

**Upper Blue Sanitation District**  
**Board of Directors Meeting**  
**Thursday April 21, 2011 @ 5:30 PM**

**I. ROLL CALL:**

Mr. Robin Theobald called the meeting to order at 5:30 PM. Mr. Tim Casey, Mr. Larry Crispell, Mr. Robin Theobald and Mr. Barrie Stimson answered "present" at roll call. Mr. Andrew Carlberg and Mrs. Marjorie Borsina attended as well.

Note: There was a work session preceding the Board Meeting from 3:30 PM to 5:00 PM at the Farmers Korner plant. David Heyde from Mortenson gave the Board a construction update on the Farmers Korner plant expansion at the work session. Mr. Tim Casey, Mr. Larry Crispell, Mr. Robin Theobald, Mr. Barrie Stimson and Mr. Andrew Carlberg were present at the work session.

**II. MINUTES:**

March 10, 2011 minutes: Mr. Theobald asked for a minor wording change in paragraph 1 on page 3. Mr. Casey made a motion to approve the March 10, 2011 Board of Directors meeting minutes as amended. Mr. Crispell seconded the motion. The motion was passed unanimously by the Board.

**III. PUBLIC HEARINGS:**

Mr. Carlberg explained to the Board that both lot 110R and lot 108R in the Valley of the Blue Sub-division are having problems with their septic system. The owners of lot 110R and lot 108R will be responsible for paying for the sewer line extension. Therefore, they will hire the contractor, etc. and the District will inspect the line to be sure that the line is up to District specifications. Mr. Carlberg said that the inclusion had been advertised in the paper and the District has not received any comments. In addition, the District does not have any problem with the wells on lot 110R and lot 108R.

A. Resolution 2 Series 2011, Inclusion Lot 110R Valley of the Blue:

Mr. Theobald opened and closed the Public Hearing for Lot 110R, as there was not anyone from the public in attendance. Mr. Stimson made a motion to approve Resolution 2 Series 2011 for the Inclusion of Lot 110R in Valley of the Blue. Mr. Crispell seconded the motion. The motion was passed unanimously by the Board.

B. Resolution 3 Series 2011, Inclusion Lot 108R Valley of the Blue:

Mr. Theobald opened and closed the Public Hearing for Lot 108R, as there was not anyone from the public in attendance. Mr. Stimson made a motion to approve Resolution 3 Series 2011 for the Inclusion of Lot 108R in Valley of the Blue. Mr. Casey seconded the motion. The motion was passed unanimously by the Board.

**IV. PUBLIC COMMENT:** None

**V. BILLS:**

The bills were reviewed and discussed by the Board of Directors during the work session. Mr. Crispell made a motion to approve the bills as submitted with the exception of items on the agenda which will be discussed later in the meeting. Mr. Casey seconded the motion. Mr. Theobald asked the Board for a roll call and the motion was passed unanimously by the Board.

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**VI. FINANCIAL REPORT:**

The Financial Report was reviewed and discussed by the Board of Directors during the work session. The Board agreed to postpone the presentation of the 2010 Audit until the June Board of Directors meeting.

**VII. MONTHLY REPORTS:**

**C. Plant and Collection:**

The Plant and Collection reports were discussed by the Board of Directors during the Work Session.

**D. Manager Report:**

The Manager report was discussed by the Board of Directors during the Work Session.

**-Colorado Department of Health/New Regulations:**

Mr. Carlberg explained to the Board the details of the new Nitrogen and Phosphorous water regulations that will be imposed by the Colorado Department of Health and the Environmental Protection Agency in the future. Mr. Carlberg gave the details of those new Nitrogen and Phosphorous regulations and the direct cost effect on the District's treatment facilities in his monthly report. Mr. Carlberg advised the Board that the cost affect from these new regulations needs to be the District's top priority in future financial planning.

**-Farmers Korner Roof Gutters:**

The Board discussed during the work session the concerns and costs for adding roof gutters to the new Farmers Korner plant. The Board wanted to have the installation of the side panels signed off on by the manufacture to ensure proper installation. This would give the Board the comfort level to proceed without having gutters on the entire structure. If there are leaks due to standing snow and ice formation on the sides it would then be a warranty issue. The Board agreed not to do additional gutters on the Farmers Korner plant at this time but may re-visit the discussion in the future.

**VIII. OLD BUSINESS: None**

**IX. NEW BUSINESS:**

**E. Pay Request #22 Mortenson Construction:**

Mr. Carlberg recommended approval of Mortenson's pay request #22 in the amount of \$27,631.23. Mr. Casey made a motion to approve Mortenson's pay request #22 in the amount of \$27,631.23. Mr. Stimson seconded the motion. Mr. Theobald asked the Board for a roll call and the motion was passed unanimously by the Board.

**F. Glacier Construction Pay Request #21:**

At the March Board meeting the Board authorized the Manager to release payment to Glacier Construction as per the due date, since the April Board meeting was rescheduled. Mr. Carlberg recommended approval of Glacier's pay request #21 in the amount of \$509,940.35 representing costs for work completed thru March 31, 2011. Mr. Stimson made a motion to ratify the Managers decision to pay Glacier's pay request #21 in the amount of \$509,940.35. Mr. Crispell seconded the motion. Mr. Theobald asked the Board for a roll call and the motion was passed unanimously by the Board.

**G. Carollo Pay Request #0115283:**

Mr. Carlberg reported that staff and the Construction Manager have reviewed the bill and Carollo has performed the services rendered thru February 28, 2010. Mr. Carlberg

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recommended payment of Carollo pay request #0115283 in the amount of \$39,968.75. Mr. Stimson made a motion to approve the Carollo pay request #0115283 in the amount of \$39,968.75 for work completed thru February 28, 2011. Mr. Casey seconded the motion. Mr. Theobald asked the Board for a roll call and the motion was passed unanimously by the Board.


