

Upper Blue Sanitation District
Board of Directors Meeting
Thursday January 13, 2011 @ 5:30 PM

I. ROLL CALL:

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

Note: The work session was cancelled.

II. MINUTES:

December 9, 2010 minutes: The Board asked to have the verbiage in the minutes regarding Resolution 6, Series 2010 amended as follows: Add the word "zero" to establishing the Mil Levy, so that it reads the Mil Levy was established at zero. Mr. Casey made a motion to approve the December 9, 2010 Board of Directors meeting minutes as amended. Mr. Stimson 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. The Board discussed legal service costs. Mr. Carlberg stated that legal services for water rights litigation should be going down in the future. Mr. Carlberg also stated that there have been unexpected legal costs for the Sunrise Point litigation and that general counsel costs will continue to go up in the future due to the large amount of foreclosures and bankruptcies.

Mr. Casey 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. Crispell seconded the motion. The motion was passed unanimously by the Board.

VI. FINANCIAL REPORT:

The Financial Report was reviewed and discussed by the Board of Directors. Mr. Carlberg reported to the Board that Alpine Bank had recently informed the District, with only ten days notice that effective on 1/22/11 the District would no longer be earning interest on District money in the operating account. Mr. Carlberg said that the option Alpine Bank offered the District would cost the District more in fees than would be earned in interest. Mr. Carlberg said that Alpine Banks philosophies have changed and recommended that the District shop for new banking services. Mr. Carlberg asked for the Boards approval to move a majority of the District's money out of Alpine Bank and into Colotrust until the District finds a new bank. Therefore, the District would be earning interest on the money with Colotrust. Colotrust is an approved government investment pool and is insured.

Mr. Barrie Stimson made a motion to authorize the District Manager to transfer all of the District's excess funds from Alpine Bank to Colotrust. Meanwhile, the District will shop for new banking services and staff will bring the bank proposals to the Board for approval. Mr. Casey seconded the motion. Mr. Turek asked the Board for a roll call and the motion was passed unanimously by the Board.

Upper Blue Sanitation District
Board of Directors Meeting
Thursday January 13, 2011 @ 5:30 PM

VII. MONTHLY REPORTS:

A. Plant and Collection:

-The Plant and Collection reports were discussed by the Board of Directors.

Mr. Carlberg reported to the Board that Glacier Construction had a problem with Extreme, who is one of the sub-contractors on the Farmers Korner project. Extreme claimed that they were not getting paid by Glacier and walked off the job. Glacier said that they have been paying Extreme. Mr. Carlberg said that he asked Glacier for a copy of all large dollar amount lien releases, which Glacier has provided. The issue between Glacier Construction and Extreme has been resolved and Extreme is back on the job. Mr. Turek suggested that the Construction Manager request that a copy of all large dollar amount lien releases be provided each month by Glacier Construction.

B. Manager Report:

The Manager report was discussed by the Board.

-Town of Blue River:

Mr. Carlberg reported to the Board that the District had received engineering proposals for phase two of the Blue River sewer line project from Alpine Engineering, TST Engineering and Kurfman. Mr. Carlberg said that all three engineering firms have an understanding of the project and its challenges. The District has worked with all three firms in the past. Alpine Engineering submitted the lowest bid and guaranteed not to exceed \$24,000.00, plus no charge for construction services. Mr. Carlberg recommended that the District retain Alpine Engineering for the following reasons: lowest estimate, not to exceed cost, no charge for construction services and Alpine Engineering will do all the surveying.

Mr. Carlberg reported the he had asked Mr. Gene Riordan, the District's attorney about working with Stan Miller, Inc. on a change order to the original Blue River sewer line contract. The change order would be for phase two of the Blue River sewer line project for an amount over \$600,000.00. Mr. Riordan said that by doing a change order the District could be left open to some exposure. Therefore, the District will have to go out to bid for phase two of the Blue River sewer line extension.

Mr. Stimson made a motion to accept Alpine Engineering's bid proposal for phase two of the Blue River sewer line extension project. Mr. Crispell seconded the motion. The motion was passed unanimously by the Board.

-Solar Panels:

Mr. Carlberg said that he has not heard back from Vibrant Solar since December 15, 2010 when he told them that the Town of Blue River would not allow solar panels to be put on the roof of the plant. Vibrant Solar is not interested in installing solar panels at only one location. Mr. Carlberg said that it does not look like the District will be working with Vibrant Solar.

However, Mr. Carlberg said that he has met with H.S.I. Blower Company. The District would see an estimated 30% energy cost savings with new blowers. H.S.I. is currently evaluating every blower in the District and will be submitting a proposal to the District.

-Grand Lodge PIF Agreement:

Mr. Carlberg reported that in 2007 the developers for Grand Timber Lodge approached the District 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.

Upper Blue Sanitation District
Board of Directors Meeting
Thursday January 13, 2011 @ 5:30 PM

-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. Mr. Carlberg recommended that the Board authorize the District Manager to develop a final draft agreement for Grand Lodge phase four and five to be presented to the Board for review at the next Board meeting. The Board authorized the District Manager to develop the draft agreement for Grand Lodge phase four and five for the Board to review at the next Board meeting.

-Summit County Water Case Review:

Mr. Carlberg reported that the District is close to an agreement with the Summit County Commissioners on two outstanding water cases. Previously, Summit County had agreed with the District's policy that they did not want any new water being used in the Upper Blue to deplete stream flows. Summit County then agreed to put that language in two previous water cases. The District wants two other water exchange cases to have that same language added. The first case is regarding the storage of Dillon Reservoir, Clinton Reservoir water and Upper Blue Reservoir water in the second and third expansion of Lake Dillon. The second case is regarding the transfer of Wolford Mountain water to be used in the first, second and third enlargement of Lake Dillon. The District has been negotiating with Summit County on these water rights issues for months. Recently, the County agreed and stated that on the first case they would not use any of the Dillon Reservoir water, Clinton Reservoir water or Blue Lakes water as part of the augmentation plan in the Upper Blue basin. Regarding the second case the County agreed not to use any of the Wolford Mountain water in the second and third enlargement of Lake Dillon, but they would like to use the water in the first enlargement in order to firm up their original water rights. Mr. Carlberg recommended that the Board agree to the terms with Summit County on the language to be added in both of these water cases.

