

**MINUTES OF ACTION
OF THE
BOARD OF DIRECTORS
GRANBY SANITATION DISTRICT
Acting by and through its Wastewater Activity Enterprise
February 12, 2020**

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, February 12, 2020, at 7:02 p.m. by President, Wayne Kerber. Present were Board members Wayne Kerber, Debra Brynoff, Casey Farrell, Kelly Griesch and Nancy Stuart. Also in attendance were District Administrator, Tammy Granger; Operations Superintendent, Andrew “Hopper” Becker and the District’s attorney Rod McGowan. Also in attendance and representing Kremmling Memorial Hospital were Ray MacKendrick, Derek Ortner and Jason Cleckler; representing Sun Communities were Nick Westfall, Phil Ehne and Andrew Dixon.

The first item on the agenda was consideration of a request from Northwest Land Co. to forfeit three of the seven single-family equivalents (SFE) for account number 3700.2, 843 W. Agate Avenue. The property owners had notified staff that they would not be able to attend the meeting. Staff advised that should the forfeiture of three SFE be approved there would be four remaining SFE to serve the property, two of which are already in use (one for the residence on the north side of the property and one for the commercial building) and two for future usage. Nancy Stuart moved to approve Northwest Land’s request to forfeit three SFE for the property at 843 W. Agate Ave. effective February 1, 2020, leaving four SFE assessed to the property. The motion was seconded by Casey Farrell and unanimously approved.

Next, the Board held discussion regarding the proposed expansion of the Middle Park Health facility and the proposed SFE assessment. Based upon the District’s Rules and Regulations the 1,987 square footage of the expanded medical center and seven additional hospital beds would result in a total of 10.97 additional SFE, requiring payment of plant investment fees in the amount of \$93,245.00.

Jason Cleckler explained that due to growth and their desire to continue to provide access to quality healthcare the Kremmling Memorial Hospital District (KMHD) believes they need to expand the current facility. They counter that a hospital room assessment should not equal 1 SFE and should be assessed at a lower rating. Mr. Cleckler also asked the Board to consider their benefit to the community. Derek Ortner stated that it is expensive to expand and that they are looking to contain costs. Ray MacKendrick stated that the hospital rooms contain a sink and toilet but there are no kitchen or laundry facilities and reiterated that they are trying to provide services to the community.

The Board responded that the District’s SFE schedule is a long-standing structure and was developed by engineers who have researched the various usage treatment demands. The Board stated that they do not make exceptions and abide by the District’s Rules and Regulations. KMHD was reminded

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that similar discussion was held in 2011 when the facility was built. Rod McGowan advised that the Board is following their Rules and Regulations and the time to comment on the SFE schedule is when amendments are considered for adoption. Casey Farrell moved to approve the proposed SFE assessment of 3.97 for the medical center (1,987 sq. ft. – 2.0 sfe/1,000 sq. ft.) and 7.0 SFE for the additional hospital beds (1.0 sfe/bed) for a total of 10.97 SFE. The motion was seconded by Nancy Stuart and unanimously approved.

Discussion then moved to the status of the infrastructure serving River Run Ranch RV and Smith Creek Crossing. Hopper Becker advised that the permanent Anue system is operating as designed and is fully automated. As with any new system there are some bugs to work through. A punch list has been developed and is being addressed. The District's engineer has received a certification regarding substantial completion from Wright Water Engineers, Inc. is awaiting certification from Atwell Group. Hopper also noted that a final cost of construction will need to be provided to the District. Rod McGowan stated that once Atwell's certification is received, the District's engineer, Diamondback Engineering and Surveying, Inc. can issue a Certificate of Substantial Completion if satisfied with the status of the project. Rod also noted that Sun Communities is working on obtaining missing easements for infrastructure that crosses Smith Creek Crossing and Town of Granby property.

Nick Westfall inquired if engineers' certifications are necessary per Agreements as Atwell's letter will be for infrastructure installed prior to Sun's purchase of the property and some of the force main. Rod advised that certifications are necessary.

Debra Brynoff moved to enter into Executive Session for a conference with the District's Attorney for the purpose of receiving legal advice on specific legal questions under C.R.S. Section 24-6-402(4)(b) and for the purpose of determining positions relative to matters that may be subject to negotiations, developing a strategy for negotiations, and/or instructing negotiators, under C.R.S. Section 24-6-402(4)(e) regarding Sun Communities' projects with Rod McGowan, Hopper Becker and Tammy Granger in attendance. The motion was seconded by Nancy Stuart and unanimously approved. All other individuals left the meeting during the executive session.