**H. Pay Request BHH Partners:**

Mr. Carlberg recommended that the Board approve BHH Partners pay request for work completed on the Farmers Korner plant expansion during the month of February 2011 (a detailed description of services is attached) in the amount of \$5,941.74. Mr. Casey made a motion to approve payment of BHH Partners pay request in the amount of \$5,941.74 for the Farmers Korner plant expansion project thru the month of February 2011. Mr. Stimson seconded the motion. Mr. Theobald asked the Board for a roll call and the motion was passed unanimously by the Board,

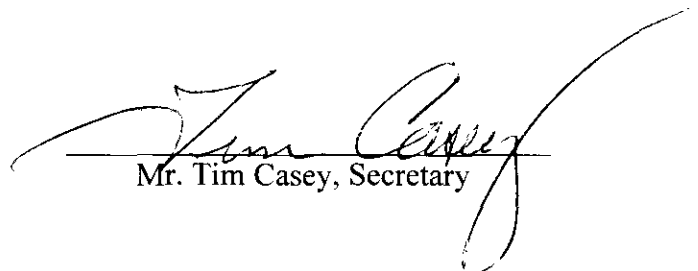
**X. CORRESPONDENCE:**

**XI. ADJOURN:**

Mr. Casey made a motion to adjourn the meeting at 6:11 PM. Mr. Crispell seconded the motion. The motion was passed unanimously by the Board.



Mr. Robin Theobald, President



Mr. Tim Casey, Secretary

Upper Blue Sanitation District  
 Comparative Balance Sheet-UNAUDITED DRAFT  
 March 31, 2011 and March 31, 2010

	<u>2011</u>	<u>2010</u>	<u>Increase</u> <u>(Decrease)</u>
<b><u>Current Assets:</u></b>			
Petty Cash	\$200	\$200	-
Checking	\$ 706,031	\$ 7,314,197	(6,608,166)
Grant Funds Checking	-	-	-
Cash on Deposit with CWRPDA	-	8,000,000	(8,000,000)
ColoTrust Prime	14,335,766	9,524,817	4,810,949
<b>Total Cash and Equivalents</b>	<b>15,041,997</b>	<b>24,839,214</b>	<b>(9,797,217)</b>
<b>Investments</b>			
FK Construction Retainage Escrow	1,303,573	598,319	705,254
Cert. of Deposit & Treasuries	5,141,706	6,624,842	(1,483,136)
<b>Total Investments</b>	<b>6,445,279</b>	<b>7,223,161</b>	<b>(777,882)</b>
<b>Other Current Assets</b>			
<b>Receivables-Utility + Spec. Assessments</b>	<b>24,592</b>	<b>12,784</b>	<b>11,808</b>
Developer/Contractor Escrow	122,244	122,244	-
Interest Receivable & Market Adjustments	-	-	-
Notes Receivable	183,895	136,260	47,635
Prepaid Expenses	102,386	82,277	20,109
Loan Issuance Costs (Net)	151,549	163,849	(12,300)
<b>Total Other Assets</b>	<b>584,666</b>	<b>517,414</b>	<b>67,252</b>
<b>Total Current Assets:</b>	<b>22,071,942</b>	<b>32,579,789</b>	<b>(10,507,847)</b>
<b>Property Plant and Equipment:</b>			
<b>Land</b>	<b>721,070</b>	<b>721,070</b>	<b>-</b>
Easements	69,583	61,720	7,863
Sewer Lines	13,105,905	12,953,474	152,431
Treatment Plants	65,498,666	52,115,891	13,382,775
Office Equipment	173,451	147,154	26,297
Other Machines & Equipment	459,772	459,772	-
Autos & Trucks	791,743	769,511	22,232
Upper Blue System Costs	3,080,936	1,868,670	1,212,266
Telemetry	102,075	102,075	-
Employee Housing	1,038,191	1,038,191	-
<b>Total Property Plant and Equipment :</b>	<b>85,041,392</b>	<b>70,237,528</b>	<b>14,803,864</b>
<b>Less Accumulated Depreciation</b>	<b>(24,660,391)</b>	<b>(23,376,428)</b>	<b>(1,283,963)</b>
<b>Net Property Plant and Equipment :</b>	<b>60,381,001</b>	<b>46,861,100</b>	<b>13,519,901</b>
<b>Total Assets:</b>	<b>82,452,943</b>	<b>79,440,889</b>	<b>3,012,054</b>

**Liabilities**

	<u>2011</u>	<u>2010</u>	<u>Increase (Decrease)</u>
<b>Current Liabilities:</b>			
<b>Accounts Payable</b>	638,060	1,050,963	(412,903)
Construction/Developer Escrow	122,244	122,244	-
Earned Employee Benefits	117,720	110,478	7,242
Unearned User Fees	-	-	-
Interest Payable	175,689	166,690	8,999
Loan Payable (Current Portion)	867,859	741,630	126,229
Retainage Payable-Construction in Progress	1,303,573	598,319	705,254
Retainage Payable-Blue River	40,317	-	40,317
Employee Housing Deposit Payable	1,750	-	1,750
Total Current Liabilities:	<u>3,267,212</u>	<u>2,790,324</u>	<u>476,888</u>
<b>Long Term Liabilities:</b>			
<b>Loan Payable</b>	11,094,434	10,726,433	368,001
Total Long Term Liabilities:	<u>11,094,434</u>	<u>10,726,433</u>	<u>368,001</u>
Total Liabilities	<u>14,361,646</u>	<u>13,516,757</u>	<u>844,889</u>
<b>Net Assets</b>			
Contributed Capital	8,000,000	0	8,000,000
Invested in Capital Assets, Net of Related Debt	28,856,241	28,856,241	0
Restricted Net Assets (CWRPDA Escrow)	0	8,000,000	(8,000,000)
Unrestricted Net Assets	31,235,056	29,067,891	2,167,165
Total Contributed Capital	<u>68,091,297</u>	<u>65,924,132</u>	<u>2,167,165</u>
Total Liabilities and Equity	<u>82,452,943</u>	<u>79,440,889</u>	<u>3,012,054</u>

Upper Blue Sanitation District  
 Monthly Financial Statement-UNAUDITED DRAFT  
 March 31, 2011

