

**MINUTES OF ACTION OF
BOARD OF DIRECTORS
GRANBY SANITATION DISTRICT
Acting by and through its Wastewater Activity Enterprise
April 13, 2016**

The regular meeting of the Board of Directors of the Granby Sanitation District was duly called to order at the Granby Sanitation District Treatment Plant on Wednesday, April 13, 2016, at 7:00 p.m. by Chairman, Wayne Kerber. Present were Board members Wayne Kerber, Debra Brynoff, Kelly Griesch, Casey Farrell and Nancy Stuart. Also in attendance were District Administrator, Tammy Granger; Operations Superintendent, Thom Yoder; the District's attorney, Rod McGowan, Wally Baird and Paul Chavoustie from the Town of Granby and Doug Foster from Val Moritz Village.

The first item on the agenda was consideration of a request from the Town of Granby to transfer two unused single-family equivalent (SFE) from 348 E. Agate Avenue (Account 35990.3, parking lot) to Kaibab Park to be used for an RV dump station and the future model train museum. Also discussed was the need to bring the Town of Granby's Kaibab property into a Granby Sanitation District service area either through inclusion to the District or an addendum to the 2006 Agreement for Treatment of Sewage Between Granby Sanitation District and the Town of Granby for Lands which are within the Boundaries of the Town but which are not Encompassed by the 2004 Town of Granby Service Agreement (Expansion Agreement). The inclusion and addendum processes were discussed and it was agreed that an addendum to the 2006 Expansion Agreement was the appropriate method of bringing Kaibab properties into the District's service area since sewer connections would be made to the Kaibab main which is owned by the Town of Granby. The Town agreed to provide legal descriptions of all the Kaibab property to the District's attorney for the preparation of said Addendum.

Discussion was also held regarding the transfer of the Town's two unused SFE and facility fees. The Board approved transferring the unused SFE and waiving facility fees associated with the Addendum. The District's attorney, Rod McGowan, was authorized to prepare the appropriate Addendum to the 2006 Expansion Agreement for all of the Town of Granby Kaibab properties. The Addendum will be considered at the May 11, 2016 meeting. The District Board advised Wally and Mayor Chavoustie that they should proceed with the bidding process for the RV dump station as these issues could be resolved concurrently with the construction project.

Next, discussion was held regarding a request from the Town of Granby's engineer for the South Service Area Water Treatment Plant, Warren Swanson, to reconsider the single-family equivalent (SFE) assessment by removing 9,729 square-feet of water treatment plant area that is proposed to be used for vehicle/supply storage, chemical storage, water production and other process-related functions that were originally assessed 1.46 SFE and .33 SFE neutralized membrane filter cleaning solutions that may be discharged to on-site ponds rather than discharged to the public sewer. Mr. Swanson's proposal would reduce the SFE assessment originally discussed by the parties from 3.56 SFE to 1.77 SFE.

April 13, 2016

It was noted that the District's Rules and Regulations specify that "In computing area, the total usable area shall be used." Staff followed the District's Rules and Regulations when determining the SFE assessment. The District believes there is potential for discharge from the 1.46 SFE treatment plant area to be generated through vehicle and treatment plant wash down and general operation and maintenance duties.

Wally Baird voiced concern with the impact the service fees for the additional 1.79 SFE assessment will have on the cost of water fees charged to the South Service Area customers.

Kelly Griesch moved to permanently remove .33 SFE for the neutralized membrane filter cleaning solutions, providing they are discharged to storage ponds, and confirm SFE assessment of 3.23 SFE (.51 SFE for the office (684 sq. ft.), 1.46 SFE for the treatment plant area (9,729 sq. ft.) and 1.26 SFE for process analyzer waste). The motion was seconded by Nancy Stuart and unanimously approved.

Discussion then turned to the issue of providing of sewer service to Val Moritz Village, Filing 1. The Granby Sanitation District Board advised that they are not against treating wastewater from Val Moritz Village, Filing 1 but the provision of service needs to come by way of some sort of agreement. Because connection would be made to Town of Granby wastewater collection infrastructure the Board feels it makes the most sense to address this property through an addendum to the 2006 Expansion Agreement. One major concern of the District is ownership and operation and maintenance of the Val Moritz collection system.

