

RECORD OF PROCEEDINGS

KREMMLING SANITATION DISTRICT

REGULAR BOARD MEETING
NOVEMBER 11, 2019

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 6:02 p.m. Directors present: Jason Bock, Dave Sammons, Dwayne Uhrich, Eric Bradley and Ken Bentler. Director(s) absent: None. Staff present: District Manager Rich Rosene. Audience present: None.

APPROVAL OF MINUTES: SAMMONS MOVED TO APPROVE THE REGULAR MEETING MINUTES OF OCTOBER 14, 2019 AS PRESENTED. UHRICH SECONDED. MOTION CARRIED.

APPROVAL OF EXPENDITURES: SAMMONS MOVED TO APPROVE THE EXPENDITURES PRESENTED FOR THE PERIOD OF OCTOBER 15, 2019 THROUGH NOVEMBER 11, 2019 IN THE AMOUNT OF \$37,617.65. BENTLER SECONDED. MOTION CARRIED.

PUBLIC COMMENT: None.

ENGINEER'S REPORT: None.

OPERATOR'S REPORT: Superintendent Bock provided a written Operator's Report as he is out of town. A copy was provided to each board member. The items on his board update are:

1. CDPHE is looking at rerating our current collections number from a class 1 to a class 2. I think at this current time I have them convinced to keep us a class 1.
2. I have been working on the policies and procedures for the districts Septage station; I will work on drafting up a contract for the haulers this month.
3. WTG was on site to measure out the dig area for the concrete pad. They hope to dig in the next week and get concrete poured. Looks like it should be delivered in late January.
4. I hope to have parts in the next week for our soda ash machine, as it has been broken, but I have been limping it by.
5. I rented an air compressor from Indian peaks to try and blow the lines that feed the bio-domes out. Have been having some issues with fouling. Even with that our current ammonia is a 0.022 Next month is a biggie as we need to be well below a five for our 2 yr. rolling average, especially being we were over a 6 last year.
6. I would like the Board to consider a raise for myself. The last raise I have gotten was when I got my C wastewater license. I know the board has given cost of living increases but that is not keeping up with the current prices I have to pay. With the State and their current changes I have spent a lot of time adjusting and reporting. The reuse is also a bit more work as well, with the weekly testing. There was a talk about a bonus for the end of the year and I did receive one the year prior that I went into the hospital. So I believe the last one was 2015 for \$200.

Rosene provided some additional info on the items. Item #1: CDPHE wants to increase our collections class from Class 1 to Class 2 due to our two lift stations. Jeremy has talked to them and he thinks that they may leave us as a Class 1 since the two lift stations combined only serve about 15 customers.

Item #2: The septage policies and procedures that we will discuss later in the meeting.

Item #3: This is for the concrete base unit for the septage station. Water Technology Group hopes to be out to excavate and prepare for the concrete pour.

Item #4: The soda ash machine has had lots of problems since it was installed. The current issue is the metering wheel that is made of plastic and has broken. He is having a metal one made by the machine shop. Bock has modified the machine a number of times to get it to work properly. There are numerous issues with sensors.

Item #5: There have been some issues with the air supply to some of the BioDomes. Some domes are not getting enough air and are not performing well. The domes do a good job on getting rid of BOD, but are not doing as well on ammonia. He had a compressor rented to help blow out the supply tubing, but it didn't have enough volume to really do a good job. The ammonia limits for December and January are our lowest and we need to get the ammonia down below 5 mg/L so that our two year average is below our permit limit. The blowers have been set higher to improve the air volume through the winter.

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Bradley asked if there are any other systems like ours that could be contacted. At this point in time we are the only BioDome system in Colorado. Wastewater Compliance Systems has been good about talking over problems or coming to Kremmling to work on the system. They may have to out in the boat next summer to blow out individual supply lines to clear them.

Sammons asked where Bock was on getting his B license. He took the test last summer or so, but didn't pass. President Bock said that you now go to Denver at any time to take the test on a computer at ABC Testing. They got rid of OCPO as the testing company. Various schools and trainings are available for certification training.

Item #6: Bentler asked if we have a step system for pay or a pay plan for certification. Rosene said that in the past we have increased salary when a new license was acquired. Bock got his C license several years ago and that was the last time he got anything beside a COLA. The new Regulation 100 is for operator certification and plant certification. Our plant is now a B plant based on the new regulations, so he will need to get that B license. The town's water plant is being reclassified as an A plant due to the new regulations and their engineer tried to talk to CDPHE, but they wouldn't consider keeping it as a B plant. Rosene said that Bock has not had a raise in several years and his workload has increased with the BioDomes, the soda ash machine, the reuse water system and other items.