Mr. Casey made a motion to instruct the District Manager to continue working with the District's water attorney on settling these two cases with Summit County. Mr. Crispell seconded the motion. Mr. Turek asked the Board for a roll call and the motion was passed unanimously by the Board.

VIII. OLD BUSINESS: None

IX. NEW BUSINESS:

C. Pay Request #19 Mortenson Construction:

Mr. Carlberg recommended approval of Mortenson's pay request #19 in the amount of \$31,425.42. Mr. Casey made a motion to approve Mortenson's pay request #19 in the amount of \$31,425.42. Mr. Stimson seconded the motion. Mr. Turek asked the Board for a roll call and the motion was passed unanimously by the Board.

D. Glacier Construction Pay Request #18:

Mr. Carlberg recommended approval of Glacier's pay request #18 in the amount of \$1,140,675.75 representing costs for work completed thru December 31, 2010; plus the retainage amount of \$625.71. In addition, Mr. Carlberg recommended approval of draft change order #3 which represents a credit to the District in the amount of \$51,027.00 for miscellaneous items. Mr. Stimson made a motion to approve payment of Glacier pay request #18 in the amount of \$1,140,675.75; plus the retainage amount of \$625.71 once an equal amount has been deposited into the retainage account at Millennium Bank and approval of draft change order #3 for a future credit to the District in the amount of \$51,027.00. Mr. Casey seconded the motion. Mr. Turek asked the Board for a roll call and the motion was passed unanimously by the Board.

Upper Blue Sanitation District
Board of Directors Meeting
Thursday January 13, 2011 @ 5:30 PM

E. Carollo Pay Request #0113805:

Mr. Carlberg reported that staff and the Construction Manager have reviewed the bill and Carollo has performed the services rendered thru November 30, 2010. Mr. Carlberg recommended payment of Carollo pay request #0113805 in the amount of \$48,561.50. Mr. Stimson made a motion to approve the Carollo pay request #0113805 in the amount of \$48,561.50 for work completed thru November 30, 2010. Mr. Crispell seconded the motion. Mr. Turek 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 the BHH Partners pay request for work completed for the Farmers Korner plant expansion during the month of November 2010 (a detailed description of services is attached) in the amount of \$5,751.86; plus the PUD invoice in the amount of \$128.27. Mr. Casey made a motion to approve payment of BHH Partners pay request in the amount of \$5,751.86 for the Farmers Korner plant expansion project thru the month of November 2010; plus the pay request for the Farmers Korner PUD work completed thru November 2010 in the amount of \$128.27. Mr. Crispell seconded the motion. Mr. Turek asked the Board for a roll call and the motion was passed unanimously by the Board.

G. Resolution 1, Series 2011, Set Time and Place for District Meetings:

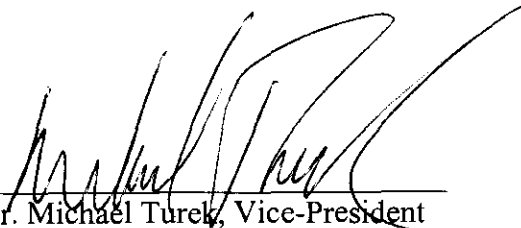
Mr. Carlberg explained to the Board that this Resolution is required to be passed at the first meeting of the year. The Resolution sets the Board meetings to take place at 5:30 PM the second Thursday of every month at 1605 Airport Road, Breckenridge, CO. The Work Sessions will take place at 3:30 PM the second Thursday of each month at 0059 Swan Mountain Road, Breckenridge, CO. The places for posting District notices are: the District Administration office, Farmers Korner plant, Mountain View Lift Station in Blue River and the Summit County Clerk and Recorder office. The official newspaper for publications is the Summit County Journal.

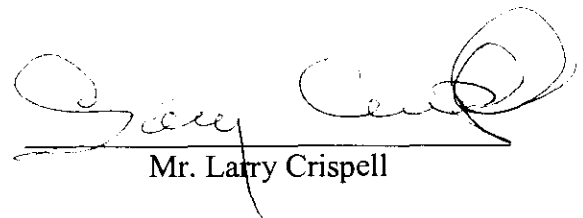
Mr. Crispell made a motion to approve Resolution 1, Series 2011 to set the time and place for District meetings. Mr. Stimson seconded the motion. The motion was passed unanimously by the Board.

X. CORRESPONDENCE:

XI. ADJOURN:

Mr. Casey made a motion to adjourn the meeting at 6:30 PM. Mr. Crispell seconded the motion. The motion was passed unanimously by the Board.


 Mr. Michael Turek, Vice-President


 Mr. Larry Crispell

Memorandum

To: Andy Carlberg
From: Marjorie Borsina
Date: January 7, 2011
Re: Financial Update

The District's Financial Records are in good order.

We are still receiving bills for 2010. Specifically, the Xcel Energy bill and the Asgard Energy bill have not been received. Therefore, the 2010 financial statements are an unaudited draft.

The District has the following Colorado Water and Power Authority loan payments due by February 1, 2011: A/C#W10F008 in the amount of \$61,971.19, A/C#W97A008 in the amount of \$85,072.80 and the loan administration fee for A/C#W05B008 in the amount of \$32,640.00. The loan payments will be handled via wire transfer directly from Alpine Bank; therefore you will not be seeing a written check. The Colorado Water and Power Authority loan payment for A/C#W05B008 in the amount of \$245,682.62 will be paid from interest earned on the account.

