

RECORD OF PROCEEDINGS

KREMMLING SANITATION DISTRICT

REGULAR BOARD MEETING
OCTOBER 10, 2022

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 Noble Underbrink at 6:00 p.m. Directors present: Noble Underbrink, Dave Sammons, Eric Bradley, Stuart Heller and Alan Hassler. Director absent: None. Staff present: District Manager Rich Rosene and Superintendent Scott Weber. Audience present: West Grand School District superintendent Liz Bauer and Kremmling town manager Ashley Macdonald...

APPROVAL OF MINUTES: SAMMONS MOVED TO APPROVE THE REGULAR MEETING MINUTES OF SEPTEMBER 12, 2022 AS PRESENTED. BRADLEY SECONDED. MOTION CARRIED.

APPROVAL OF EXPENDITURES: BRADLEY MOVED TO APPROVE THE EXPENDITURES PRESENTED FOR THE PERIOD OF SEPTEMBER 13, 2022 THROUGH OCTOBER 10, 2022 IN THE AMOUNT OF \$59,003.81. SAMMONS SECONDED. MOTION CARRIED.

BRADLEY MOVED TO APPROVE PAYMENT TO WASTE MANAGEMENT FOR THE INVOICE DATED JULY 1, 2022 IN THE AMOUNT OF \$237.95. SAMMONS SECONDED. MOTION CARRIED.

PUBLIC COMMENT: None.

ENGINEER'S REPORT: Weber said he has received the electrical design for the potential new generator. He also said that he spoke to our engineer, Nick Marcotte, about the plans for the proposed Grand Cliffs subdivision. Rosene said he has talked to Marcotte also about the subdivision and our capacity for additional taps. The latest lab results were sent to Marcotte.

OPERATOR'S REPORT: Weber said that the septage received in September was 106,458 gallons, about 20,000 gallons less than September of last year. He has been busy with sewer service and main locates and that the fiber optic project by Comcast is done. The jetting of our system has been completed by Oros and Zamora. The sprinklers at the town properties have been blown out and are ready for winter. They worked with Bill Jones of the town to get familiar with the sprinkler systems and are developing an SOP for the process. The reuse main has been drained and blown out from the Kremmling Merc to Ceriani Park. He said that the DO and pH probes in ponds A, B and C have been repaired and calibrated. The diffusers in pond B have been cleaned and repaired and that should help with aeration. The blowers have received routine maintenance with the oil being changed and filters replaced and they cleaned up the building. Underbrink recommended that the old oil be sent out once a year to be checked for metals.

Weber said he has talked to 5 of our customers about roots by their taps and gave them root killer to help clean them up before any problems. He said they were very appreciative of the help. He said that he set up an operator ID for our operator trainee, Zamora, and that he is going to a wastewater class in Fraser in early November. He has been fine tuning the plant operations spreadsheets. The lab results are still looking pretty good and the influent temperature is down to 10.8 degrees C. He plans to blow out the domes in pond C tomorrow to see if that helps with aeration. He has been reviewing the SOPs and the delegation of duties for the district. They are doing the process control labs weekly.

MANAGER'S REPORT: HASSLER MOVED TO MOVE THE WGSD REUSE WATER DISCUSSION UP ONE POSITION IN THE MANAGER'S REPORT. SAMMONS SECONDED. MOTION CARRIED.

Discussion on reuse water for West Grand School District ballfields: School district superintendent Liz Bauer was present to find out the current status of the district's ability to provide reuse water to the schools. She would like to have reuse water available at the high school and middle school ballfields next summer for irrigation. Sammons asked if we have the usage info for the school properties and Rosene said he has talked to the town treasurer about the usage. He was able to get figures for the elementary/middle school ball fields, but numbers for the high school weren't available. Bradley asked if our pump has the capacity to handle the additional use. Rosene said that the pump was designed to handle all of the town and school properties. Bradley asked that we get the usage for Ceriani Park to see how much that increased our usage. Rosene said that we are still waiting for the town attorney's review of the franchise agreement between the town and the district. Town manager Macdonald said that she has the comments back and will get with Rosene to discuss any issues.

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2021 Audit Update: Rosene said that the 2021 audit has been completed and filed with the state auditor's office. There were some minor changes made to the draft version and the final was filed prior to the September 30 deadline.

Discussion on District Manager duties and job description: Rosene said that the job description provided to the board is from 2009 when he was hired as the manager. The description is for the board's review for further discussion at the December meeting. Underbrink said he would like to set up a meeting with Rosene to talk over the description and ideas on how to transition. Weber said he has talked to our engineer about the upcoming change and that Marcotte has some companies that can provide management services.