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	2011	2011	2011	2011	2011
	March	Year To Date	Approved Budget	Uncollected	% Uncol/Col
<b>Operating Revenue</b>					
Sewer User Fees	414,468	1,243,540	4,939,461	3,695,921	75
Tap Inspection Fees	400	450	1,000	550	55
Miscellaneous Revenue	4,817	10,877	1,000	(9,877)	(988)
Camper Dump Fees	0	0	2,500	2,500	100
Late Fees	9,423	7,395	25,000	17,605	70
Line Extension Fees	0	0	20,000	20,000	100
Rental Income	2,769	8,250	20,000	11,750	59
Interest on Investments & Loans	6,186	27,203	114,431	87,228	76
<b>Total Operating Revenue</b>	<b>438,063</b>	<b>1,297,715</b>	<b>5,123,392</b>	<b>3,825,677</b>	<b>75</b>
<b>Capital Revenue</b>					
Plant Investment Fees	579,176	587,181	445,520	(141,661)	(32)
Inclusion Fees	800	800	20,000	19,200	96
Bonds and Grant	0	0	0	0	0
Transfer from Reserve	0	0	0	0	0
<b>Total Capital Revenue</b>	<b>579,976</b>	<b>587,981</b>	<b>465,520</b>	<b>(122,461)</b>	<b>(26)</b>
<b>Total Revenue</b>	<b>1,018,039</b>	<b>1,885,696</b>	<b>5,588,912</b>	<b>3,703,216</b>	<b>66</b>

Administration Expense	2011 March	2011 Year to Date	2011 Approved Budget	2011 Available	2011 % Available
<b>Payroll &amp; Employee Benefits</b>					
Salaries	93,407	261,046	1,120,000	858,954	77
Overtime	4,206	6,496	45,000	38,504	86
FICA-Admn	5,958	16,304	75,000	58,696	78
Medicare-Admin	1,393	3,813	18,000	14,187	79
401K Contributions	5,475	20,050	58,000	37,950	65
Unemployment Insurance	1,158	3,473	18,000	14,527	81
Health Insurance	16,727	50,776	237,574	186,798	79
<b>Total</b>	<b>128,324</b>	<b>361,958</b>	<b>1,571,574</b>	<b>1,209,616</b>	<b>77</b>

Office Supplies	78	1,565	4,500	2,935	65
Telephone	1,331	3,462	13,500	10,038	74
Business Expenses	1,367	5,211	30,000	24,789	83
Legal Counsel	3,441	17,498	50,000	32,502	65
Education	2,766	4,612	25,000	20,388	82
Audit & Accounting	5,800	5,800	8,000	2,200	28
Legal Publications	649	1,342	6,000	4,658	78
Board Members	500	1,500	6,000	4,500	75
Elections	0	0	0	0	0
Computer Expenses	701	2,255	6,000	3,745	62
Copy Machine & Supply	0	0	1,000	1,000	100
Postage & Meter Rent	600	2,999	13,000	10,001	77
Insurance - General	8,709	26,128	130,000	103,872	80
Insurance - Deductible	0	0	1,000	1,000	100
Engineering	5,000	5,000	25,000	20,000	80
Tools	77	(103)	3,000	3,103	103
Radios	0	0	0	0	0
Vehicle Expense	0	0	500	500	100
Dues & Memberships	1,840	3,137	7,000	3,863	55
Safety	197	1,096	3,500	2,404	69
Summit Water Quality	961	2,882	12,500	9,618	77
Building Maintenance	385	3,142	25,000	21,858	87
Employee Housing Maintenance	800	1,700	15,000	13,300	89
Employee Housing Utilities	388	1,773	10,000	8,227	82
<b>Total Administration</b>	<b>163,914</b>	<b>452,957</b>	<b>1,967,074</b>	<b>1,514,117</b>	<b>77</b>

**Iowa Hill Plant Expenses**

Utilities					
Gas	2,054	6,336	20,000	13,664	68
Electric	14,951	44,256	200,000	155,744	78
Freight	760	2,586	9,000	6,414	71
Equipment Repairs	5,776	10,957	50,000	39,043	78
Chemicals	10,961	40,040	100,000	59,960	60
Contracted Repairs	400	1,932	15,000	13,068	87
Laboratory Supplies	1,763	2,267	15,000	12,733	85
Biomonitoring	0	0	10,000	10,000	100
Discharge Permit	0	0	7,000	7,000	100
Supplies	219	1,143	8,000	6,857	86
<b>Total Iowa Hill</b>	<b>36,884</b>	<b>109,517</b>	<b>434,000</b>	<b>324,483</b>	<b>75</b>

	2011 <u>March</u>	2011 <u>Year to Date</u>	2011 <u>Approved Budget</u>	2011 <u>Available</u>	2011 <u>% Available</u>
<b>Farmers Korner Expenses</b>					
Utilities					
Gas	927	10,043	75,000	64,957	87
Electric	38,859	92,026	360,000	267,974	74
Freight	1,682	2,774	7,000	4,226	60
Equipment Repairs	2,027	7,343	50,000	42,657	85
Chemicals	10,961	38,908	175,000	136,092	78
Supplies	1,241	2,308	4,000	1,692	42
Contracted Repairs	502	652	18,000	17,348	96
Dumpster Charges	995	2,965	13,000	10,035	77
Biomonitoring	0	0	7,000	7,000	100
Discharge Permit	0	0	17,000	17,000	100
Composting	8,284	22,793	110,000	87,207	79
Site Monitoring	2,034	7,034	25,000	17,966	72
Sludge Hauling Costs	4,950	13,725	55,000	41,275	75
State Health Fees	1,090	1,090	1,000	(90)	(9)
<b>Total Farmers Korner</b>	<b>73,552</b>	<b>201,661</b>	<b>917,000</b>	<b>715,339</b>	<b>78</b>

**Collection Expenses**

Utilities	996	2,897	18,000	15,103	84
Vehicle Expense	10	2,675	25,000	22,325	89
Line Cleaner Expenses	0	1,408	5,000	3,592	72
Manhole Repairs/Line Repairs	1,506	3,266	80,000	76,734	96
Equipment Repairs	142	611	8,000	7,389	92
CCTV Expense	0	0	8,000	8,000	100
<b>Total Collection</b>	<b>2,654</b>	<b>10,857</b>	<b>144,000</b>	<b>133,143</b>	<b>92</b>