There were several questions concerning the current wages, COLAs and license issues. Rosene and President Bock expressed frustration at the inflexibility of CDPHE and their unwillingness to look at a plant individually and determine its appropriate license level. Superintendent Bock has done a good job of working with vendors to get the best prices and has worked with CDPHE on the septage station to be sure it wouldn't affect our classification. Any pay changes will be discussed at the December meeting as part of the budget discussion. Rosene will get information on wages at some of the neighboring districts to see where we stand. Hot Sulphur Springs and we are the only lagoon systems in the county, so it is difficult to compare salaries.

PUBLIC HEARING FOR PROPOSED RATE INCREASES: President Bock opened the hearing at 6:32 pm. As there was no public comment on the rate increase proposal, the public hearing was closed at 6:33 pm.

Rosene explained the proposed rate increases for the monthly service charge and for the commercial overage charge. He recommended that the monthly use rate be increased by \$1 per month to \$44 per month (a 2.3% increase) and the commercial overage charge be increased by \$0.50 per thousand gallons to \$8.00 per thousand gallons (a 6.7% increase). Rosene said that this increase in commercial overage charge gets us pretty close to the actual cost of treatment at our current inflows.

The septage receiving station lease-purchase is a capital outlay project and should be a net income producer after the station is paid for in two years. The other 2020 capital project is the extension of the reuse line to Ceriani Park. Future capital projects include installing a manhole on Depot Street between 3rd and 4th, a reroute of the piping at the old Kremmling Country lift station, some CIPP (cured-in-place pipe) lining of manholes and mains, and extending the reuse system to the Red Mountain sports complex. We need to increase our reserves to be able to match any grants we receive and to pay our portion of the projects.

SAMMONS MOVED TO APPROVE RESOLUTION 2019-11-1, A RESOLUTION TO AMEND APPENDIX "A" SCHEDULE OF FEES AND CHARGES OF THE KREMMLING SANITATION DISTRICT RULES, REGULATIONS AND BYLAWS. BRADLEY SECONDED. MOTION CARRIED.

PUBLIC HEARING FOR THE 2020 BUDGET: President Bock opened the public hearing for the 2020 budget at 6:40 pm. As there was no public comment on the budget, he closed the public hearing at 6:41 pm.

Rosene went over the proposed budget and explained the minor changes from last month to revenues and expenditures. Rosene budgeted income from two tap fees but is hopeful for more. Other revenue includes the septage station, interest earned on our cash accounts, grant income for the Ceriani Park reuse line extension, property and specific ownership taxes, shared employees, and miscellaneous income.

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The two capital outlay projects for 2019 are the septage receiving station and the extension of the reuse system to Ceriani Park. The other items in the budget remained the same as we discussed at the October meeting.

OLD BUSINESS: None.

NEW BUSINESS: There is a proposed dollar store to be constructed on the lot north of the county EMS building. Rosene said based on the square footage of the proposed store and our current SFE calculations; there would be a tap fee of 4 to 5 SFE which seems very high for the impact to our system. We charged the Family Dollar store one SFE for a similar sized store. He is going to look at changing our SFE rating for retail from 0.5 SFE/1000 square feet to .25 SFE. Even at this rate, the proposed store would be about 2 SFE, which still seems high for their impact. He will prepare a proposal at the December or January meeting.

There was some concern about a second dollar store just splitting the dollar store sales pie and the possible impact to the Kremmling Mercantile. There won't be any additional people drawn into town to support an additional store. There is potential for one of the stores to go out of business in the future.

Rosene said that Superintendent Bock had received a copy of the rules and procedures that West Montrose uses and he modified the document to meet our needs. We will need to look it over to see if any changes are needed. There was a question on the hours of operation and they need to be reviewed. The whole idea is to have the station basically a self-serve operation. The haulers would have an access card so each load would be accounted for. The load ticket system would be helpful so that if a load caused a problem in our plant, it could be identified. The board was asked to look over the rules and procedures so we can discuss it further at the December meeting. Bock is looking at how to be able to change over from reuse water to town water for the wash station.

ADJOURNMENT: BENTLER MOVED TO ADJOURN AT 7:00 PM. BRADLEY SECONDED. MEETING ADJOURNED.

Signed:

/s/ Richard A. Rosene
Secretary