

Upper Blue Sanitation District
Board of Directors Meeting
Thursday February 10, 2011 @ 5:30 PM

I. ROLL CALL:

Mr. Robin Theobald called the meeting to order at 5:30 PM. Mr. Larry Crispell, Mr. Robin Theobald, Mr. Michael Turek 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. Mr. David Heyde from Mortenson gave the Board a construction update on the Farmers Korner plant expansion at the work session.

II. MINUTES:

January 13, 2011 minutes: Mr. Turek made a motion to approve the January 13, 2011 Board of Directors meeting minutes. Mr. Crispell seconded the motion. The motion was passed unanimously by the Board.

III. PUBLIC HEARINGS: None

IV. PUBLIC COMMENT: None

V. BILLS:

The bills were reviewed and discussed by the Board of Directors during the work session. Mr. Turek 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. Stimson seconded the motion. Mr. Theobald asked the Board for a roll call and the motion was passed unanimously by the Board.

VI. FINANCIAL REPORT:

The Financial Report was reviewed and discussed by the Board of Directors.

VII. MONTHLY REPORTS:

A. Plant and Collection:

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

B. Manager Report:

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

-Grand Lodge PIF Agreement:

The PIF agreement was in the Board packet for Board review and approval.

-Sunrise Point Litigation:

The District has stayed in the case to protect the District's interest.

-GIS Mapping:

Staff has begun working on the development of a GIS Mapping system in order to develop a more accurate mapping system for the District.

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-Breckenridge Park Estates:

The District has been approached by several property owners in Breckenridge Park Estates, requesting the extension of sewer service into their area. Letters of interest have been sent out and a complete report will be presented at the next Board meeting.

VIII. OLD BUSINESS: None

IX. NEW BUSINESS:

C. Pay Request #20 Mortenson Construction:

Mr. Carlberg recommended approval of Mortenson's pay request #20 in the amount of \$25,731.45. Mr. Stimson made a motion to approve Mortenson's pay request #20 in the amount of \$25,731.45. Mr. Crispell seconded the motion. Mr. Theobald asked the Board for a roll call and the motion was passed unanimously by the Board.

D. Glacier Construction Pay Request #19:

Mr. Carlberg recommended approval of Glacier's pay request #19 in the amount of \$1,018,173.45 representing costs for work completed thru January 31, 2011. Mr. Turek made a motion to approve payment of Glacier pay request #19 in the amount of \$1,018,173.45 subject to the collection of one outstanding lien release. Mr. Stimson seconded the motion. Mr. Theobald asked the Board for a roll call and the motion was passed unanimously by the Board.

E. Carollo Pay Request #0114155:

Mr. Carlberg reported that staff and the Construction Manager have reviewed the bill and Carollo has performed the services rendered thru December 31, 2010. Mr. Carlberg recommended payment of Carollo pay request #0114155 in the amount of \$46,533.50. Mr. Turek made a motion to approve the Carollo pay request #0114155 in the amount of \$46,533.50 for work completed thru December 31, 2010. Mr. Crispell seconded the motion. Mr. Theobald asked the Board for a roll call and the motion was passed unanimously by the Board.

F. 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 December 2010 (a detailed description of services is attached) in the amount of \$6,208.01; plus the PUD invoice in the amount of \$301.07. Mr. Stimson made a motion to approve payment of BHH Partners pay request in the amount of \$6,208.01 for the Farmers Korner plant expansion project thru the month of December 2010; plus the pay request for the Farmers Korner PUD work completed thru December 2010 in the amount of \$301.07. Mr. Turek seconded the motion. Mr. Theobald asked the Board for a roll call and the motion was passed unanimously by the Board.

G. Grand Lodge PIF Agreement:

Mr. Carlberg recapped the Grand Lodge PIF Agreement discussion from the last Board meeting. The developers for Grand Timber Lodge approached the District in 2007 with a special request for deferral of PIF's for initial phases of construction. The basis for this request was due to a requirement by the Town of Breckenridge to pull a building permit for the entire structure at one time, even though each phase would start at different times. At that time the Board reviewed the agreement and authorized the building permit sign off under the following conditions:

- The Developer would pay all District legal costs for review and development of the agreement.
- Each phase will begin construction on a specific date and the developer would be required to pay the current cost for a PIF. If the project has not been started by the specific date then the District could draw on the letter of credit.
- The Developer would be required to have in place irrevocable letters of credit in the amount of the unpaid PIF's.
- The Developer would be required to comply with all District Rules and Regulations.

Mr. Carlberg said that the agreement worked very well and there were never any problems.

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Mr. Carlberg recommended that the Board approve the Grand Lodge PIF agreement. Mr. Turek made a motion to approve the Grand Lodge PIF agreement and to authorize the Board President and Secretary to sign the PIF agreement. Mr. Stimson seconded the motion.