**Replacement Capital**

Administration	0	5,520	43,000	37,480	87
Plant:					
IH	0	0	75,000	75,000	100
FK	0	0	100,000	100,000	100
Upper Blue	0	0	60,000	60,000	0
Collection	0	0	400,000	400,000	100
Misc	0	0	0	0	0
Vehicle	0	0	30,000	30,000	100
<b>Total Replacement Capital</b>	<b>0</b>	<b>5,520</b>	<b>708,000</b>	<b>702,480</b>	<b>99</b>

**Non Operating Expenses**

Bond Principal	0	42,039	867,859	825,820	95
Bond Interest	0	137,645	421,234	283,589	67
<b>Total Non Operating</b>	<b>0</b>	<b>179,684</b>	<b>1,289,093</b>	<b>1,109,409</b>	<b>86</b>



March Financial Statement Cont.

	<u>2011 March</u>	<u>2011 Year to Date</u>	<u>2011 Approved Budget</u>	<u>2011 Available</u>	<u>2011 % Available</u>
<b>Capital Outlay</b>					
Plant:					
IH	0	0	25,000	25,000	100
FK	583,482	2,582,435	10,770,000	8,187,565	76
Upper Blue	0	21,600	750,000	728,400	97
Collection	6,898	6,898	60,000	53,102	89
Administration	0	0	0	0	0
<b>Total Capital Outlay</b>	<u>590,380</u>	<u>2,610,933</u>	<u>11,605,000</u>	<u>8,994,067</u>	<u>78</u>
<b>Total Expenses</b>	<u>867,384</u>	<u>3,571,129</u>	<u>17,064,167</u>	<u>13,493,038</u>	<u>79</u>
 <b>Revenue Less Expenses</b>	 <u>150,655</u>	 <u>(1,685,433)</u>	 <u>(11,475,255)</u>		

Upper Blue Sanitation District  
 Comparative Financial Statement-UNAUDITED DRAFT  
 March 31, 2011 vs. March 31, 2010

	2011	2010	2011	2010	Increase
	<u>March</u>	<u>March</u>	<u>Year To Date</u>	<u>Year to Date</u>	<u>(Decrease)</u>
<b>Operating Revenue</b>					
Sewer User Fees	414,468	388,611	1,243,540	1,164,138	79,402
Tap Inspection Fees	400	100	450	400	50
Miscellaneous Revenue	4,817	0	10,877	240	10,637
Camper Dump Fees	0	0	0	0	0
Late Fees	9,423	8,482	7,395	7,724	(329)
Line Extension Fees	0	0	0	1,000	(1,000)
Rental Income	2,769	1,000	8,250	3,000	5,250
Interest on Investments	6,186	41,735	27,203	93,211	(66,008)
<b>Total Operating Revenue</b>	<u>438,063</u>	<u>439,928</u>	<u>1,297,715</u>	<u>1,269,713</u>	<u>28,002</u>
<b>Capital Revenue</b>					
Plant Investment Fees	579,176	35,493	587,181	101,895	485,286
Inclusion Fees	800	0	800	0	800
Bonds & Grant	0	0	0	0	0
Transfer from Reserve	0	0	0	0	0
<b>Total Capital Revenue</b>	<u>579,976</u>	<u>35,493</u>	<u>587,981</u>	<u>101,895</u>	<u>486,086</u>
<b>Total Revenue</b>	<u>1,018,039</u>	<u>475,421</u>	<u>1,885,696</u>	<u>1,371,608</u>	<u>514,088</u>

Administration Expense	2011 March	2010 March	2011 Year to Date	2010 Year to Date	Increase (Decrease)
<b>Payroll &amp; Employee Benefits</b>					
Salaries	93,407	121,485	261,046	242,121	18,925
Overtime	4,206	1,250	6,496	5,570	926
FICA-Admin	5,958	7,336	16,304	14,840	1,464
Medicare-Admin	1,393	1,716	3,813	3,471	342
401K Contributions	5,475	6,049	20,050	12,086	7,964
Unemployment Insurance	1,158	907	3,473	3,681	(208)
Health Insurance	16,727	17,907	50,776	54,460	(3,684)
<b>Total</b>	<b>128,324</b>	<b>156,650</b>	<b>361,958</b>	<b>336,229</b>	<b>25,729</b>
Office Supplies	78	261	1,565	759	806
Telephone	1,331	1,369	3,462	2,458	1,004
Business Expenses	1,367	1,733	5,211	12,656	(7,445)
Legal Counsel	3,441	10,731	17,498	15,386	2,112
Education	2,766	1,111	4,612	1,321	3,291
Audit & Accounting	5,800	5,600	5,800	5,600	200
Legal Publications	649	0	1,342	665	677
Board Members	500	500	1,500	1,500	0
Elections	0	2,875	0	2,875	(2,875)
Computer Expenses	701	1,521	2,255	2,835	(580)
Copy Machine & Supply	0	0	0	0	0
Postage & Meter Rent	600	2,363	2,999	2,964	35
Insurance - General	8,709	8,474	26,128	24,403	1,725
Insurance - Deductible	0	(1,000)	0	0	0
Engineering	5,000	550	5,000	4,636	364
Tools	77	0	(103)	85	(188)
Radios	0	0	0	124	(124)
Vehicle Expense	0	0	0	0	0
Dues & Memberships	1,840	30	3,137	1,867	1,270
Safety	197	0	1,096	1,237	(141)
Summit Water Quality	961	11,531	2,882	11,531	(8,649)
Building Maintenance	385	2,659	3,142	11,598	(8,456)
Employee Housing Maintena	800	0	1,700	398	1,302
Employee Housing Utilities	388	954	1,773	2,924	(1,151)
<b>Total Administration</b>	<b>163,914</b>	<b>207,912</b>	<b>452,957</b>	<b>444,051</b>	<b>8,906</b>
<b>Iowa Hill Plant Expenses</b>					
Utilities					
Gas	2,054	4,047	6,336	6,559	(223)
Electric	14,951	30,330	44,256	44,636	(380)
Freight	760	512	2,586	3,049	(463)
Equipment Repairs	5,776	6,667	10,957	10,560	397
Chemicals	10,961	12,067	40,040	27,374	12,666
Contracted Repairs	400	250	1,932	1,411	521
Laboratory Supplies	1,763	3,613	2,267	3,939	(1,672)
Biomonitoring	0	0	0	0	0
Discharge Permit	0	0	0	0	0
Supplies	219	206	1,143	1,150	(7)
<b>Total Iowa Hill</b>	<b>36,884</b>	<b>57,692</b>	<b>109,517</b>	<b>98,678</b>	<b>10,839</b>

March Comparative Statement Cont.

