KREMMLING SANITATION DISTRICT
RECORD OF PROCEEDINGS

Regular Meeting Minutes

October 12, 2026

A regular meeting of the Board of Directors (Board) of the Kremmling Sanitation District (District) was held on October 12, 2026, at 6:00 PM at the Kremmling Town Hall, 200 Eagle Avenue, Kremmling, Colorado, online using Google Meet. Links and call-in information were provided.

ATTENDANCE

Directors Present

Noble Underbrink, President
Dave Sammons, Vice President
Alan Hassler, Secretary/Treasurer
Stuart Heller, Assistant Secretary
Rory Menhennett, Assistant Secretary
Stuart Heller, Assistant Secretary

Staff

Jack Seward, District Manager
Scott Weber, Superintendent
Thom Yoder, Operator in Responsible Charge
Joe Norris, General Counsel

Others Present

Christopher Hawkins, Alpine Planning
Sam Stoia, My Family Trust
Matt Stoia, My Family Trust

1. **CALL TO ORDER**

   After notice was duly given and posted in accordance with Colorado law, the meeting was called to order by Mr. Underbrink at 6:00 PM.

2. **PUBLIC COMMENT**

   None.

3. **APPROVAL OF MINUTES**

   Mr. Seward presented the minutes of the September 14, 2026, regular meeting.

   Mr. Sammons made a motion to approve the minutes as presented. Mr. Heller seconded the motion, which unanimously carried.

4. APPROVAL OF EXPENDITURES

a. Mr. Seward presented the expenditure report dated September 15, 2026 – October 11, 2026. Mr. Hassler inquired about ongoing repairs to the Dodge pickup truck and whether it needs to be replaced rather than repaired. Mr. Webber advised that the truck is low on miles and replacement is premature.

   Mr. Hassler made a motion to (i) approve the expenditure report dated September 15, 2026 – October 11, 2026, in the amount of twenty-three thousand, one hundred thirty-eight dollars and thirteen cents ($23,138.13) and (ii) authorize the payment of all accounts, including current payables, in conformance with budgetary appropriations. Mr. Heller seconded the motion, which unanimously carried.

b. Mr. Seward presented the budget-to-actuals report for the period ending September 30, 2026. The Board engaged in discussion on revenue and expenditure forecasting.

5. LEGAL MATTERS

a. Before the Board was a petition for inclusion submitted by My Family Trust for the Kremmling Sunrise project. At the outset, Mr. Sammons reported that his family is party to a long-term agricultural lease on the subject property, but that agricultural lease would not be impacted by the annexation, and it was his opinion that no conflict existed, but he was disclosing the potential conflict for transparency. Mr. Norris provided an overview of the inclusion process outlined in state law and the District's Rules and Regulations. Staff had found the petition to be sufficient, and notice of a public hearing was published as required by law. Mr. Norris advised that the Board will hear a presentation from staff and the applicant and then will open the public hearing to comment by the public.

   Mr. Seward presented the petition for inclusion and staff's recommendation that the petition be granted. My Family Trust proposes a mixed-use development consisting of ninety (90) multi-family dwelling units on approximately fourteen (14) acres that will have at full build-out, an estimated population of two hundred fourteen (214) people. One hundred eighty thousand square (180,000) feet of commercial land use on approximately seven (7) lots containing fourteen and one-half (14.5) acres are also proposed. The applicant has calculated the estimated water demand to require approximately one hundred seventy-two (172) sewer taps at full build-out. This is based on an average day demand of sixty-eight and nine tenths (68.9) gallons per minute. Mr. Norris explained that the District has previously entered into an Inclusion Agreement and Cost

Reimbursement Agreement with the applicant, which stipulates that the applicant will bear the full cost and expense of all infrastructure modifications required to serve the development.

Mr. Hawkins then introduced himself and advised that he is a land use planner who was contracted by the applicant, My Family Trust, to assist in entitling this project. He further elaborated on the scope and extent of the development and advised that securing inclusion in the District is a prerequisite to seeking annexation from the Town of Kremmling (Town). Mr. Stoia spoke next, introducing himself and his son Matt. The Stoia family currently lives in the Breckenridge area and, in partnership with the Shirly brothers, is looking to start the development of the thirty-four-acre (34) site and then will turn the project over to his son. He detailed his history of development in Florida and expressed excitement in bringing this new project to town over the next twenty (20) plus years.

At the conclusion of the presentation by staff and the applicant, Mr. Underbrink opened the hearing for public comment. No members of the public were present, none had signed up to speak, and no written comment had been received.