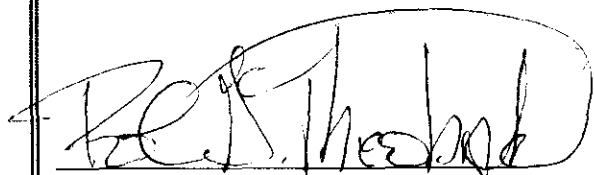
The Board stated that this type of PIF agreement with the same requirements would be considered to other large developers in the same circumstances.

X. CORRESPONDENCE:

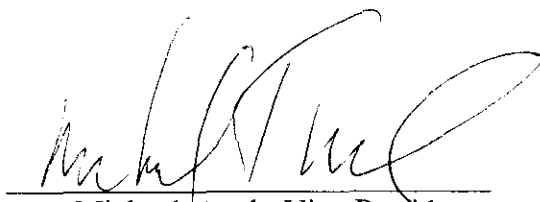
The Board changed the date of the April meeting from Thursday April 14, 2011 to Thursday April 21, 2011.

XI. ADJOURN:

Mr. Turek made a motion to adjourn the meeting at 5:48 PM. Mr. Crispell seconded the motion. The motion was passed unanimously by the Board.



Mr. Robin Theobald, President



Mr. Michael Turek, Vice-President

Memorandum

To: Andy Carlberg
From: Marjorie Borsina
Date: March 4, 2011
Re: Financial Update

- The District's Financial Records are in good order.
- We have not received all of the February 2011 bills. Therefore, the February Financial Statements are a preliminary draft for your review.
- On the February Comparative Financial Statement the 2010 year-to-date Salaries reflects only three pay periods instead of four, which is why the year to date comparison shows a \$47,004.00 increase. The reason for this was because February 28, 2010 fell on a Sunday which pushed the pay date to March 1, 2010.
- Prior to the audit I completed the capital asset and accumulated depreciation journal entries, which you will see reflected on the Balance Sheet. We have not received a few additional year end 2010 journal entries from the auditor. Once we receive those journal entries the Net Assets/Contributed Capital section of the Balance Sheet will reflect those December 31, 2010 adjustments.
- The 2010 Audit with Johnson, Holscher & Company was conducted during the week of February 14 – 18, 2011. Johnson, Holscher & Company is currently drafting the District's 2010 audited Financial Statements. We have tentatively scheduled the presentation of the 2010 audited Financial Statements for the April 21, 2011 Board Meeting. Johnson, Holscher & Company said that they might need to change the date if they cannot have the audited Financial Statements completed prior to April 21, 2011.
- We continue to solicit our customers to sign up for ACH/Auto Pay.

Marjorie

Upper Blue Sanitation District
 Comparative Balance Sheet-UNAUDITED DRAFT
 February 28, 2011 and February 28, 2010

	<u>2011</u>	<u>2010</u>	<u>Increase (Decrease)</u>
<u>Current Assets:</u>			
Petty Cash	\$200	\$200	-
Checking	\$ 666,784	\$ 6,778,600	(6,111,816)
Grant Funds Checking	-	-	-
Cash on Deposit with CWRPDA	-	8,000,000	(8,000,000)
ColoTrust Prime	15,034,718	9,524,096	5,510,622
Total Cash and Equivalents	15,701,702	24,302,896	(8,601,194)
Investments			
FK Construction Retainage Escrow	1,303,573	557,167	746,406
Cert. of Deposit & Treasuries	5,136,974	7,892,137	(2,755,163)
Total Investments	6,440,547	8,449,304	(2,008,757)
Other Current Assets			
Receivables-Utility + Spec. Assessments	35,099	19,949	15,150
Developer/Contractor Escrow	122,244	122,244	-
Interest Receivable & Market Adjustments	-	-	-
Notes Receivable	165,471	139,509	25,962
Prepaid Expenses	115,271	92,408	22,863
Loan Issuance Costs (Net)	163,849	163,849	-
Total Other Assets	601,934	537,959	63,975
Total Current Assets:	22,744,183	33,290,159	(10,545,976)
Property Plant and Equipment:			
Land	721,070	721,070	-
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	173,450	147,154	26,296
Other Machines & Equipment	459,772	459,772	-
Autos & Trucks	791,743	769,511	22,232
Upper Blue System Costs	3,030,400	1,868,670	1,161,730
Telemetry	102,075	102,075	-
Employee Housing	1,038,191	1,038,191	-
Total Property Plant and Equipment :	84,990,855	70,237,528	14,753,327
Less Accumulated Depreciation	(24,660,187)	(23,376,428)	(1,283,759)
Net Property Plant and Equipment :	60,330,668	46,861,100	13,469,568
Total Assets:	83,074,851	80,151,259	2,923,592