	<u>2011</u> <u>March</u>	<u>2010</u> <u>March</u>	<u>2011</u> <u>Year to Date</u>	<u>2010</u> <u>Year to Date</u>	<u>Increase</u> <u>(Decrease)</u>
<b>Farmers Korner</b>					
Utilities					
Gas	927	5,007	10,043	11,731	(1,688)
Electric	38,859	59,222	92,026	92,556	(530)
Freight	1,682	512	2,774	1,017	1,757
Equipment Repairs	2,027	4,051	7,343	5,406	1,937
Chemicals	10,961	5,194	38,908	30,761	8,147
Supplies	1,241	692	2,308	873	1,435
Contracted Repairs	502	2,201	652	2,860	(2,208)
Dumpster Charges	995	975	2,965	2,925	40
Biomonitoring	0	0	0	0	0
Discharge Permit	0	0	0	0	0
Composting	8,284	11,088	22,793	21,707	1,086
Site Monitoring	2,034	4,412	7,034	6,176	858
Sludge Hauling Costs	4,950	6,075	13,725	12,600	1,125
State Health Fees	1,090	0	1,090	0	1,090
<b>Total Farmers Korner</b>	<b>73,552</b>	<b>99,429</b>	<b>201,661</b>	<b>188,612</b>	<b>13,049</b>
<b>Collection Expenses</b>					
Utilities	996	1,992	2,897	3,207	(310)
Vehicle Expense	10	1,383	2,675	3,870	(1,195)
Line Cleaner Expenses	0	2,567	1,408	2,567	(1,159)
Manhole Repairs/Line Repair	1,506	2,047	3,266	2,084	1,182
Equipment Repairs	142	493	611	5,843	(5,232)
CCTV Expense	0	0	0	0	-
<b>Total Collection</b>	<b>2,654</b>	<b>8,482</b>	<b>10,857</b>	<b>17,571</b>	<b>(6,714)</b>
<b>Replacement Capital</b>					
Administration	0	1,333	5,520	18,994	(13,474)
Plant					
IH	0	1,963	0	1,963	(1,963)
FK	0	2,752	0	2,752	(2,752)
Upper Blue	0	638	0	638	(638)
Collection	0	0	0	56,494	(56,494)
Misc	0	0	0	0	0
Vehicle	0	0	0	22,232	(22,232)
<b>Total Replacement Capital</b>	<b>0</b>	<b>6,686</b>	<b>5,520</b>	<b>103,073</b>	<b>(97,553)</b>
<b>Non Operating Expenses</b>					
CWRPDA Loan Principal	0	0	42,039	167,500	(125,461)
Loan Interest	0	0	137,645	200,028	(62,383)
<b>Total Non Operating</b>	<b>0</b>	<b>0</b>	<b>179,684</b>	<b>367,528</b>	<b>(187,844)</b>

March Comparative Statement Cont.

Pg. 4  
Increase  
(Decrease)

	<u>2011</u> <u>March</u>	<u>2010</u> <u>March</u>	<u>2011</u> <u>Year to Date</u>	<u>2010</u> <u>Year to Date</u>	
<b>Capital Outlay</b>					
Plant-IH-CO	0	1,574	0	1,574	(1,574)
Plant-FK-CO	583,482	974,337	2,582,435	1,856,293	726,142
Plant-South Blue-CO	0	9,052	21,600	32,798	(11,198)
Collection	6,898	0	6,898	6,988	(90)
Administration	0	0	0	0	0
<b>Total Capital Outlay</b>	<u>590,380</u>	<u>984,963</u>	<u>2,610,933</u>	<u>1,897,653</u>	<u>713,280</u>
<b>Total Expenses</b>	<u>867,384</u>	<u>1,365,164</u>	<u>3,571,129</u>	<u>3,117,166</u>	<u>453,963</u>
<b>Revenue Less Expenses</b>	<u>150,655</u>	<u>(889,743)</u>	<u>(1,685,433)</u>	<u>(1,745,558)</u>	<u>60,125</u>

UPPER BLUE SANITATION DISTRICT  
 CERTIFICATES OF DEPOSIT  
 2011

	<u>ALPINE</u>	<u>FIRST BANK</u>	<u>MILLENNIUM</u>	<u>TOTAL</u>
Bal. Forward 1/1/2011	\$1,106,504.91	\$3,007,441.16	\$1,012,962.06	\$5,126,908.13
January Interest	\$2,278.98	\$3,959.86	\$836.79	\$7,075.63
Redemption				\$0.00
<b>Bal. 1/31/2011</b>	<b>\$1,108,783.89</b>	<b>\$3,011,401.02</b>	<b>\$1,013,798.85</b>	<b>\$5,133,983.76</b>
February Interest	\$2,283.68	\$594.00	\$707.01	\$3,584.69
Redemption				\$0.00
<b>February 28, 2011</b>	<b>\$1,111,067.57</b>	<b>\$3,011,995.02</b>	<b>\$1,014,505.86</b>	<b>\$5,137,568.45</b>
March Interest	\$2,066.98	\$1,485.30	\$585.12	\$4,137.40
Redemption				\$0.00
<b>March 31, 2011</b>	<b>\$1,113,134.55</b>	<b>\$3,013,480.32</b>	<b>\$1,015,090.98</b>	<b>\$5,141,705.85</b>
April Interest				\$0.00
Redemption				\$0.00
<b>April 30, 2011</b>				<b>\$0.00</b>
May Interest				\$0.00
Purchase				\$0.00
Redemption				\$0.00
<b>May 31, 2011</b>				<b>\$0.00</b>
June Interest				\$0.00
Purchase				\$0.00
Redemption				\$0.00
<b>June 30, 2011</b>				<b>\$0.00</b>
July Interest				\$0.00
Purchase				\$0.00
Redemption				\$0.00
<b>July 31, 2011</b>				<b>\$0.00</b>
August Interest				\$0.00
Purchase				\$0.00
Interest Paid				\$0.00
Redemption				\$0.00
<b>August 31, 2011</b>				<b>\$0.00</b>
September Interest				\$0.00
Purchase				\$0.00
Redemption				\$0.00
<b>September 30, 2011</b>				<b>\$0.00</b>
October Interest				\$0.00
Purchase				\$0.00
Redemption				\$0.00
<b>October 31, 2011</b>				<b>\$0.00</b>
November Interest				\$0.00
Redemption				\$0.00
Purchase				\$0.00
<b>November 30, 2011</b>				<b>\$0.00</b>
December Interest				\$0.00
Redemption				\$0.00
Purchase				\$0.00
<b>December 31, 2011</b>				<b>\$0.00</b>

