President Bock closed the public hearing at 6:37 pm.

ADJOURNMENT: BENTLER MOVED TO ADJOURN AT 6:38 PM. UHRICH SECONDED.

Signed:



Secretary