Liabilities

	<u>2011</u>	<u>2010</u>	<u>Increase</u> <u>(Decrease)</u>
Current Liabilities:			
Accounts Payable	1,008,088	523,962	484,126
Construction/Developer Escrow	122,244	122,244	-
Earned Employee Benefits	117,720	110,478	7,242
Unearned User Fees	414,257	388,782	25,475
Interest Payable	166,690	166,690	-
Loan Payable (Current Portion)	751,782	741,630	10,152
Retainage Payable-Construction in Progress	1,303,573	521,295	782,278
Employee Housing Deposit Payable	1,750	1,000	750
Total Current Liabilities:	<u>3,886,104</u>	<u>2,576,081</u>	<u>1,310,023</u>
Long Term Liabilities:			
Loan Payable	12,716,281	10,726,433	1,989,848
Total Long Term Liabilities:	<u>12,716,281</u>	<u>10,726,433</u>	<u>1,989,848</u>
Total Liabilities	<u>16,602,385</u>	<u>13,302,514</u>	<u>3,299,871</u>
Net Assets			
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	29,616,225	29,992,504	(376,279)
Total Contributed Capital	<u>66,472,466</u>	<u>66,848,745</u>	<u>(376,279)</u>
Total Liabilities and Equity	<u>83,074,851</u>	<u>80,151,259</u>	<u>2,923,592</u>

Upper Blue Sanitation District
 Monthly Financial Statement-UNAUDITED DRAFT
 February 28, 2011

	2011 February	2011 Year To Date	2011 Approved Budget	2011 Uncollected	2011 % Uncol/Col
Operating Revenue					
Sewer User Fees	415,128	829,072	4,939,461	4,110,389	83
Tap Inspection Fees	100	50	1,000	950	95
Miscellaneous Revenue	0	6,060	1,000	(5,060)	(506)
Camper Dump Fees	0	0	2,500	2,500	100
Late Fees	(552)	(2,027)	25,000	27,027	108
Line Extension Fees	0	0	20,000	20,000	100
Rental Income	2,731	5,481	20,000	14,519	73
Interest on Investments & Loans	4,159	20,118	114,431	94,313	82
Total Operating Revenue	421,566	858,754	5,123,392	4,264,638	83
Capital Revenue					
Plant Investment Fees	25,782	8,005	445,520	437,515	98
Inclusion Fees	0	0	20,000	20,000	100
Bonds and Grant	0	0	0	0	0
Transfer from Reserve	0	0	0	0	0
Total Capital Revenue	25,782	8,005	465,520	457,515	98
Total Revenue	447,348	866,759	5,588,912	4,722,153	84

Administration Expense	2011 February	2011 Year to Date	2011 Approved Budget	2011 Available	2011 % Available
Payroll & Employee Benefits					
Salaries	79,471	167,639	1,120,000	952,361	85
Overtime	375	2,291	45,000	42,709	95
FICA-Admn	4,856	10,347	75,000	64,653	86
Medicare-Admin	1,136	2,420	18,000	15,580	87
401K Contributions	5,416	14,575	58,000	43,425	75
Unemployment Insurance	1,157	2,315	18,000	15,685	87
Health Insurance	17,036	34,049	237,574	203,525	86
Total	109,447	233,636	1,571,574	1,337,938	85
Office Supplies	0	1,487	4,500	3,013	67
Telephone	1,016	2,035	13,500	11,465	85
Business Expenses	2,147	3,796	30,000	26,204	87
Legal Counsel	0	6,306	50,000	43,694	87
Education	1,845	1,845	25,000	23,155	93
Audit & Accounting	0	0	8,000	8,000	100
Legal Publications	93	693	6,000	5,307	88
Board Members	500	1,000	6,000	5,000	83
Elections	0	0	0	0	0
Computer Expenses	60	668	6,000	5,332	89
Copy Machine & Supply	0	0	1,000	1,000	100
Postage & Meter Rent	600	2,399	13,000	10,601	82
Insurance - General	8,709	17,419	130,000	112,581	87
Insurance - Deductible	0	0	1,000	1,000	100
Engineering	0	0	25,000	25,000	100
Tools	0	(291)	3,000	3,291	110
Radios	0	0	0	0	0
Vehicle Expense	0	0	500	500	100
Dues & Memberships	0	1,297	7,000	5,703	81
Safety	185	899	3,500	2,601	74
Summit Water Quality	0	961	12,500	11,539	92
Building Maintenance	2,373	2,758	25,000	22,242	89
Employee Housing Maintenance	300	900	15,000	14,100	94
Employee Housing Utilities	451	1,385	10,000	8,615	86
Total Administration	127,726	279,193	1,967,074	1,687,881	86
Iowa Hill Plant Expenses					
Utilities					
Gas	2,065	4,281	20,000	15,719	79
Electric	14,750	29,305	200,000	170,695	85
Freight	743	1,826	9,000	7,174	80
Equipment Repairs	626	5,181	50,000	44,819	90
Chemicals	18,412	23,887	100,000	76,113	76
Contracted Repairs	1,532	1,532	15,000	13,468	90
Laboratory Supplies	422	504	15,000	14,496	97
Biomonitoring	0	0	10,000	10,000	100
Discharge Permit	0	0	7,000	7,000	100
Supplies	924	924	8,000	7,076	88
Total Iowa Hill	39,474	67,440	434,000	366,560	84

February Financial Statement Cont.