The Board next engaged in conversation with the applicant and asked a series of questions concerning development plans and water usage. Mr. Hawkins advised that the property was acquired with a small water right that would be conveyed to the Town upon annexation. Mr. Yoder advised that at full build-out, the wastewater treatment plant would be at eighty-three percent (83%) capacity and state law required that upgrades to the plant would be required at that time. Mr. Norris clarified that the inclusion agreement stipulates that the applicant would bear the cost of any plant upgrades. Mr. Seward reported a lack of concern over the increase in taps given that they would be phased over twenty (20) years. Likewise, the District is not committed to any certain number of taps, and instead taps will be provided on a first-come, first-served basis. Once the District runs out of capacity, no new additional taps will be authorized until such time as additional capacity is constructed. Some members of the Board expressed concern over growth and ability to supply water to this development. Mr. Norris emphasized that the decision before the Board must be based solely on the District’s ability to provide sanitary sewer service, which staff has determined is possible. The Board must not consider water capacity, zoning, growth, or other land use considerations as the District is not authorized by law to consider these factors.

After extensive discussion, Mr. Sammons made a motion to grant the petition and order the inclusion of the land owned by My Family Trust. Mr. Menhennett seconded the motion. After a roll call vote, the motion carried with four votes in favor and one vote against. Mr. Stewart voted no.

Upon granting of the petition, Mr. Norris advised that he would file an action in the Grand County District Court as required by law, seeking a decree including the land; he expects no opposition to this. Upon the court granting the decree, the same will be recorded against the property.

b. Mr. Hassler advised that the Town will be acquiring, as right-of-way, the alley at issue in the K-Town North project and sewer infrastructure will be permitted within the right-of-way as outlined in the Kremmling Municipal Code.

6. EXECUTIVE SESSION

Mr. Menhennett made a motion to enter executive session pursuant to C.R.S. 24-6-402(4)(b) to confrence with an attorney for the District regarding the Matter of the Sanitary Sewer Connection permits held by FCAP Muddy Creek, LLC. Mr. Sammons seconded the motion, which unanimously carried, and the Board entered executive session at 6:58 PM. Mr. Norris advised that it was his opinion as an attorney representing the District that the contents of the executive session would constitute attorney-client privileged communication and accordingly no recording of the executive session would be kept.

The Board exited executive session at 7:28 PM. Mr. Norris advised that no action was taken by the Board during executive session and reiterated his opinion that its contents were attorney-client privileged.

7. OPERATOR'S REPORT

Mr. Weber and Mr. Yoder presented the operator's report. The septic receiving station has closed for the year. One septic waste hauler utilized the station this year; no treatment issues were encountered. The reuse water system has been closed for the season and will be winterized by the end of the month. Work continues to jet and clean the collection system. The Board celebrated the successful state licensure of a wastewater operator, and Mr. Webber is proud to report that now all of the District's operators, part -time and full-time, are licensed by the state. There was discussion about commercial driver's license training for District staff, and Mr. Webber will look into options.

Mr. Webber reported that tears in the pond liners have been repaired successfully. It now appears that marmots have infiltrated one of the holding ponds, which has caused an impact on water levels. Solutions were discussed, including geotechnical engineering. Mr. Webber presented on the need for specialized mowing around the ponds.

8. MANAGER'S REPORT

Pursuant to C.R.S. 29-1-105, a draft of the District's 2027 budget was presented

to the Board prior to the October 15 deadline. Mr. Seward presented on the draft, which is still subject to change. A new step and grade compensation system will be implemented in 2027, enabling clearer salary ranges and providing competition with the rest of the industry. Health insurance premiums are rising substantially. The budget overall contemplates a reduction in total expenditures. Mr. Seward is proposing a five percent (5%) increase on sewer rates, which is consistent with the District's 2025 rate study. There was discussion of the District capital improvement budget and a general alignment on priorities. Members of the Board expressed concern over the projections of some capital line items, which Mr. Seward will explore.

Mr. Hassler made a motion to set the November Board meeting as a public hearing for the Board to consider fixing rates, fees, and charges for service. Mr. Sammons seconded the motion, which unanimously carried.

Mr. Hassler made a motion to set the December Board meeting as a public hearing for the Board to consider the adoption of an annual budget, to appropriate sums of money and to certify a mill levy. Mr. Menhennett seconded the motion, which unanimously carried.

9. ADJOURNMENT

There being no further business to come before the Board, Mr. Underbrink adjourned the meeting at 8:35 PM.

The foregoing represents a true and accurate representation of the proceedings of the Board's regular meeting held on October 12, 2026



Jack Seward
Recording Secretary