We have scheduled the 2010 Audit with Johnson, Holscher & Company the week of February 14 – 18, 2011.

In the next weeks, I will be working on capitalizing our capital expenditures in 2010. Please reference the capital worksheet included in the financial statements which shows the breakdown of how \$14,707,320.60 was spent on capital projects in 2010.

We continue to solicit our customers to sign up for ACH/Auto Pay.

Marjorie

Upper Blue Sanitation District
 Comparative Balance Sheet-UNAUDITED DRAFT
 December 31, 2010 and December 31, 2009

	<u>2010</u>	<u>2009</u>	<u>Increase (Decrease)</u>
<u>Current Assets:</u>			
Petty Cash	\$200	\$200	-
Checking	\$ 7,918,593	\$ 1,395,511	6,523,082
Grant Funds Checking	-	-	-
Cash on Deposit with CWRPDA	-	8,000,000	(8,000,000)
ColoTrust Prime	9,532,364	9,522,840	9,524
Total Cash and Equivalents	17,451,157	18,918,551	(1,467,394)
Investments			
FK Construction Retainage Escrow	1,302,945	469,989	832,956
Cert. of Deposit & Treasuries	5,126,908	13,973,213	(8,846,305)
Wachovia Treasury Bill	-	-	-
Total Investments	6,429,853	14,443,202	(8,013,349)
Other Current Assets			
Receivables + Utility	37,927	11,828	26,099
Developer/Contractor Escrow	122,244	122,244	-
Interest Receivable & Market Adjustments	-	36,875	(36,875)
Notes Receivable	168,767	142,700	26,067
Prepaid Expenses	-	137,893	(137,893)
Loan Issuance Costs (Net)	163,849	163,849	-
Total Other Assets	492,787	615,389	(122,602)
Total Current Assets:	24,373,797	33,977,142	(9,603,345)
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:	84,704,465	80,838,242	3,866,223

Liabilities

	<u>2010</u>	<u>2009</u>	<u>Increase</u> <u>(Decrease)</u>
Current Liabilities:			
Accounts Payable	1,250,019	831,588	418,431
Construction/Developer Escrow	122,244	122,244	-
Earned Employee Benefits	117,720	110,478	7,242
Unearned User Fees	-	-	-
Interest Payable	166,690	166,690	-
Loan Payable (Current Portion)	751,782	741,630	10,152
Retainage Payable-Construction in Progress	1,302,945	469,989	832,956
Employee Housing Deposit Payable	1,750	-	1,750
Total Current Liabilities:	3,713,150	2,442,619	1,270,531
Long Term Liabilities:			
Loan Payable	12,716,281	10,726,433	1,989,848
Total Long Term Liabilities:	12,716,281	10,726,433	1,989,848
Total Liabilities	16,429,431	13,169,052	3,260,379
Net Assets			
Contributed Capital:	8,000,000		8,000,000
Invested in Capital Assets, Net of Related Debt	28,856,241	28,856,241	-
Restricted Net Assets (CWRPDA Escrow)	-	8,000,000	(8,000,000)
Unrestricted Net Assets	31,418,793	30,813,449	605,344
Total Contributed Capital	68,275,034	67,669,690	605,344
Total Liabilities and Equity	84,704,465	80,838,742	3,865,723

Upper Blue Sanitation District
 Monthly Financial Statement-UNAUDITED DRAFT
 December 31, 2010

	2010	2,010	2010	2010	2010
	<u>December</u>	<u>Year To Date</u>	<u>Approved Budget</u>	<u>Uncollected</u>	<u>% Uncol/Col</u>
Operating Revenue					
Sewer User Fees	395,153	4,708,597	4,661,856	(46,741)	(1)
Tap Inspection Fees	150	3,850	1,000	(2,850)	(285)
Miscellaneous Revenue	0	9,234	1,000	(8,234)	(823)
Camper Dump Fees	0	2,248	3,000	752	25
Late Fees	10,462	39,953	25,000	(14,953)	(60)
Line Extension Fees	0	58,413	10,000	(48,413)	(484)
Rental Income	2,750	25,375	15,000	(10,375)	(69)
Interest on Investments & Loans	11,271	220,778	334,237	113,459	34
Total Operating Revenue	<u>419,786</u>	<u>5,068,448</u>	<u>5,051,093</u>	<u>(17,355)</u>	<u>(0)</u>
Capital Revenue					
Plant Investment Fees	96,047	885,540	749,700	(135,840)	(18)
Inclusion Fees	0	59,134	20,000	(39,134)	(196)
Bonds and Grant	0	0	0	0	0
Transfer from Reserve	0	0	0	0	0
Total Capital Revenue	<u>96,047</u>	<u>944,674</u>	<u>769,700</u>	<u>(174,974)</u>	<u>(23)</u>
Total Revenue	<u>515,833</u>	<u>6,013,122</u>	<u>5,820,793</u>	<u>(192,329)</u>	<u>(3)</u>