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	2011 <u>February</u>	2011 <u>Year to Date</u>	2011 <u>Approved Budget</u>	2011 <u>Available</u>	2011 <u>% Available</u>
Farmers Korner Expenses					
Utilities					
Gas	0	4,755	75,000	70,245	94
Electric	26,430	53,168	360,000	306,832	85
Freight	546	546	7,000	6,454	92
Equipment Repairs	1,434	5,316	50,000	44,684	89
Chemicals	8,215	27,947	175,000	147,053	84
Supplies	38	1,038	4,000	2,962	74
Contracted Repairs	0	150	18,000	17,850	99
Dumpster Charges	995	1,970	13,000	11,030	85
Biomonitoring	0	0	7,000	7,000	100
Discharge Permit	0	0	17,000	17,000	100
Composting	5,507	14,509	110,000	95,491	87
Site Monitoring	2,966	5,000	25,000	20,000	80
Sludge Hauling Costs	3,375	8,775	55,000	46,225	84
State Health Fees	0	0	1,000	1,000	100
Total Farmers Korner	49,506	123,174	917,000	793,826	87
Collection Expenses					
Utilities	856	1,870	18,000	16,130	90
Vehicle Expense	0	1,444	25,000	23,556	94
Line Cleaner Expenses	1,408	1,408	5,000	3,592	72
Manhole Repairs/Line Repairs	19	644	80,000	79,356	99
Equipment Repairs	0	81	8,000	7,919	99
CCTV Expense	0	0	8,000	8,000	100
Total Collection	2,283	5,447	144,000	138,553	96
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
Total Replacement Capital	0	5,520	708,000	702,480	99
Non Operating Expenses					
Bond Principal	0	42,039	867,859	825,820	95
Bond Interest	0	137,645	421,234	283,589	67
Total Non Operating	0	179,684	1,289,093	1,109,409	86

February Financial Statement Cont.

	<u>2011</u> <u>February</u>	<u>2011</u> <u>Year to Date</u>	<u>2011</u> <u>Approved Budget</u>	<u>2011</u> <u>Available</u>	<u>2011</u> <u>% Available</u>
Capital Outlay					
Plant:					
IH	0	0	25,000	25,000	100
FK	956,325	1,989,488	10,770,000	8,780,512	82
Upper Blue	0	7,765	750,000	742,235	99
Collection	0	0	60,000	60,000	100
Administration	0	0	0	0	0
Total Capital Outlay	<u>956,325</u>	<u>1,997,253</u>	<u>11,605,000</u>	<u>9,607,747</u>	<u>83</u>
Total Expenses	<u>1,175,314</u>	<u>2,657,711</u>	<u>17,064,167</u>	<u>14,406,456</u>	<u>84</u>
Revenue Less Expenses	<u>(727,966)</u>	<u>(1,790,952)</u>	<u>(11,475,255)</u>		

Upper Blue Sanitation District
 Comparative Financial Statement-UNAUDITED DRAFT
 February 28, 2011 vs. February 28, 2010

	2011	2010	2011	2010	Increase
	February	February	Year To Date	Year to Date	(Decrease)
Operating Revenue					
Sewer User Fees	415,128	388,341	829,072	775,527	53,545
Tap Inspection Fees	100	200	50	300	(250)
Miscellaneous Revenue	0	240	6,060	240	5,820
Camper Dump Fees	0	0	0	0	0
Late Fees	(552)	(175)	(2,027)	(758)	(1,269)
Line Extension Fees	0	0	0	1,000	(1,000)
Rental Income	2,731	1,000	5,481	2,000	3,481
Interest on Investments	4,159	23,315	20,118	51,476	(31,358)
Total Operating Revenue	421,566	412,921	858,754	829,785	28,969
Capital Revenue					
Plant Investment Fees	25,782	36,414	8,005	66,402	(58,397)
Inclusion Fees	0	0	0	0	0
Bonds & Grant	0	0	0	0	0
Transfer from Reserve	0	0	0	0	0
Total Capital Revenue	25,782	36,414	8,005	66,402	(58,397)
Total Revenue	447,348	449,335	866,759	896,187	(29,428)