Discussion on retention bonus proposal: Rosene told the board that the town has implemented a retention bonus for its employees. He asked town manager Macdonald to explain how their program works. Macdonald said the town board implemented a retention and hiring bonus program at their last meeting. It is a one-time \$5,000 payment to each current employee with an agreement that the employee stay with the town for 6 months. If the employee resigns within that period, the money must be paid back. If the town terminates the employee, the money stays with the employee. The program is being budgeted for 2022 and 2023, but they are not sure if it will be extended past 2023. Rosene said he would like the board to consider a retention bonus for our two permanent employees. We have a very dedicated employee as our superintendent and a new employee that seems to be coming along well. Rosene will have a proposal for the board to consider at the December meeting. Sammons asked when our seasonal employee will be done and Weber said it would be in November. If our current seasonal comes back next year, we may want to consider an increase in the hourly rate since he would have the training and experience already.

BUSINESS ITEMS: Discussion and Action on Town of Kremmling use of the District's Kremmling Mercantile easement for a pathway: Rosene said that Weber had given the board a map of the proposed pathway at the last meeting. There was some concern about what would happen if we needed to dig up our main and who would be responsible for repairs to the pathway. Macdonald said that she wanted to talk to the district about any concerns with our sewer main before she went to the private property owner to discuss the pathway. Hassler asked if we had a dedication or an easement. Rosene said it was an easement. Hassler said we need to look over the easement document and see if we have the authority to allow other users. If we have the authority to allow the town to use the easement, Hassler recommended that we do it with a license agreement. Weber asked if the pathway would be concrete or asphalt and Macdonald said it is currently planned to be concrete. Rosene will review the easement document and we will have this discussion on next month's agenda.

Presentation of 2023 budget proposal: Rosene presented the draft budget for 2023 and discussed the various income and expenditure items. He budgeted an increase in the monthly sewer charge and the overage charge due to increases in our costs due to inflation. He also has no income budgeted for the septage receiving station due to the uncertainty of the station. Interest income on our fund balances will be higher due to increasing interest rates. Other routine revenue items aren't expected to change. Grant income includes two grants; one from DOLA and one from USDA. The DOLA grant would be for sewer main repairs or replacement and the USDA grant is for the generator.

Expenditures in administration are expected to remain about the same as previous years. The supplies and expenses item was reduced to \$2,500 as that seems to be more in line with previous years. In the operations area, the three maintenance and repairs line items were increased to better reflect normal expenses. We experienced higher than normal expenditures in these items this year due to pump and air piping issues that are hopefully resolved. The capital outlay is a large number as he put in most of our sewer main replacements or rehabilitation and the generator. The damage claim item was reduced as we have been doing a good job of jetting and maintaining the mains, but he kept \$500 there just in case. The lab tests and supplies line item has been increased due to the monthly labs going to ACZ in Steamboat and the process control labs being done weekly in-house.

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Hassler asked if we had the updated health insurance costs for the benefits package and Rosene said he had the new rates in the budget and thought they went up about 5-7%. Hassler asked about the capital outlay and if we had sufficient funds in addition to the grant income to complete the projects. Rosene said we do have the funds in reserve, but it would cut our fund balance about in half. Hassler asked if we had insurance coverage for damage claims and Rosene said it would be covered under our liability policy, but subject to the deductible. Rosene said the last time we had a damage claim was several years ago in Smokey's Estates. That claim was the result of damage to our sewer main when water line work was done after the main was installed and it took several years before the service line backed up into a basement. Rosene said he and Weber have discussed this and we will require camera work before any new mains will be accepted to be sure nothing was damaged during or after the installation.

Set Public Hearing for the 2023 proposed budget for November 14, 2022:

HASSLER MOVED TO SET A PUBLIC HEARING FOR THE PROPOSED 2023 BUDGET FOR THE NOVEMBER 14TH BOARD MEETING AT 6:15 PM. SAMMONS SECONDED. MOTION CARRIED.

Discussion and Action on participation in FAMILI program: Rosene said he isn't asking for any action tonight as he is still researching the program. He is looking at how existing sick leave works in conjunction with FAMILI. He will have a proposal for the board at the December meeting. There are some pros and cons of the program that need to be researched more. There has been a determination that board members are not considered employees, so the district would not be forced into the program. Macdonald was asked if she knew why so many municipalities have opted out and she said it was mainly due to the uncertainties of the implementation of the program. If a district opts out now, they can opt in at any point in time; but if they opt in now, they have to remain in for at least three years.

ADJOURNMENT: SAMMONS MOVED TO ADJOURN AT 7:26 PM. BRADLEY SECONDED. MEETING ADJOURNED.

Signed:

 /s/ Richard A. Rosene
Secretary