

KREMMLING SANITATION DISTRICT RECORD OF PROCEEDINGS

Regular Meeting Minutes

July 14, 2025

The regular meeting of the Board of Directors (Board) of the Kremmling Sanitation District (District) was held on July 14, 2025, at 6:00 PM at the Kremmling Town Hall, 200 Eagle Avenue, Kremmling, Colorado.

ATTENDANCE

Directors Present

Noble Underbrink, President

Alan Hassler, Secretary/Treasurer

Dave Sammons

Directors Absent

Stuart Heller

Rory Menhennett

Staff

Rich Rosene, District Manager

Scott Weber, Superintendent

Thom Yoder, Operator in Responsible Charge

Nick Marcotte, District Engineer

Public

Jack Seward

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 6:05 p.m.

APPROVAL OF MINUTES

Mr. Rosene presented the minutes of the June 9, 2025, regular meeting. Mr. Hassler made a motion to approve the minutes as presented. Mr. Sammons seconded the motion, which unanimously carried.

APPROVAL OF EXPENDITURES

Mr. Underbrink updated the Board that the CenturyLink account is necessary as it is tied to the security alarm system at the plant; therefore, the service cannot be discontinued.

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Mr. Sammons made a motion to (i) approve the expenditure report dated June 10 – July 14, 2025, in the amount of \$27,743.96 and (ii) authorize the payment of all accounts, including current payables, in conformance with budgetary appropriations. Mr. Hassler seconded the motion, which carried unanimously.

PUBLIC COMMENT

None

ENGINEER'S REPORT

Mr. Marcotte presented the engineer's report, referring to his memorandum, sharing that bids were received and evaluated for multiple projects as follows:

1. Bio Dome Re-Hosing Project

The project received bids from WCS and Fones Construction. The WCS bid was the lowest responsible bid at \$254,794.00 and was recommended for acceptance. WCS asked for a different payment schedule than proposed in the bid solicitation. Mr. Hassler made a motion to accept the WCS bid in the amount of \$254,794.00. Mr. Sammons seconded the motion, which unanimously carried.

2. Collection System and WWTP Outfall Improvement Project

The project received bids from One from American West, X Field Services, and Fones Construction. The Fones Construction bid was the lowest responsible bid at \$438,749.00 and was recommended for acceptance.

Mr. Sammons made a motion to accept the Fones Construction bid in the amount of \$438,749.00. Mr. Hassler seconded the motion, which unanimously carried.

3. Project Management Proposal

The Bio-Dome Rehousing Project and Collection System, and WWTP Outfall Improvement Project both require significant oversight and construction management. Contemplated in the Department of Local Affairs (DOLA) grant, which is funding both projects, is funding for project management. Element Engineering, the District's Engineer, submitted a responsive bid for construction project management.

Mr. Marcotte discussed the need for project management and indicated that the proposal from Element Engineering is a not-to-exceed contract, but could be reduced depending on need, and those cost savings utilized elsewhere. Wes Ferraro from Element Engineering is the designated construction executive, and the District has utilized him in the past. Mr. Weber stated he is confident in Mr. Ferraro's work and, given that he will be on vacation during the start of each project, appreciates the assistance of Element Engineering and Mr. Ferraro.

Mr. Hassler made a motion to accept the proposal from Element Engineering for Professional Engineering Services in an amount not to exceed \$63,700.00. Mr. Sammons seconded the motion, which carried unanimously.

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Mr. Marcotte reported that Element Engineering is in the process of drafting revised District Rules and Regulations. Mr. Rosene commented that it is his intention to submit to the Board revised and reenacted rules and regulations before the end of the year and is working closely with Mr. Marcotte on their drafting.

Mr. Marcotte reported that the Doc Ceriani Re-Use application has been submitted to the Colorado Department of Public Health and Environment (CDPHE). He has not heard from CDPHE on the status of the submission and plans to resubmit if needed.

OPERATOR'S REPORT

Mr. Weber presented the operator's report, making reference to documents in the meeting packet. Our new operator, Lucas Mogck started his CDL pre-trip training on July 12 in Craig and will return for more training on July 25. Mr. Mogck and summer seasonal Joe Probst will both test for their state water distribution license next week.