Mr. Baird stated that pursuant to discussions of the Town of Granby Board of Trustees, the Town will not annex the property or take ownership or responsibility for operation and maintenance of Val Moritz Village collection system infrastructure. The Town will bill only their charges and will not bill Granby Sanitation District sewer service fees. Essentially, the Town only wants to allow sewage to flow through their mains.

Rod McGowan asked why annexation into the Town is not an option. Wally replied that Val Moritz Village prefers HOA rather than Town governance. Rod responded that Granby Sanitation District is not in a position to include the property into the District's boundaries as the property is not served by District-owned collection infrastructure.

The Agreement to Extend Central Sewer to Val Moritz Village presented to the Town of Granby by the Val Moritz Village homeowners was discussed. The Board voiced concern that it does not address sewer main ownership and operation and maintenance. There is no guarantee of connections and low flow created by minimal connections would mandate regular maintenance. Rod suggested that the HOA could be the responsible party for operation and maintenance and collection and payment of fees. It is estimated that four new houses would connect and that out of the existing 20 homes about 50% of them would connect in the near future. Out of 147 total lots Doug expects only about 105 of them would be built upon and about 100 of those could be served by gravity flow. Around 3,500 feet of sewer main

April 13, 2016

would need to be constructed.

Doug Foster indicated that discussions had been conducted with the USDA regarding financing; however, they need an agreement for treatment of sewage before Val Moritz Village would be eligible for funding. The question of who pays legal fees for the Town, Val Moritz Village and Granby Sanitation District arose. The Board stated that if Val Moritz commits to paying the District's attorney fees they would authorize Rod McGowan to try to negotiate an agreement between the three parties. Wally Baird, Paul Chavoustie and Doug Foster left the meeting at this time.

Next, bids for the Jasper Ct. Sanitary Sewer Replacement project were reviewed and discussed. The low bidder was ATH Specialties and Sales, Inc. with a bid in the amount of \$54,500.00. Thom Yoder expressed his satisfaction with the bid being awarded to ATH Specialties and Sales, Inc. Kelly Griesch moved to award the Jasper Ct. Sanitary Sewer Replacement project to ATH Specialties and Sales, Inc. with a bid of \$54,500.00. Authorization was given for the appropriate officer and/or staff member to execute future bid documents related to this project. The motion was seconded by Casey Farrell and unanimously approved.

Thom Yoder presented the compaction testing quotes from Ground Engineering in the amount of \$1,580.00 and Kumar & Associates, Inc. for \$2,175.00. Nancy Stuart moved to award the work to Ground Engineering in the amount of \$1,580.00. Casey Farrell seconded and the motion was unanimously approved.

The minutes from the regular meeting held on March 9, 2016 were considered. Casey Farrell moved to approve the minutes as presented. The motion was seconded by Nancy Stuart and unanimously approved.

Next, the bills listing and financial reports were reviewed and discussed. Nancy Stuart moved to pay the bills and approve the financial reports. Kelly Griesch seconded and the motion was unanimously approved.

The delinquency list was reviewed. No action was necessary this month. Disconnect hearings will be held at the May 11, 2016 board meeting.

Thom Yoder reviewed the Operations Report and discussed the following matters:

- Staff is working on spring projects and getting ready for the Jasper Ct. project and summer collection system cleaning and inspection.
- Dan Reynolds did not pass his Wastewater B certification exam and will be taking his Collection 3 certification exam later this year.
- The third influent pump has been rebuilt. The work was performed by the OEM dealer who prepares a very thorough report. Additional repairs were needed and the cost is within budget.

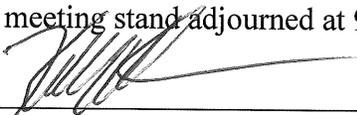
Tammy Granger gave the Administrative report as written.

April 13, 2016

In the Attorney's report, Rod McGowan followed up on election matters:

-Oaths of Office must be administered within 30 days after the May 3, 2016 election date and will, therefore, be administered at the May 11, 2016 Board meeting. Should anyone be unable to make that meeting they are asked to contact Rod or Tammy to make alternate arrangements to be sworn in. Board officers will be elected at the May 11, 2016 meeting after Oaths of Office are administered. The director's bond will be confirmed.

There being no further business to come before the Board it was duly moved by Casey Farrell, seconded by Kelly Griesch and unanimously adopted that the meeting stand adjourned at 9:10 p.m.



Casey Farrell, Secretary

Kelly Griesch AS ACTING SECRETARY