

**MINUTES OF ACTION OF
BOARD OF DIRECTORS
GRANBY SANITATION DISTRICT
Acting by and through its Wastewater Activity Enterprise
May 11, 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, May 11, 2016, at 7:00 p.m. by Vice-President, Debra Brynoff. Present were Board members Debra Brynoff, Kelly Griesch and Nancy Stuart. Also in attendance were District Administrator, Tammy Granger; Operations Superintendent, Thom Yoder; the District's attorney, Rod McGowan, Jeff Miller and Bernie Murphy representing Kremmling Memorial Hospital District (KMHD).

Jeff Miller and Bernie Murphy informed the Board that they were in attendance to try to resolve the past differences between the two Districts and to pursue a reduction in the single-family equivalent (SFE) assessment for the Middle Park Medical Center, indicating that they are seeking fairness rather than a special deal. They believe that the facility has been incorrectly classified as a medical clinic by the District; in their opinion it is hospital, not a clinic. Current usage is trending more towards in-patient care using hospital beds rather than clinic operations. Water usage tracking has been 1,200-1,700 gpd, which they believe results in far less than the current 36.22 SFE they are being charged. Jeff reported that at the time of the dissolution of the Granby/SilverCreek Water and Wastewater Authority, Kremmling Memorial Hospital District and the Town of Granby felt that 15 SFE was a reasonable assessment.

Kelly Griesch responded that the assessment was based upon Granby Sanitation District's Rules and Regulations and that it is a unique property to the District. There is not similar facility in the area to compare it to. Jeff Miller stated that he feels the assessment is unfair and that Granby Sanitation District's Rules and Regulations are wrong. KMHD feels that they were charged as a developer rather than a governmental agency. He stated that Frisco's hospital pays less and its facility is approximately four times larger.

Rod McGowan explained that in order to change the District's Rules and Regulations, rational for the change and a public hearing would be necessary. As a result of the ruling issued in the earlier lawsuit initiated by KMHD, there is no legal basis for further action.

Kelly Griesch asked for their rationale for reassessment. Jeff stated that KMHD disagrees with assessing the facility as a medical clinic; it is a hospital not a clinic. KMHD feels that the usage has changed and it is licensed as a hospital. Mr. Miller stated that as you enter the facility everything on the left-hand side was built to clinic standards and everything on the right was built to hospital standards. Future expansion to increase the number of hospital beds is anticipated and will occur to the southwest area, towards the drainage pond.

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Jeff stated that KMHD felt that they were held hostage and had to pay the plant investment fees established at the March 9, 2011 board meeting in order to proceed with construction. He was reminded that exterior walls had already been constructed, thereby, establishing the square footage prior to the District being contacted about SFE assessment and at that time KMHD used the terms medical clinic and hospital interchangeably making it difficult to understand the facility's classification. Kelly Griesch indicated that he felt the 2011 meeting ended on a congenial note. Jeff Miller stated that KMHD representatives were livid and were later advised by their attorneys to proceed with a lawsuit. They are hoping to open dialog and are trying to be fiscally responsible to their constituents. The Board asked Mr. Miller and Mr. Murphy to present specific data to justify a change in the SFE assessment of the Middle Park Medical Center as it relates to the District's Rules and Regulations should KMHD desire to further pursue the matter. Jeff and Bernie left the meeting at this time.

Debra Brynoff and Nancy Stuart were sworn into office by Rod McGowan. Mr. McGowan also presented the Oath of Office administered to Wayne Kerber at an earlier date.

Kelly Griesch moved to retain the current officers of the Board, Wayne Kerber, President; Debra Brynoff, Vice-President and Casey Farrell, Secretary/Treasurer. The motion was seconded by Nancy Stuart and unanimously approved. Rod McGowan acknowledged that the District purchases a \$10,000.00 Faithful Performance Blanket Position Bond in addition to \$1,000.00 bonds for the President, Vice-President, Secretary and two Directors and a \$5,000.00 bond for the Treasurer on an annual basis.

The minutes from the regular meeting held on April 13, 2016 were considered. Nancy Stuart moved to approve the minutes as presented. The motion was seconded by Kelly Griesch and unanimously approved.