Administration Expense	2011 February	2010 February	2011 Year to Date	2010 Year to Date	Increase (Decrease)
Payroll & Employee Benefits					
Salaries	79,471	81,106	167,639	120,635	47,004
Overtime	375	513	2,291	4,320	(2,029)
FICA-Admin	4,856	4,888	10,347	7,504	2,843
Medicare-Admin	1,136	1,143	2,420	1,755	665
401K Contributions	5,416	4,039	14,575	6,038	8,537
Unemployment Insurance	1,157	1,122	2,315	2,774	(459)
Health Insurance	17,036	18,186	34,049	36,552	(2,503)
Total	109,447	110,997	233,636	179,578	54,058
Office Supplies	0	223	1,487	498	989
Telephone	1,016	992	2,035	1,090	945
Business Expenses	2,147	3,083	3,796	10,923	(7,127)
Legal Counsel	0	210	6,306	4,655	1,651
Education	1,845	0	1,845	210	1635
Audit & Accounting	0	0	0	0	0
Legal Publications	93	24	693	665	28
Board Members	500	500	1,000	1,000	0
Elections	0	0	0	0	0
Computer Expenses	60	763	668	1,314	(646)
Copy Machine & Supply	0	0	0	0	0
Postage & Meter Rent	600	601	2,399	601	1,798
Insurance - General	8,709	7,965	17,419	15,930	1,489
Insurance - Deductible	0	1,000	0	1,000	(1,000)
Engineering	0	0	0	4,086	(4,086)
Tools	0	85	(291)	85	(376)
Radios	0	124	0	124	(124)
Vehicle Expense	0	0	0	0	0
Dues & Memberships	0	0	1,297	1,838	(541)
Safety	185	898	899	1,237	(338)
Summit Water Quality	0	0	961	0	961
Building Maintenance	2,373	7,745	2,758	8,939	(6,181)
Employee Housing Maintena	300	398	900	398	502
Employee Housing Utilities	451	994	1,385	1,969	(584)
Total Administration	127,726	136,602	279,193	236,140	43,053
Iowa Hill Plant Expenses					
Utilities					
Gas	2,065	0	4,281	2,512	1,769
Electric	14,750	14,306	29,305	14,306	14,999
Freight	743	509	1,826	2,537	(711)
Equipment Repairs	626	3,894	5,181	3,894	1,287
Chemicals	18,412	5,103	23,887	15,307	8,580
Contracted Repairs	1,532	1,161	1,532	1,161	371
Laboratory Supplies	422	38	504	326	178
Biomonitoring	0	0	0	0	0
Discharge Permit	0	0	0	0	0
Supplies	924	861	924	944	(20)
Total Iowa Hill	39,474	25,872	67,440	40,987	26,453

February Comparative Statement Cont.

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	2011 <u>February</u>	2010 <u>February</u>	2011 <u>Year to Date</u>	2010 <u>Year to Date</u>	Increase <u>(Decrease)</u>
Farmers Korner					
Utilities					
Gas	0	732	4,755	6,724	(1,969)
Electric	26,430	0	53,168	33,333	19,835
Freight	546	505	546	504	42
Equipment Repairs	1,434	417	5,316	1,355	3,961
Chemicals	8,215	15,362	27,947	25,567	2,380
Supplies	38	182	1,038	182	856
Contracted Repairs	0	509	150	660	(510)
Dumpster Charges	995	975	1,970	1,950	20
Biomonitoring	0	0	0	0	0
Discharge Permit	0	0	0	0	0
Composting	5,507	3,633	14,509	10,619	3,890
Site Monitoring	2,966	0	5,000	1,764	3,236
Sludge Hauling Costs	3,375	2,025	8,775	6,525	2,250
State Health Fees	0	0	0	0	0
Total Farmers Korner	49,506	24,340	123,174	89,183	33,991
Collection Expenses					
Utilities	856	15	1,870	1,216	654
Vehicle Expense	0	1,243	1,444	2,487	(1,043)
Line Cleaner Expenses	1,408	0	1,408	0	1,408
Manhole Repairs/Line Repair	19	16	644	37	607
Equipment Repairs	0	218	81	5,349	(5,268)
CCTV Expense	0	0	0	0	-
Total Collection	2,283	1,492	5,447	9,089	(3,642)
Replacement Capital					
Administration	0	15,014	5,520	17,660	(12,140)
Plant					
IH	0	0	0	0	0
FK	0	0	0	0	0
Upper Blue	0	0	0	0	0
Collection	0	6,494	0	56,494	(56,494)
Misc	0	0	0	0	0
Vehicle	0	22,232	0	22,232	(22,232)
Total Replacement Capital	0	43,740	5,520	96,386	(90,866)
Non Operating Expenses					
CWRPDA Loan Principal	0	0	42,039	167,500	(125,461)
Loan Interest	0	0	137,645	200,028	(62,383)
Total Non Operating	0	0	179,684	367,528	(187,844)

February Comparative Statement Cont.