**CAPITAL 2011**

	Current Month	Year To Date	Budget
<b>FARMERS KORNER - REPLACEMENT</b>			
<b>10-85-8524</b>			
Miscellaneous Equipment Repair/Replace	\$0.00	\$0.00	\$100,000.00
<b>TOTAL</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$100,000.00</b>
<b>FARMERS KORNER - NEW</b>			
<b>10-95-9540</b>			
Plant Expansion	\$583,482.07	\$2,582,435.24	\$10,700,000.00
Miscellaneous Equipment Repair/Replace	\$0.00	\$0.00	\$50,000.00
SCADA Upgrade	\$0.00	\$0.00	\$20,000.00
<b>TOTAL</b>	<b>\$583,482.07</b>	<b>\$2,582,435.24</b>	<b>\$10,770,000.00</b>
<b>IOWA HILL - REPLACEMENT</b>			
<b>10-85-8522</b>			
Miscellaneous Equipment Repair/Replace	\$0.00	\$0.00	\$75,000.00
<b>TOTAL</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$75,000.00</b>
<b>IOWA HILL - NEW</b>			
<b>10-95-9510</b>			
Miscellaneous Equipment Repair/Replace	\$0.00	\$0.00	\$25,000.00
<b>TOTAL</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$25,000.00</b>
<b>SOUTH BLUE - REPLACEMENT</b>			
<b>10-85-8526</b>			
Town of Blue River:			
Plant Expansion/Main Line	\$0.00	\$0.00	\$60,000.00
<b>TOTAL</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$60,000.00</b>
<b>SOUTH BLUE - NEW</b>			
<b>10-95-9590</b>			
Town of Blue River:			
Plant Expansion/Main Line	\$0.00	\$0.00	\$750,000.00
Engineering	\$0.00	\$21,600.00	
<b>TOTAL</b>	<b>\$0.00</b>	<b>\$21,600.00</b>	<b>\$750,000.00</b>
<b>COLLECTION - REPLACEMENT</b>			
<b>10-85-8530</b>			
GIS Mapping Replacement	\$0.00	\$0.00	\$40,000.00
Warriors Mark Repairs	\$0.00	\$0.00	\$60,000.00
Town of Breckenridge-6" to 8"	\$0.00	\$0.00	\$100,000.00
Miscellaneous Extensions/Repairs	\$0.00	\$0.00	\$200,000.00
Vehicle Replacement	\$0.00	\$0.00	\$30,000.00
<b>TOTAL</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$430,000.00</b>
<b>COLLECTION - NEW</b>			
<b>10-95-9520</b>			
Miscellaneous Extensions/Repairs:			
GIS System	\$6,898.35	\$6,898.35	\$60,000.00
<b>TOTAL</b>	<b>\$6,898.35</b>	<b>\$6,898.35</b>	<b>\$60,000.00</b>
<b>ADMINISTRATION - REPLACEMENT</b>			
<b>10-85-8510</b>			
Springbrook Software Upgrade	\$0.00	\$5,520.00	\$43,000.00
<b>TOTAL</b>	<b>\$0.00</b>	<b>\$5,520.00</b>	<b>\$43,000.00</b>
<b>GRAND TOTALS</b>	<b>\$590,380.42</b>	<b>\$2,616,453.59</b>	<b>\$12,313,000.00</b>

DATE: April 11, 2010

TO: Andrew Carlberg, District Manager

FROM: Greg Brown, Chief Plant Operator

SUBJECT: Treatment plant operations for March, 2011.

1. Total influent flow for the Upper Blue Treatment Facilities was 57.5 million gallons for the month of March. The flow for the previous March was 56.2 million gallons. There was a 1.3 million gallon increase (2.3% increase).
2. Influent flow to the Iowa Hill Treatment Facility was 21.7 million gallons for the month of March. Influent flow for the Farmer's Korner Treatment facility was 35.8 million gallons.
3. Solids loading at Farmer's Korner was down for March from 155,910# to 155,768#. Solids loading for Iowa Hill was down from 69,125# to 67,754# for March. Total loading was down for March from 225,035# to 223,522# (0.7% decrease).
4. Construction at the Farmer's Korner North Plant is progressing well. The entire building is totally enclosed. The roof is complete except for trim and gutters. Mechanical work is progressing on the aeration system, the return, waste and interstage pumps and piping, the densedeg equipment, the filtration piping, and the backwash pumps. The clarifier cover is installed. Electrical work has also begun inside the plant. Construction meetings are occurring weekly with Mortenson and Glacier.
6. The replacement of some and eventually all of our existing 200 h.p. conventional blowers that aerate all of the tanks at both plants is still being investigated. These would be replaced with high-speed turbo blowers like the ones that are going into the new North Plant. I have not received the information from the manufacturer. I should have the cost information including the capital cost and the energy saving cost by the next board meeting.