Administration Expense	2010 December	2,010 Year to Date	2010 Approved Budget	2010 Available	2010 % Available
Payroll & Employee Benefits					
Salaries	111,943	1,005,055	1,153,124	148,069	13
Overtime	8,100	54,183	45,000	(9,183)	(20)
Payroll Taxes	7,460	75,224	87,000	11,776	14
401K Contributions	3,959	49,004	56,000	6,996	12
Health Insurance	16,104	220,894	267,000	46,106	17
Total	147,566	1,404,360	1,608,124	203,764	13
Office Supplies	1,302	3,307	6,000	2,693	45
Telephone	1,399	12,025	13,500	1,475	11
Business Expenses	6,524	32,630	30,000	(2,630)	(9)
Legal Counsel	3,507	60,806	45,000	(15,806)	(35)
Education	2,968	15,308	21,000	5,692	27
Audit & Accounting	0	7,500	9,000	1,500	17
Legal Publications	1,500	6,328	6,500	172	3
Board Members	500	6,000	6,000	0	0
Elections	0	7,354	5,000	(2,354)	(47)
Computer Expenses	1,375	9,137	6,000	(3,137)	(52)
Copy Machine & Supply	0	400	3,000	2,600	87
Postage & Meter Rent	1,127	11,120	16,000	4,880	31
Insurance - General	7,965	98,007	98,000	(7)	(0)
Insurance - Deductible	0	500	2,000	1,500	75
Engineering	6,681	22,922	55,000	32,078	58
Tools	1,017	3,516	3,000	(516)	(17)
Radios	0	124	0	(124)	0
Vehicle Expense	0	0	750	750	100
Dues & Memberships	0	4,919	8,800	3,881	44
Safety	274	2,346	4,000	1,654	41
Summit Water Quality	0	11,531	12,500	969	8
Building Maintenance	1,564	34,328	25,000	(9,328)	(37)
Employee Housing Maintenance	0	14,149	12,000	(2,149)	(18)
Employee Housing Utilities	352	7,904	12,000	4,096	34
Total Administration	185,621	1,776,521	2,008,174	231,653	12
Iowa Hill Plant Expenses					
Utilities					
Gas	1,869	14,531	28,000	13,469	48
Electric	15,686	188,776	200,000	11,224	6
Freight	1,357	8,133	10,000	1,867	19
Equipment Repairs	10,983	40,527	50,000	9,473	19
Chemicals	7,652	90,098	140,000	49,902	36
Contracted Repairs	1,614	13,946	15,000	1,054	7
Laboratory Supplies	788	11,269	14,000	2,731	20
Biomonitoring	2,210	8,859	12,000	3,141	26
Discharge Permit	0	6,090	14,000	7,910	57
Supplies	2,432	7,527	9,000	1,473	16
Total Iowa Hill	44,591	389,756	492,000	102,244	21

	2010 December	2,010 Year to Date	2010 Approved Budget	2010 Available	2010 % Available
Farmers Korner Expenses					
Utilities					
Gas	3,802	31,955	52,000	20,045	39
Electric	20,831	300,181	310,000	9,819	3
Freight	530	5,790	8,500	2,710	32
Equipment Repairs	8,543	33,303	55,000	21,697	39
Chemicals	7,652	107,425	140,000	32,575	23
Supplies	488	2,443	8,000	5,557	69
Contracted Repairs	2,115	20,203	18,000	(2,203)	(12)
Dumpster Charges	975	11,700	15,000	3,300	22
Biomonitoring	1,300	5,200	14,000	8,800	63
Discharge Permit	0	3,069	18,000	14,931	83
Composting	7,037	70,205	120,000	49,795	41
Site Monitoring	2,881	25,623	25,000	(623)	(2)
Sludge Hauling Costs	4,275	40,050	60,000	19,950	33
State Health Fees	0	0	3,000	3,000	100
Total Farmers Korner	60,429	657,147	846,500	189,353	22
Collection Expenses					
Utilities	1,034	12,573	18,000	5,427	30
Vehicle Expense	5,265	25,576	25,000	(576)	(2)
Line Cleaner Expenses	0	2,887	3,000	113	4
Manhole Repairs/Line Repairs	2,847	82,018	120,000	37,982	32
Equipment Repairs	1,421	9,693	8,000	(1,693)	(21)
CCTV Expense	0	316	3,000	2,684	89
Total Collection	10,567	133,063	177,000	43,937	25
Replacement Capital					
Administration	0	26,296	45,000	18,704	42
Plant:					
IH	0	0	50,000	50,000	100
FK	0	2,752	50,000	47,248	94
Upper Blue	3,668	3,668	200,000	196,332	0
Collection	0	50,000	540,000	490,000	91
Misc	0	0	0	0	0
Vehicle	0	22,232	30,000	7,768	26
Total Replacement Capital	3,668	104,948	915,000	810,052	89
Non Operating Expenses					
Bond Principal	0	764,141	850,000	85,859	10
Bond Interest	0	403,390	550,000	146,610	27
Total Non Operating	0	1,167,531	1,400,000	232,469	17

December Financial Statement Cont.

	2010 <u>December</u>	2,010 <u>Year to Date</u>	2010 <u>Approved Budget</u>	2010 <u>Available</u>	2010 <u>% Available</u>
Capital Outlay					
Plant:					
IH	0	0	50,000	50,000	100
FK	1,281,488	13,380,023	17,550,000	4,169,977	24
Upper Blue	16,221	1,165,925	800,000	(365,925)	(46)
Collection	1,963	102,431	100,000	(2,431)	(2)
Administration	0	0	0	0	0
Total Capital Outlay	<u>1,299,672</u>	<u>14,648,379</u>	<u>18,500,000</u>	<u>3,851,621</u>	<u>21</u>
Total Expenses	<u>1,604,548</u>		<u>24,338,674</u>	<u>24,338,674</u>	<u>100</u>
Revenue Bonds			8,000,000		
Revenue Less Expenses	<u>(1,088,715)</u>	<u>6,013,122</u>			

Upper Blue Sanitation District
 Comparative Financial Statement-UNAUDITED DRAFT
 December 31, 2010 vs. December 31, 2009