Pg. 4
Increase
(Decrease)

	2011 <u>February</u>	2010 <u>February</u>	2011 <u>Year to Date</u>	2010 <u>Year to Date</u>	
Capital Outlay					
Plant-IH-CO	0	0	0	0	0
Plant-FK-CO	956,325	489,983	1,989,488	881,956	1,107,532
Plant-South Blue-CO	0	23,746	7,765	23,746	(15,981)
Collection	0	3,733	0	6,988	(6,988)
Administration	0	0	0	0	0
Total Capital Outlay	<u>956,325</u>	<u>517,462</u>	<u>1,997,253</u>	<u>912,690</u>	<u>1,084,563</u>
Total Expenses	<u>1,175,314</u>	<u>749,508</u>	<u>2,657,711</u>	<u>1,752,003</u>	<u>905,708</u>
Revenue Less Expenses	<u>(727,966)</u>	<u>(300,173)</u>	<u>(1,790,952)</u>	<u>(855,816)</u>	<u>(935,136)</u>

CAPITAL 2011

	<u>Current Month</u>	<u>Year To Date</u>	<u>Budget</u>
FARMERS KORNER - REPLACEMENT			
10-85-8524			
Miscellaneous Equipment Repair/Replace	\$0.00	\$0.00	\$100,000.00
TOTAL	\$0.00	\$0.00	\$100,000.00
FARMERS KORNER - NEW			
10-95-9540			
Plant Expansion	\$956,325.07	\$1,989,488.17	\$10,700,000.00
Miscellaneous Equipment Repair/Replace	\$0.00	\$0.00	\$50,000.00
SCADA Upgrade	\$0.00	\$0.00	\$20,000.00
TOTAL	\$956,325.07	\$1,989,488.17	\$10,770,000.00
IOWA HILL - REPLACEMENT			
10-85-8522			
Miscellaneous Equipment Repair/Replace	\$0.00	\$0.00	\$75,000.00
TOTAL	\$0.00	\$0.00	\$75,000.00
IOWA HILL - NEW			
10-95-9510			
Miscellaneous Equipment Repair/Replace	\$0.00	\$0.00	\$25,000.00
TOTAL	\$0.00	\$0.00	\$25,000.00
SOUTH BLUE - REPLACEMENT			
10-85-8526			
Town of Blue River:			
Plant Expansion/Main Line	\$0.00	\$0.00	\$60,000.00
TOTAL	\$0.00	\$0.00	\$60,000.00
SOUTH BLUE - NEW			
10-95-9590			
Town of Blue River:			
Plant Expansion/Main Line	\$0.00	\$0.00	\$750,000.00
Engineering	\$0.00	\$7,765.00	
TOTAL	\$0.00	\$7,765.00	\$750,000.00
COLLECTION - REPLACEMENT			
10-85-8530			
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
TOTAL	\$0.00	\$0.00	\$430,000.00
COLLECTION - NEW			
10-95-9520			
Miscellaneous Extensions/Repairs:			\$60,000.00
TOTAL	\$0.00	\$0.00	\$60,000.00
ADMINISTRATION - REPLACEMENT			
10-85-8510			
Springbrook Software Upgrade	\$0.00	\$5,520.00	\$43,000.00
TOTAL	\$0.00	\$5,520.00	\$43,000.00
GRAND TOTALS	\$956,325.07	\$2,002,773.17	\$12,313,000.00

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	\$3,365.86	\$836.79	\$6,481.63
Redemption				\$0.00
Bal. 1/31/2011	\$1,108,783.89	\$3,010,807.02	\$1,013,798.85	\$5,133,389.76
February Interest	\$2,283.68	\$594.00	\$707.01	\$3,584.69
Redemption				\$0.00
February 28, 2011	\$1,111,067.57	\$3,011,401.02	\$1,014,505.86	\$5,136,974.45
March Interest				\$0.00
Redemption				\$0.00
March 31, 2011				\$0.00
April Interest				\$0.00
Redemption				\$0.00
April 30, 2011				\$0.00
May Interest				\$0.00
Purchase				\$0.00
Redemption				\$0.00
May 31, 2011				\$0.00
June Interest				\$0.00
Purchase				\$0.00
Redemption				\$0.00
June 30, 2011				\$0.00
July Interest				\$0.00
Purchase				\$0.00
Redemption				\$0.00
July 31, 2011				\$0.00
August Interest				\$0.00
Purchase				
Interest Paid				
Redemption				
August 31, 2011				\$0.00
September Interest				\$0.00
Purchase				
Redemption				
September 30, 2011				\$0.00
October Interest				\$0.00
Purchase				
Redemption				
October 31, 2011				\$0.00
November Interest				\$0.00
Redemption				
Purchase				
November 30, 2011				\$0.00
December Interest				\$0.00
Redemption				\$0.00
Purchase				\$0.00
December 31, 2011				\$0.00

DATE: March 3, 2010

TO: Andrew Carlberg, District Manager

FROM: Greg Brown, Chief Plant Operator

SUBJECT: Treatment plant operations for February, 2011.