Greg  
cc:file



**PLANT STATISTICS - FARMERS KORNER**

MONTH	FLOW (MG)			PHOS (LBS)			INF SS (LBS)			SLUDGE (TONS)		
	2009	2010	2011	2009	2010	2011	2009	2010	2011	2009	2010	2011
JAN	34.0	33.9	31.2	2.7	4.1	1.9	102827	163448	132341	55.2	49.9	54.5
FEB	30.3	30.7	29.0	2.6	3.1	2.0	209878	84794	180701	43.1	24.3	35.8
MAR	32.9	36.3	35.8	1.8	3.9	2.9	101388	155910	155768	53.8	70.4	59.0
APR	32.0	28.7		2.2	0.6		128621	140701		52.7	55.2	
MAY	33.7	28.8		0.6	1.1		72416	48401		39.0	13.2	
JUN	29.0	31.3		1.5	1.2		61683	42767		43.5	36.4	
JUL	27.0	27.4		2.5	2.3		93499	50175		34.8	52.2	
AUG	22.8	26.0		1.1	1.7		194821	128708		41.8	39.6	
SEP	20.7	17.6		2.0	1.4		131053	37181		24.5	25.2	
OCT	18.3	18.2		1.4	0.8		167304	77049		37.2	15.7	
NOV	20.3	19.2		1.0	1.4		208767	80043		27.3	29.5	
DEC	32.5	28.9		1.6	1.1		121010	138477		32.0	46.5	
TOTAL	333.5	327.0	96.0	21.0	22.7	6.8	1593267	1147654	468810	484.9	458.1	149.3

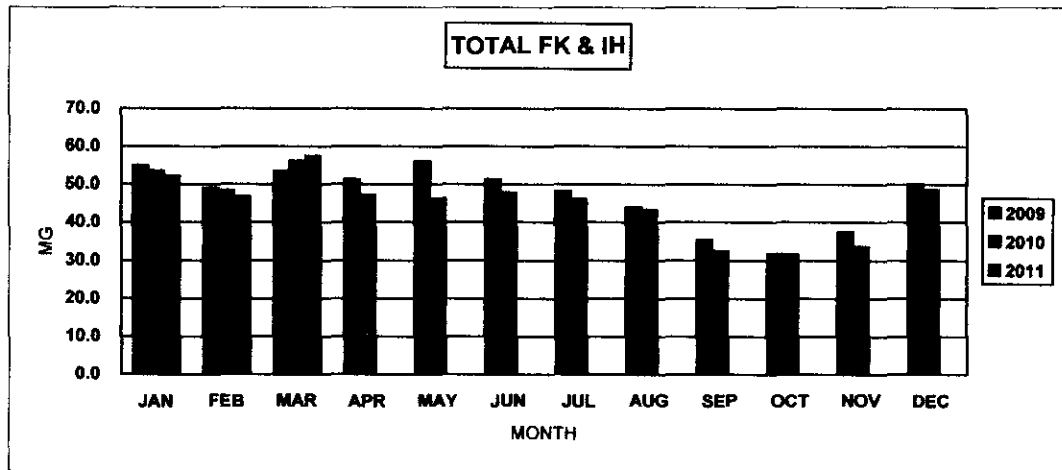
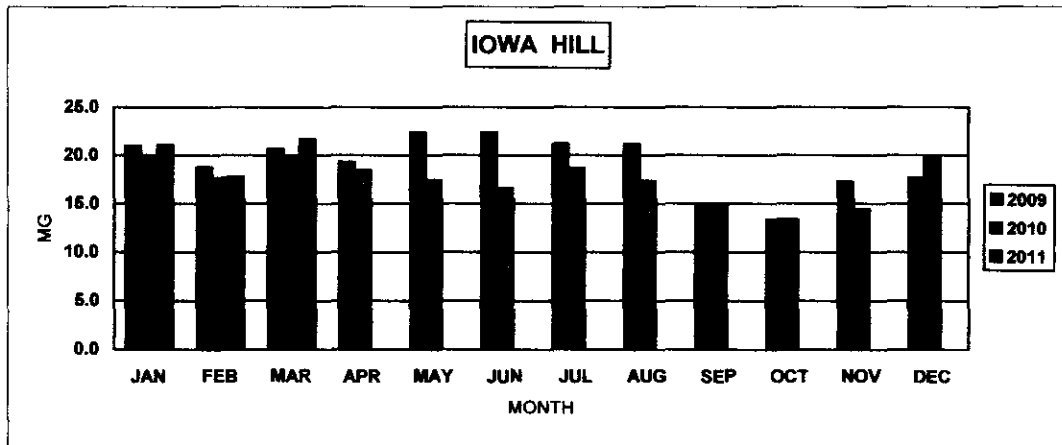
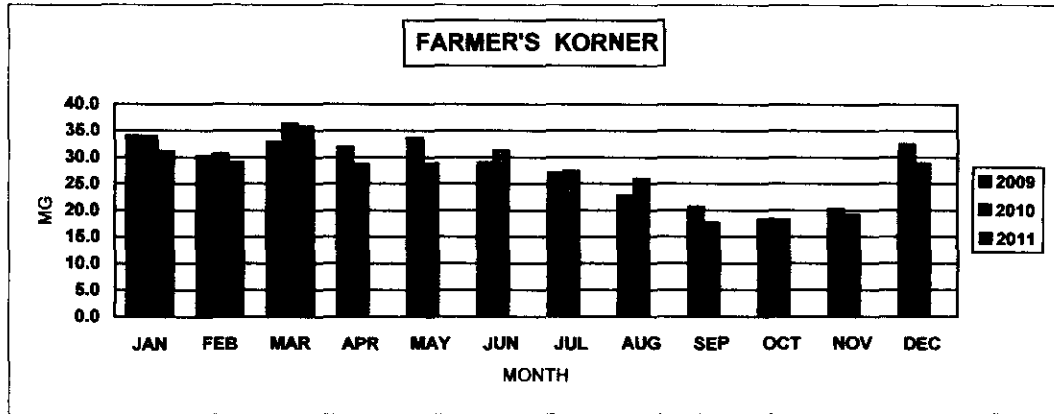
**PLANT STATISTICS - IOWA HILL**