	2010	2009	2010	2009	Increase
	December	December	Year To Date	Year to Date	(Decrease)
Operating Revenue					
Sewer User Fees	395,153	372,444	4,708,597	4,404,187	304,410
Tap Inspection Fees	150	(100)	3,850	2,150	1,700
Miscellaneous Revenue	0	0	9,234	1,570	7,664
Camper Dump Fees	0	0	2,248	2,814	(566)
Late Fees	10,462	6,712	39,953	32,363	7,590
Line Extension Fees	0	0	58,413	57,828	585
Rental Income	2,750	1,000	25,375	17,350	8,025
Interest on Investments	11,271	(71,915)	220,778	580,967	(360,189)
Total Operating Revenue	419,786	308,141	5,068,448	5,099,229	(30,781)
Capital Revenue					
Plant Investment Fees	96,047	(4,077)	885,540	1,063,564	(178,024)
Inclusion Fees	0	(1,585)	59,134	40,064	19,070
Bonds & Grant	0	0	0	0	0
Transfer from Reserve	0	0	0	0	0
Total Capital Revenue	96,047	(5,662)	944,674	1,103,628	(158,954)
Total Revenue	515,833	302,479	6,013,122	6,202,857	(189,735)

Administration Expense	2010 December	2009 December	2010 Year to Date	2009 Year to Date	Increase (Decrease)
Payroll & Employee Benefits					
Salaries	111,943	102,211	1,005,055	975,561	29,494
Overtime	8,100	3,506	54,183	40,081	14,102
Payroll Taxes	7,460	7,051	75,224	73,118	2,106
401K Contributions	3,959	4,052	49,004	47,129	1,875
Health Insurance	16,104	(2,610)	220,894	189,264	31,630
Total	147,566	114,210	1,404,360	1,325,153	79,207
Office Supplies	1,302	2,939	3,307	6,467	(3,160)
Telephone	1,399	2,161	12,025	11,529	496
Business Expenses	6,524	5,473	32,630	29,390	3,240
Legal Counsel	3,507	2,907	60,806	51,496	9,310
Education	2,968	2,175	15,308	14,854	454
Audit & Accounting	0	0	7,500	7,850	(350)
Legal Publications	1,500	728	6,328	6,386	(58)
Board Members	500	500	6,000	6,000	0
Elections	0	0	7,354	1,389	5,965
Computer Expenses	1,375	359	9,137	4,962	4,175
Copy Machine & Supply	0	0	400	643	(243)
Postage & Meter Rent	1,127	2,183	11,120	12,239	(1,119)
Insurance - General	7,965	7,451	98,007	89,491	8,516
Insurance - Deductible	0	0	500	1,000	(500)
Engineering	6,681	20,247	22,922	68,235	(45,313)
Tools	1,017	1,562	3,516	2,373	1,143
Radios	0	0	124	0	124
Vehicle Expense	0	955	0	955	-955
Dues & Memberships	0	110	4,919	6,130	(1,211)
Safety	274	474	2,346	3,211	(865)
Summit Water Quality	0	0	11,531	11,531	0
Building Maintenance	1,564	2,371	34,328	21,938	12,390
Employee Housing Maintena	0	1,383	14,149	18,081	(3,932)
Employee Housing Utilities	352	1,466	7,904	10,165	(2,261)
Total Administration	185,621	169,654	1,776,521	1,711,468	65,053
Iowa Hill Plant Expenses					
Utilities					
Gas	1,869	2,633	14,531	17,037	(2,506)
Electric	15,686	28,671	188,776	166,354	22,422
Freight	1,357	1,565	8,133	8,605	(472)
Equipment Repairs	10,983	7,662	40,527	50,637	(10,110)
Chemicals	7,652	11,965	90,098	131,348	(41,250)
Contracted Repairs	1,614	694	13,946	15,237	(1,291)
Laboratory Supplies	788	989	11,269	12,919	(1,650)
Biomonitoring	2,210	2,210	8,859	10,970	(2,111)
Discharge Permit	0	0	6,090	6,535	(445)
Supplies	2,432	1,659	7,527	5,313	2,214
Total Iowa Hill	44,591	58,048	389,756	424,955	(35,199)

December Comparative Statement Cont.

Pg. 3

	2010 <u>December</u>	2009 <u>December</u>	2010 <u>Year to Date</u>	2009 <u>Year to Date</u>	Increase <u>(Decrease)</u>
Farmers Korner					
Utilities					
Gas	3,802	8,780	31,955	36,672	(4,717)
Electric	20,831	63,089	300,181	267,979	32,202
Freight	530	30	5,790	5,188	602
Equipment Repairs	8,543	16,222	33,303	56,495	(23,192)
Chemicals	7,652	8,649	107,425	113,784	(6,359)
Supplies	488	1,720	2,443	3,001	(558)
Contracted Repairs	2,115	6,300	20,203	14,383	5,820
Dumpster Charges	975	946	11,700	11,352	348
Biomonitoring	1,300	1,314	5,200	6,460	(1,260)
Discharge Permit	0	0	3,069	14,675	(11,606)
Composting	7,037	8,238	70,205	69,457	748
Site Monitoring	2,881	2,144	25,623	27,848	(2,225)
Sludge Hauling Costs	4,275	5,400	40,050	45,900	(5,850)
State Health Fees	0	0	0	987	(987)
Total Farmers Korner	60,429	122,832	657,147	674,181	(17,034)
Collection Expenses					
Utilities	1,034	1,912	12,573	12,117	456
Vehicle Expense	5,265	4,135	25,576	19,080	6,496
Line Cleaner Expenses	0	0	2,887	3,647	(760)
Manhole Repairs/Line Repai	2,847	21,382	82,018	152,479	(70,461)
Equipment Repairs	1,421	521	9,693	4,248	5,445
CCTV Expense	0	0	316	1,007	(691)
Total Collection	10,567	27,950	133,063	192,578	(59,515)
Replacement Capital					
Administration	0	0	26,296	0	26,296
Plant					
IH	0	49,611	0	59,560	(59,560)
FK	0	0	2,752	42,808	(40,056)
Upper Blue	3,668	0	3,668	0	3,668
Collection	0	15,559	50,000	236,468	(186,468)
Misc	0	0	0	0	0
Vehicle	0	0	22,232	0	22,232
Total Replacement Capital	3,668	65,170	104,948	338,836	(233,888)
Non Operating Expenses					
CWRPDA Loan Principal	0	0	764,141	741,630	22,511
Loan Interest	0	0	403,390	410,464	(7,074)
Total Non Operating	0	0	1,167,531	1,152,094	15,437

December Comparative Statement Cont.