1. Total influent flow for the Upper Blue Treatment Facilities was 46.8 million gallons for the month of February. The flow for the previous February was 48.4 million gallons. There was a 1.6 million gallon decrease (3.3% decrease).

2. Influent flow to the Iowa Hill Treatment Facility was 17.8 million gallons for the month of February. Influent flow for the Farmer's Korner Treatment facility was 29.0 million gallons.

3. Solids loading at Farmer's Korner was up for February from 84,794# to 180,701#. Solids loading for Iowa Hill was up from 53,585# to 73,806# for February. Total loading was up for February from 138,379# to 254,507# (45.6% increase).

4. Construction at the Farmer's Korner North Plant is progressing slowly with the winter weather. The building erection is now progressing well in spite of some severe winter conditions. The west building is totally enclosed and the east building framing is almost completed and partially enclosed. The roof is almost complete. The building scheduled completion for enclosure will be at the end of March, 2011. 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. Construction meetings are occurring weekly with Mortenson and Glacier.

6. I have been working on 2 other projects with regards to energy conservation. The first is the replacement of some and eventually all of our existing 200 h.p. conventional blowers that aerate all of the tanks at both plants. 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.

The other energy saving project is a heat recovery system that utilizes a heat exchanger to get heat out of our existing digesters. We now have 2.0 million gallons of digester space, however, the tanks are not full all of the time. The Avon wastewater treatment plant has just started up a new heat recovery system that took over 3 years to develop. This system relies upon high temperature autothermal thermophilic aerobic digesters (ATAD), which we do not have. It would be very difficult and costly to modify our existing conventional aerobic digesters to this process and then there would be additional high cost for the heat recovery system and more cost for the distribution system. The ATAD system operates at 130°F to 150°F. Our existing digesters run at 70°F to 80°F. The ATAD system also generates a tremendous amount of very foul odor which would have to be treated. Our existing odor

control system would not even begin to handle the odors created by an ATAD system, so another odor control system would have to be added.

Estimated capital cost:	Digester Conversion -	\$2.0 Million
	Heat Recovery -	\$1.0 Million
	Heat Distribution -	\$1.0 Million (minimum)
	Odor Control -	<u>\$1.0 Million</u>
	TOTAL -	\$5.0 Million



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		1.8	3.9		101388	155910		53.8	70.4	
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	60.2	21.0	22.7	3.9	1593267	1147654	313042	484.9	458.1	90.3