MONTH	EFF FLOW (MG)			EFF PHOS (LBS)			INF SS (LBS)		
	2009	2010	2011	2009	2010	2011	2009	2010	2011
JAN	21.0	19.7	21.1	4.6	2.7	1.8	57077	50748	86584
FEB	18.8	17.7	17.8	5.1	2.9	1.5	65609	53585	73806
MAR	20.7	19.9	21.7	3.9	3.3	2.0	60561	69125	67754
APR	19.3	18.5		1.9	1.9		37500	38484	
MAY	22.4	17.5		1.8	2.0		36507	26866	
JUN	22.4	16.6		2.4	4.8		42486	29572	
JUL	21.2	18.7		1.8	2.2		65688	49902	
AUG	21.2	17.4		1.9	2.1		64077	40950	
SEP	14.7	14.9		1.3	1.5		26832	37846	
OCT	13.4	13.4		1.5	1.6		28235	26909	
NOV	17.3	14.5		1.8	1.1		27765	25263	
DEC	17.7	19.7		2.5	1.6		40866	63962	
TOTAL	230.1	208.5	60.6	30.5	27.7	5.3	553203	513212	228144

**PLANT STATISTICS - TOTAL**

MONTH	EFF FLOW (MG)			EFF PHOS (LBS)			INF SS (LBS)			SLUDGE (TONS)		
	2009	2010	2011	2009	2010	2011	2009	2010	2011	2009	2010	2011
JAN	55.0	53.6	52.3	7.3	6.8	3.7	159904	214196	218925	55.2	49.9	54.5
FEB	49.1	48.4	46.8	7.7	6.0	3.5	275487	138379	254507	43.1	24.3	35.8
MAR	53.6	56.2	57.5	5.7	7.2	4.9	161949	225035	223522	53.8	70.4	59.0
APR	51.3	47.2	0.0	4.1	2.5	0.0	166121	179185	0	52.7	55.2	0.0
MAY	56.1	46.3	0.0	2.4	3.1	0.0	108923	75267	0	39.0	13.2	0.0
JUN	51.4	47.9	0.0	3.9	6.0	0.0	104169	72339	0	43.5	36.4	0.0
JUL	48.2	46.1	0.0	4.3	4.5	0.0	159187	100077	0	34.8	52.2	0.0
AUG	44.0	43.4	0.0	3.0	3.8	0.0	258898	169658	0	41.8	39.6	0.0
SEP	35.4	32.5	0.0	3.3	2.9	0.0	157885	75027	0	24.5	25.2	0.0
OCT	31.7	31.6	0.0	2.9	2.4	0.0	195539	103958	0	37.2	15.7	0.0
NOV	37.6	33.7	0.0	2.8	2.5	0.0	236532	105306	0	27.3	29.5	0.0
DEC	50.2	48.6	0.0	4.1	8.7	0.0	161876	202439	0	32.0	46.5	0.0
TOTAL	563.6	535.5	156.6	51.5	56.4	12.1	2,146,470	1,660,866	696,954	484.9	458.1	149.3

FACILITY FLOW



To: Andy Carlberg- District Manager  
From: Wally Esquibel- Collection System Foreman  
Date: April 6, 2011

Subject: Collection System Report for March 2011

Andy,

1. No sewer backups reported for the month of March
2. Staff continued to monitor all lift stations and sewer mains of concern.
3. Starting in April UBSD collection system personal will begin scheduled semi-annual lift station cleaning and maintenance.
4. April will also mark the beginning of CCTV inspection and I&I monitoring.
5. UBSD collection system personal plan on starting scheduled sewer line cleaning in early May.
6. All UBSD fleet maintenance is up to date, all vehicles are in service.
7. Main and service line inspections/ locates are up to date and complete.

# MANAGER REPORT

## 04-2011

### 1) COLORADO DEPARTMENT OF HEALTH/ NEW REGULATIONS.

Colorado Department of Health and the Environmental Protection Agency have been discussing imposing additional nutrient (phosphorus and nitrogen) limitations on all WWTPs in Colorado. These discussions have slowly developed over the last 6-8 months to the point of development of proposed ranges of discharge limitations.

I have been monitoring these proposed regulatory requirements all of which could have significant effects on the District. Now it appears that some of the requirements will be adopted and have a direct effect on our treatment facilities.

The new regulations will impose new nutrient requirements on the District effluent discharge at all three plants. The modifications will center on the reductions of total phosphorus and total nitrogen in all the Districts facilities. While the District can easily meet any new phosphorus standards at our two main facilities there is concern over new requirements at South Blue WWTP. Nitrogen will be a concern at Farmers Korner, Iowa Hill and SBWWTP.

At this time there has not been a set limit on either phosphorus or nitrogen but the ranges discussed in the regulations will have a significant financial impact on the District. For instance, it has been estimated that to meet additional nitrogen requirements at Farmers Korner and Iowa Hill to be \$21-\$25 million each (District engineering study 2007). South Blue WWTP will have to comply with both nitrogen and phosphorus upgrades that could easily reach \$15M. Up to this point in time the District has been able to rely on dilution flows at both Iowa Hill and Farmers Korner to meet current standards but the new regulations will have to be met at the end of pipe and the benefits dilution flows will not be considered in setting effluent limitations for these limitations.

I am currently participating in several committees that are addressing final determination of standards, time table for implementation, potential exemptions and cost benefits analysis of the implementation. I do not see any real movement for another 6 months but the regulations will not just go away. We must be proactive not only to protect our interests but more importantly begin making financial preparation for the inevitable implementation.

In a probable scenario we could have new requirements in our next permit renewal at SBWWTP in two years. The requirements would include a compliance schedule of up to 5 years. This would give us plenty of time to include the financial implications in our Financial Master Plan.

I will update the Board as new information is made available, but in any case this issue should be the District's number one priority.

- 2) **Farmers Korner Roof Gutters.** At the last worksession the Board had concerns over the apparent lack of eaves on the new Farmers Korner building. Without eaves there was water dripping from the roof onto the siding then freezing. The concern was the long term effects. I have obtained a quote for adding additional gutters for the entire building. The cost is approx. \$42,000.00 that cost does not include heat tracing which could cost as much as \$20,000.00.