	2010	2009	2010	2009	Pg. 4
	<u>December</u>	<u>December</u>	<u>Year to Date</u>	<u>Year to Date</u>	<u>Increase</u>
					<u>(Decrease)</u>
Capital Outlay					
Plant-IH-CO	0	0	0	9,243	(9,243)
Plant-FK-CO	1,281,488	1,684,553	13,380,023	7,106,217	6,273,806
Plant-South Blue-CO	16,221	0	1,165,925	11,092	1,154,833
Collection	1,963	66,468	102,431	189,937	(87,506)
Administration	0	0	0	5,400	(5,400)
Total Capital Outlay	1,299,672	1,751,021	14,648,379	7,321,889	7,326,490
Total Expenses	1,604,548	2,194,675	18,877,345	11,816,001	7,061,344
Revenue Less Expenses	(1,088,715)	(1,892,196)	(12,864,223)	(5,613,144)	(7,251,079)

DATE: January 5, 2010

TO: Andrew Carlberg, District Manager

FROM: Greg Brown, Chief Plant Operator

SUBJECT: Treatment plant operations for December, 2010.

1. Total influent flow for the Upper Blue Treatment Facilities was 48.6 million gallons for the month of December. The flow for the previous December was 50.2 million gallons. There was a 1.6 million gallon decrease (3.3% decrease).
2. Influent flow to the Iowa Hill Treatment Facility was 19.7 million gallons for the month of December. Influent flow for the Farmer's Korner Treatment facility was 28.9 million gallons.
3. Solids loading at Farmer's Korner was up for December from 121,159# to 138,477#. Solids loading for Iowa Hill was up from 40,866# to 63,932# for December. Total loading was up for December from 162,025# to 202,439# (20.0% increase).
4. Construction at the Farmer's Korner North Plant is progressing slowly with the winter weather. The building erection was discontinued temporarily due to the subcontractor having contractual problems with Glacier. The building scheduled completion will be pushed at least to the end of March, 2011. Concrete work is completed on the floc/sed (east end) building foundation. Construction meetings are occurring weekly with Mortenson and Glacier.
5. Attached is a flow summary for the Holidays covering the last 10 years. The peak flow day was on December 31, 2010. The peak flow day historically has always been December 31. The flow was down on the peak day from 2.538 to 2.392 mgd. The flow for the entire period was down from 33.432 to 30.928 mg (7.49% decrease).


Greg

cc:file
lgtb

PLANT STATISTICS - FARMERS KORNER

MONTH	FLOW (MG)			PHOS (LBS)			INF SS (LBS)			SLUDGE (TONS)		
	2008	2009	2010	2008	2009	2010	2008	2009	2010	2008	2009	2010
JAN	65.3	34.0	33.9	6.4	2.7	3.2	233655	102827	163448	70.0	55.2	49.9
FEB	48.9	30.3	30.7	7.6	2.6	3.1	231613	209878	84794	46.0	43.1	24.3
MAR	37.6	32.9	36.3	3.7	1.8	3.9	219067	101388	155912	33.8	53.8	70.4
APR	30.5	32.0	28.7	0.8	2.2	0.5	113797	128621	140623	70.9	52.7	55.2
MAY	46.9	33.7	28.8	1.2	0.6	0.9	97743	72416	48401	22.8	39.0	13.2
JUN	29.5	29.0	31.3	1.5	1.5	1.3	118832	117423	42811	35.0	43.5	36.4
JUL	28.8	27.0	27.4	2.7	2.5	2.5	108255	90522	51530	49.8	34.8	52.2
AUG	25.3	22.8	26.0	2.8	1.1	1.7	95250	194821	128708	34.6	41.8	39.6
SEP	21.4	20.7	17.6	3.0	2.0	1.4	100828	130775	37283	21.2	24.5	25.2
OCT	17.8	18.3	18.2	0.9	1.4	0.8	59835	167304	77108	23.5	37.2	15.7
NOV	22.5	20.3	19.2	1.2	1.0	1.4	87966	208767	80043	41.5	27.3	29.5
DEC	32.1	32.5	28.9	1.9	1.6	1.1	121924	121159	138477	34.3	32.0	46.5
TOTAL	406.7	333.5	327.0	33.6	21.0	21.8	1588765	1645901	1149138	483.3	484.9	458.1