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

The delinquent account list was reviewed and discussed. Delinquency hearings were held. There were no account holders in attendance. Kelly Griesch moved to authorize staff to proceed with collection and disconnection proceedings on the following accounts:

29550.2	Agate Street Investments LLC
30250.2	Metcalf
11200.3	Metcalf
31100.1	Palm
19900.2	Wilson

The motion was seconded by Nancy Stuart and unanimously approved.

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

-The plant is working well, hydraulic loading is 17% and organic loading is 13% of capacity.

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Staff is watching for sources of infiltration and inflow.

-The seasonal, part-time position has been filled.

-Grand County is in the process of installing the gate required by the animal shelter lease.

-Weather permitting, it is hoped that work will commence on the Jasper Ct. Sanitary Sewer Replacement project on Monday, May 16, 2016. Thom has been communicating with customers in the area.

-Thom presented Estimate # 717 from Acord Asphalt, Inc. in the amount of \$20,911.00 for asphalt repairs to Jasper Ct. and 4th Street/Topaz Avenue. Thom recommends acceptance of the estimate. Acord Asphalt works closely with the selected bidder, ATH Specialties & Sales, Inc., and they are a local vendor. Kelly Griesch moved to accept Acord Asphalt's Estimate # 717 in the amount of \$20,911. The motion was seconded by Nancy Stuart and unanimously approved.

-Thom then presented Change Order #1 to add authorization for ATH Specialties to obtain road cut permits and post the associated bond with the Town of Granby for an additional cost of \$500.00. Initially, it was anticipated that the District would handle this portion of the Jasper Ct. project, however, due to the bond requirements Thom explained that ATH would be the party accountable for meeting the Town's road rehabilitation standards since they are performing the work. Kelly Griesch moved to approve Change Order #1 modifying the Jasper Ct. Sanitary Sewer Replacement contract documents to provide for ATH Specialties obtaining Town of Granby road cut permit/bonding for a cost of \$500.00. The motion was seconded by Nancy Stuart and unanimously approved.

-Thom informed the Board that biosolids processing is approximately 37,000 pounds (10-14 vessels) behind. On average, one vessel is processed every week. Overall, the vessels are at approximately 60% of design capacity. The vessels are now ten years old and will need some maintenance beyond the normal maintenance performed by staff. In addition, the District doesn't have room to expand the composting facilities and while more product is sold each year, we are reaching a point where we'll have to rely on trucking some of our biosolids off-site. Thom stated that he does not foresee being able to get caught up this year and requests authorization to contract a hauler to dispose of the 37,000 pounds of biosolids at a cost of \$6,000-8,000.00. Nancy Stuart moved to authorize an expenditure of not more than \$8,000 for disposal of biosolids. Kelly Griesch seconded and the motion was unanimously approved.

-The Town of Granby awarded a bid to Diamond Excavating for construction of an RV dump at Kaibab Park. Construction is expected to begin in July. Granby Sanitation District will participate in the preconstruction meetings. East Grand Water Quality Board is expected to consider a motion to make a contribution to the Town of Granby towards the RV dump project.

Tammy Granger gave the Administrative report as written. Insurance quotes from Middle Park Agency/One Beacon and Arthur J. Gallagher & Co./Glatfelter were reviewed. Based upon the quotes Kelly Griesch moved to authorize staff to negotiate with carriers and select the carrier with the lowest premium and coverage comparable to current coverage. The motion was seconded by Nancy Stuart and

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unanimously approved.

In the Attorney's report, Rod McGowan stated that he had prepared a Fourth Addendum to 2006 Agreement For Treatment Of Sewage Between Granby Sanitation District And The Town of Granby (Expansion Lands) to bring the Kaibab Park property into the Expansion Land service area. He is still awaiting legal description for the property and to date, the Town of Granby has not acted upon the 4th Addendum.

In regards, to Val Moritz Village, Rod stated that he had e-mailed the attorney for Val Moritz Village advising that Granby Sanitation District would work towards an agreement to provide sewer service if Val Moritz Village agrees to pay the District's legal fees. To date, Rod has not received a reply.

There being no further business to come before the Board it was duly moved by Kelly Griesch, seconded by Nancy Stuart and unanimously adopted that the meeting stand adjourned at 8:45 p.m.



Casey Farrell, Secretary