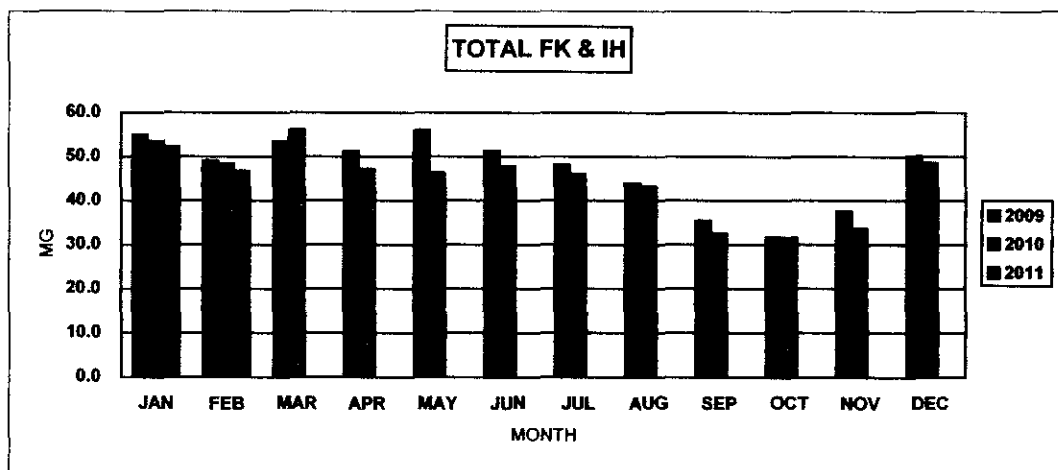
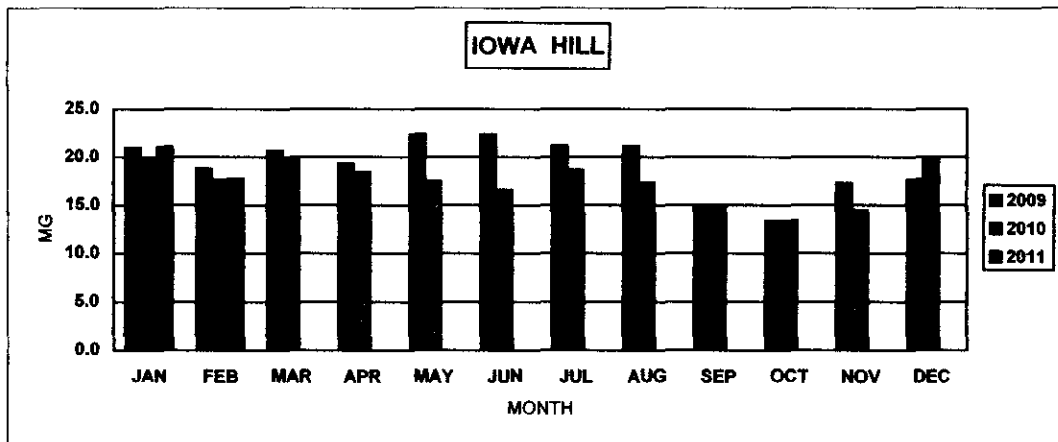
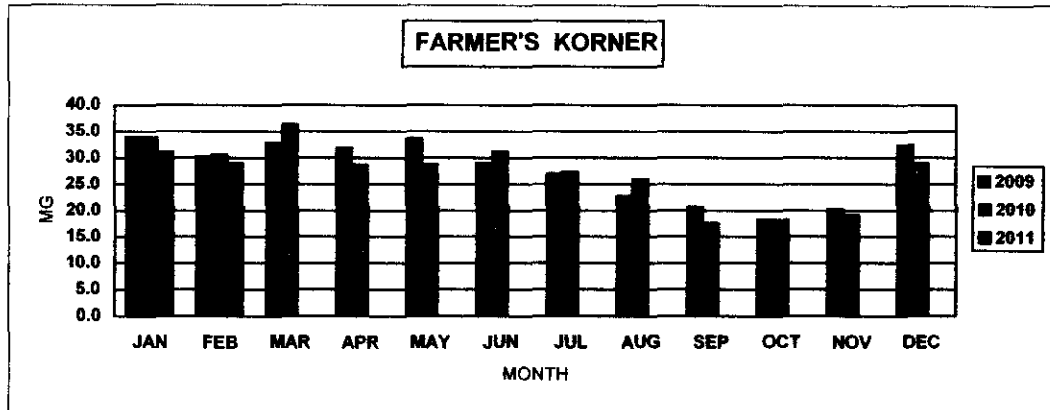
PLANT STATISTICS - IOWA HILL

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		3.9	3.3		60561	69125	
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	38.9	30.5	27.7	3.3	553203	513212	160390

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	0.0	5.7	7.2	0.0	161949	225035	0	53.8	70.4	0.0
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	99.1	51.5	56.4	7.2	2,146,470	1,660,866	473,432	484.9	458.1	90.3

FACILITY FLOW



To Andrew Carlberg; District Manager

From Wally Esquibel; Collection System Forman

Date; March 1, 2011

Subject; Collection System report for the month of February

1. No Backups reported for the month of February
2. We continue to monitor all lift stations on a daily basis, and other areas of concern, ie. Sewer main, that might freeze
3. District personnel are doing maintenance on the Jett Cleaner; new rear tires, changing fluids and filters, as well as maintenance on fleet equipment. We are looking forward to another good year of line cleaning
4. Service line inspections are up to date
5. 12 locates were completed

MANAGER REPORT

03-2011

- 1) **Breckenridge Park Estates.** We have had a few positive responses for connection, but not enough to justify extension at this time. I am recommending putting off a decision until I talk to more homeowners.

- 2) **Summit Foundation, Employee Giving/District Participation.** I have been talking with Kasey from the Summit Foundation about their employee giving program. This program involves the employees making a monthly contribution to the Summit Foundation through a payroll deduction. In addition the employer has the ability to also make a monthly contribution. Included in your packet is the information provided to us by the Foundation. With both contributions the District would then earn a patron pass to be used by those who contribute.
As the Board is aware we are extremely limited as to making donations within the community, however this program is different. Not only would employees and the district be contributing back to the community, the district would actually be receiving a medallion pass which then can be used as a benefit offered to those who contribute.
I like the idea and would recommend the Board's consideration.

- 3) **Glacier Lien Release.** We were able to get a lien release from the building subcontractor, however it was not certified. I released payment to Glacier minus the amount for the claim. I am awaiting a certified release.

- 4) **Blue River Phase II.** On Thursday March 3, I held an informational meeting for the subdivisions in Blue River that will be receiving service this summer. The meeting notification was sent to each property owner. There was no one in attendance.