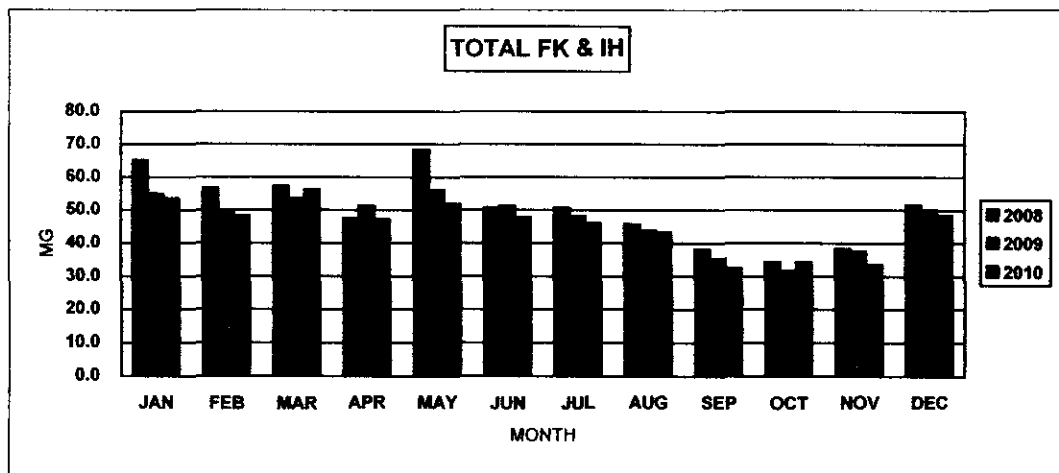
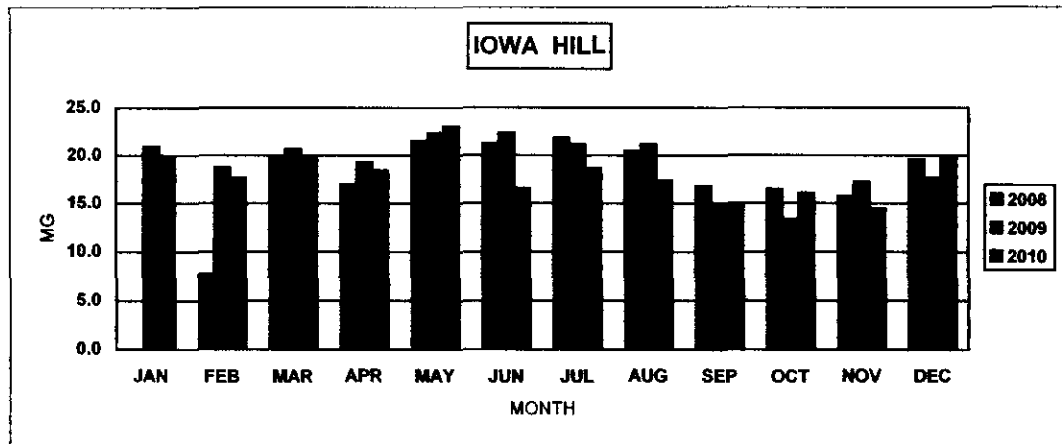
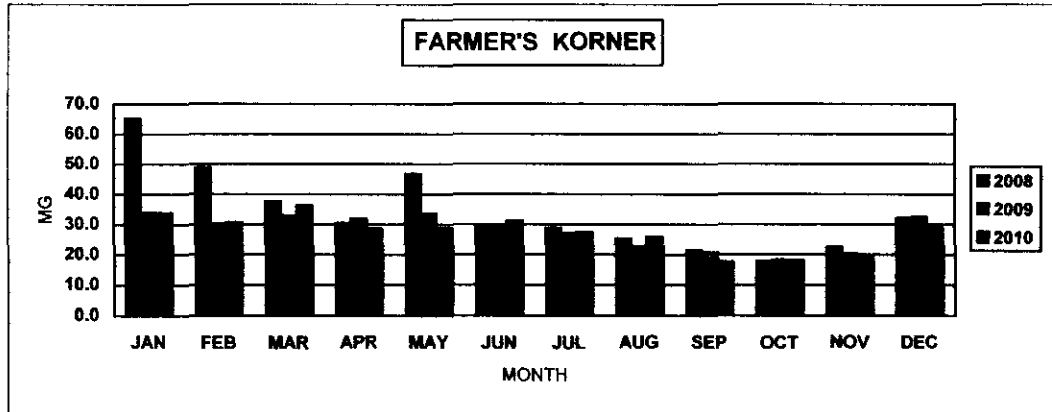
PLANT STATISTICS - IOWA HILL

MONTH	EFF FLOW (MG)			EFF PHOS (LBS)			INF SS (LBS)		
	2008	2009	2010	2008	2009	2010	2008	2009	2010
JAN	0.0	21.0	19.7	0.0	4.6	2.7	0	57077	50748
FEB	7.7	18.8	17.7	2.1	5.1	2.9	22816	65609	53585
MAR	19.7	20.7	19.9	4.9	3.9	3.3	84504	60561	65614
APR	17.0	19.3	18.5	2.2	1.9	1.9	44280	37500	38554
MAY	21.6	22.4	23.1	2.5	1.8	2.0	32799	36507	26866
JUN	21.3	22.4	16.6	5.0	2.4	4.8	32885	33066	31805
JUL	21.9	21.2	18.7	2.9	1.8	2.3	52356	54293	52080
AUG	20.5	21.2	17.4	3.7	1.9	2.1	54567	64077	40950
SEP	16.8	14.7	14.9	2.2	1.3	1.5	29859	29113	37696
OCT	16.5	13.4	16.1	0.9	1.5	1.6	33384	28235	22289
NOV	15.8	17.3	14.5	2.6	1.8	1.1	40658	27765	25263
DEC	19.6	17.7	19.7	4.5	2.5	1.6	52123	40866	63962
TOTAL	198.4	230.1	216.8	33.5	30.5	27.8	480231	534669	509412

PLANT STATISTICS - TOTAL

MONTH	EFF FLOW (MG)			EFF PHOS (LBS)			INF SS (LBS)			SLUDGE (TONS)		
	2008	2009	2010	2008	2009	2010	2008	2009	2010	2008	2009	2010
JAN	65.3	55.0	53.6	6.4	7.3	5.9	233655	159904	214196	70.0	55.2	49.9
FEB	56.6	49.1	48.4	9.7	7.7	6.0	254429	275487	138379	46.0	43.1	24.3
MAR	57.3	53.6	56.2	8.5	5.7	7.2	303571	161949	221526	33.8	53.8	70.4
APR	47.5	51.3	47.2	3.0	4.1	2.4	158077	166121	179177	70.9	52.7	55.2
MAY	68.5	56.1	51.9	3.7	2.4	2.9	130542	108923	75267	22.8	39.0	13.2
JUN	50.8	51.4	47.9	6.5	3.9	6.1	151717	150489	74616	35.0	43.5	36.4
JUL	50.7	48.2	46.1	5.6	4.3	4.8	160611	144815	103610	49.8	34.8	52.2
AUG	45.8	44.0	43.4	6.5	3.0	3.8	149817	258898	169658	34.6	41.8	39.6
SEP	38.2	35.4	32.5	5.2	3.3	2.9	130687	159888	74979	21.2	24.5	25.2
OCT	34.3	31.7	34.3	1.8	2.9	2.4	93219	195539	99397	23.5	37.2	15.7
NOV	38.3	37.6	33.7	3.8	2.8	2.5	128624	236532	105306	41.5	27.3	29.5
DEC	51.7	50.2	48.6	6.4	8.7	2.7	174047	162025	202439	34.3	32.0	46.5
TOTAL	605.1	563.6	543.8	67.1	56.1	49.6	2068996	2180570	1658550	483.3	484.9	458.1