June compliance labs showed 100% removal of biological oxygen demand (BOD), total suspended solids (TSS) were under 2.0 mg/L, and ammonia was under 1.0 mg/L. July labs were submitted the week of the July 7.

Mr. Weber shared some proposals from Aqua Aerobics for capital projects. This is not needed at the moment but is good for future reference.

Mr. Weber then spoke about the Grand Cliffs Development, and Mr. Sammons declared a conflict as he is representing a buyer of a property in the development and recused himself from the discussion. Mr. Weber discussed that the Town of Kremmling (Town) has determined that the location of the garages in the development will overlap with new easement lines. Mr. Weber stated this should not be an issue for the District, and Mr. Rosene agreed, stating that the impacted service line is private property and the property owners' responsibility, but noted the Town will have to overcome other challenges on their end. Mr. Underbrink agreed that the District has no problem with the garages being over the utility lines, but utility companies and the Town may.

MANAGER'S REPORT

Audit Update

Mr. Rosene shared that he has not heard back from the auditors, and with the July 31 deadline fast approaching, he requested permission to file for a 60-day extension from the Office of the State Auditor. It appears the Town that uses the same auditor has also requested an extension.

Mr. Sammons made a motion to authorize the filing of an extension of the 2024 audit. Mr. Hassler seconded the motion, which unanimously carried.

Rate Study

Mr. Rosene provided an update on the rate study, indicating it is getting closer to completion. Despite significant progress, the preliminary rate study workshop will need to

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be rescheduled. The Board agreed to reschedule the Board work session to July 28 at 6:00 PM.

Website and IT Update

Mr. Rosene reported on ongoing work to modernize the District's information technology infrastructure. He recently learned that the District's IT consultant is moving but has agreed to continue to provide limited services remotely. Work is underway to transition to a new email and website hosting system.

CDPHE Survey

Mr. Rosene reported he has submitted the CDPHE survey and is waiting for it to be reviewed.

K-Town North Minor Subdivision

Mr. Rosene shared that he was provided with the plat information and the planning profile for the new sewer lines being developed as part of the K-Town North Minor Subdivision. Mr. Rosene indicated that the current design will not be acceptable to the District and has requested revisions.

CDOT Lift Station

Mr. Rosene provided an update to the Board regarding the CDOT lift station, which now been inspected and brought to CDPHE standards. The current agreement with CDOT calls for the District taking ownership of the lift station. Mr. Rosene opined that an easement will likely be easier to obtain rather than trying to obtain fee title ownership of the parcel. The Board directed Mr. Rosene to proceed with obtaining an easement for the lift station.

BUSINESS ITEMS

District Manager Position

Mr. Rosene reminded the Board that it is his desire to retire at the end of the year. The District has posted a job opportunity for the District Manager position. The District received two applications for the position. A committee of the Board held interviews with one candidate who was found to be qualified. At the June meeting, the Board announced that Jack Seward was the sole finalist for the position and posted notice of the same pursuant to CRS § 24-6-402 (3.5), for 14 days.

Mr. Seward was present at the meeting and engaged in conversation with the Board. Mr. Seward agreed to begin immediately, and Mr. Rosene would handle the onboarding process. Mr. Rosene indicated that he would like to remain with the District until the end of the year to onboard Mr. Seward and handle the DOLA grant and related projects.

Mr. Hassler made a motion to appoint John (Jack) Seward as the District Manager for the Kremmling Sanitation District, effective July 14, 2025, at an hourly rate of \$23.50. Mr. Sammons seconded the motion, which unanimously carried.

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Mr. Hassler then made a motion to change the title of Rich Rosene from District Manager to Assistant District Manager, effective immediately. Mr. Sammons seconded the motion, which unanimously carried.

Mr. Sammons made a motion to approve John (Jack) Seward as an authorized signatory on the United Business Bank, Colo Trust bank accounts. Mr. Hassler seconded the motion, which unanimously carried.

ADJOURNMENT

There being no further business to come before the Board, Mr. Sammons made a motion to adjourn the meeting. Mr. Hassler seconded the motion, which unanimously carried.

Signed:

By: /s/ Alan N. Hassler

Alan N. Hassler

Secretary