Debra Brynoff moved to exit Executive Session, Nancy Stuart seconded and the motion was unanimously approved.

Attorney's Opinion Required by Colorado Revised Statute, Section 24-6-402(2)(d.5)(II)(B).
As the attorney representing the Granby Sanitation District, and who was in attendance at the above-referenced Executive Session, I am of the opinion that the entire Executive Session, which was not recorded, constituted a privileged attorney-client communication.

Rod McGowan, Legal Counsel

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The Sun Communities' representatives returned to the meeting. Rod McGowan informed Sun that the project is not at Substantial Completion until all certifications are received and additional easements are received. As of January 17, 2020 full automation of the Anue system was achieved and the lift station and its accessory components are operating as designed making it unnecessary for District staff to make nightly visits to the lift station to operate equipment. Therefore, the Board will consider suspending the assessment of delay compensation as of January 17, 2020 as long as Substantial Completion is reached by April 1, 2020. Casey Farrell moved to suspend delay compensation as of January 17, 2020 with the condition that substantial completion is reached by April 1, 2020. The motion was seconded by Nancy Stuart and unanimously approved. Wayne Kerber asked Sun representatives to pursue the payment of outstanding balances due to the District.

The minutes from the regular meeting held on January 8, 2020 were considered. Kelly Griesch moved to approve the minutes as written. The motion was seconded by Casey Farrell 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 delinquency report was reviewed and delinquency hearings were held. There were no account holders in attendance. Casey Farrell moved to authorize staff to proceed with disconnect and collection proceedings on accounts 30850.2, 32000.2, 40100.2, 40110.2, 46380.2, 32100.4 and 13700.4, Kelly Griesch seconded and the motion was unanimously approved.

Hopper Becker presented the Operations report and discussed the following matters:

- Increased influent flows continue and the plant is running well. The staff have been making great contributions regarding the treatment process.
- The new F350 work truck with installed flatbed and crane is in use.
- The District will need to employ roll-offs to haul excess solids over the next few weeks.
- Browns-Hill Engineering are working on building the new SCADA system.
- The bid is out for solids handling equipment.
- The permanent Anue system is running fully automated as of January 17, 2020.
- Sun Communities is phasing the construction of Smith Creek Crossing. Phase I sewer infrastructure is expected to be accepted for use in the next few weeks. At the latest construction meeting Hopper discussed the process for accepting the sewer infrastructure for use. Jetting and video inspection of the sewer main will also display the grade. Hopper stressed to the contractor that protecting the accepted sewer main from damage and debris during the construction of additional infrastructure is vital.

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Tammy Granger gave the Administrative Report as written.

- Discussion was held regarding the property at 375 2nd Street where there are potential zoning and building code violations if it is being used as a multi-family dwelling and additional plant investment fees/single-family equivalents would be required. Tammy was advised to monitor any action taken by the Town of Granby and if the Town doesn't act the property owner should be sent a letter asking her to appear at a board meeting to discuss assessment of single-family equivalent and payment of plant investment fees.
- The Invitation to Bid for Solids Handling Equipment will be published twice in the Middle Park Times and the bid opening is scheduled for February 26, 2020.
- The auditor will be on-site on February 19, 2020.
- Tammy advised that she will out of the office on February 27 and 28 and Hopper has volunteered to be deputy DEO and to be available to accept and process Self-Nomination forms.
- \$150,000.00 is being transferred from checking to ColoTrust.
- It was confirmed that the plant investment fees for the River Run Ranch water treatment plant can be accepted.

In the Attorney's report Rod McGowan noted initial election deadlines.

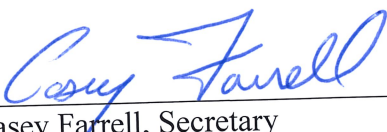
- Last day to file Self-Nomination and Acceptance Forms is February 28, 2020.
- Affidavits of Intent to be a Write-In Candidate must be filed on March 2, 2020.
- If there are no more candidates, including write-in candidates, than positions to be filled (3) the DEO can declare the candidates elected at the close of day on March 3, 2020 and cancel the election.

The audit must be submitted to the Board by June 30, 2020 and filed with the Office of the State Auditor by July 31, 2020.

Rod noted that he had not had the opportunity to review the bid package for the solids handling equipment and expressed his desire to review the contract documents to insure that they meet state requirements.

In other business staff reminded the Board that the lease for the animal shelter expires December 31, 2020. Staff expressed their concern with the lack of feedback from the County as it relates to the District's solids handling project as the District needs to include accommodations for the animal shelter in the design and construction plans. The matter will be revisited in March.

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 8:35 p.m.



Casey Farrell, Secretary