FACILITY FLOW



10 YEAR HOLIDAY FLOW COMPARISON

YEAR DATE	FK 01/02	IH 01/02	TOT01/02	FK 02/03	IH 02/03	TOT02/03	FK 03/04	IH 03/04	TOT03/04	FK 04/05	IH 04/05	TOT04/05	FK 05/06	IH 05/06	TOT05/06
20-Dec	0.848	0.573	1.421	0.831	0.738	1.569	1.344	0.593	1.937	1.050	0.833	1.883	1.005	0.761	1.766
21-Dec	0.998	0.838	1.836	0.882	0.791	1.673	1.123	0.703	1.826	0.910	1.179	2.089	0.915	0.777	1.692
22-Dec	1.081	0.848	1.729	1.036	0.875	1.911	1.214	0.813	2.027	0.823	1.049	1.872	0.942	0.774	1.716
23-Dec	1.144	0.713	1.857	1.026	0.806	1.832	1.202	0.806	2.008	0.983	0.816	1.779	0.887	0.762	1.649
24-Dec	1.181	0.738	1.919	0.980	0.912	1.872	1.152	0.758	1.910	1.169	0.588	1.737	0.890	0.789	1.659
25-Dec	1.206	0.836	1.842	0.950	0.859	1.809	1.049	0.777	1.826	1.023	0.684	1.687	0.920	0.730	1.650
26-Dec	1.157	0.727	1.884	0.965	0.950	1.915	1.088	0.863	1.951	1.048	0.904	1.952	1.022	0.804	1.828
27-Dec	1.221	0.880	2.101	1.159	0.978	2.137	1.284	0.948	2.212	1.098	0.943	2.039	1.234	0.851	2.085
28-Dec	1.340	0.939	2.279	1.318	0.986	2.284	1.486	0.940	2.406	1.422	0.878	2.300	1.315	0.973	2.288
29-Dec	1.466	0.951	2.417	1.349	0.970	2.319	1.481	0.996	2.457	1.532	0.851	2.383	1.336	0.962	2.298
30-Dec	1.535	0.807	2.342	1.304	0.992	2.296	1.540	0.838	2.478	1.424	0.941	2.365	1.234	1.116	2.350
31-Dec	1.800	0.991	2.591	1.280	1.139	2.399	1.820	0.925	2.745	1.618	0.822	2.440	1.286	1.114	2.400
1-Jan	1.336	0.945	2.281	1.189	1.106	2.275	1.765	0.875	2.640	1.341	0.806	2.147	1.080	1.131	2.211
2-Jan	1.285	0.734	2.019	1.185	1.079	2.264	1.552	0.920	2.472	1.004	0.869	1.873	1.086	0.879	1.965
3-Jan	1.415	0.881	2.278	1.129	1.055	2.184	1.409	0.830	2.239	1.106	0.711	1.817	1.036	0.836	1.872
4-Jan	1.270	0.880	2.160	0.975	0.985	1.960	1.387	0.872	2.039	1.215	0.805	1.820	1.102	0.837	1.939
AVERAGE	1.255	0.792	2.047	1.094	0.950	2.044	1.370	0.829	2.198	1.172	0.840	2.011	1.081	0.880	1.980
TOTAL	20.083	12.671	32.754	17.498	15.201	32.899	21.916	13.257	35.173	18.744	13.439	32.183	17.290	14.076	31.386
%inc/dec						-0.166			7.566			-8.501			-2.539

DAILY FLOWS IN MGD.
FLOW TOTALS ARE IN MG.

YEAR DATE	FK 06/07	IH 06/07	TOT06/07	FK 07/08	IH 07/08	TOT07/08	FK 08/09	IH 08/09	TOT08/09	FK 09/10	IH 09/10	TOT09/10	FK 10/11	IH 10/11	TOT10/11
20-Dec	0.752	0.976	1.728	1.612	0.000	1.612	1.025	0.711	1.736	1.210	0.689	1.899	1.039	0.810	1.849
21-Dec	0.703	1.011	1.714	1.923	0.000	1.923	1.152	0.800	1.952	1.224	0.682	1.908	1.054	0.746	1.800
22-Dec	0.637	1.029	1.666	1.980	0.000	1.980	1.147	0.756	1.903	1.209	0.712	1.921	1.046	0.780	1.826
23-Dec	0.680	0.953	1.633	1.880	0.000	1.880	1.144	0.738	1.882	1.236	0.615	1.851	1.043	0.707	1.750
24-Dec	0.715	0.939	1.654	2.085	0.000	2.085	1.268	0.650	1.918	1.237	0.656	1.893	1.074	0.690	1.764
25-Dec	0.715	1.025	1.740	2.051	0.000	2.051	1.146	0.687	1.813	1.132	0.637	1.789	1.006	0.641	1.647
26-Dec	0.855	1.065	1.910	2.331	0.000	2.331	1.363	0.686	2.029	1.339	0.663	2.002	1.044	0.718	1.762
27-Dec	0.996	1.103	2.099	2.409	0.000	2.409	1.486	0.716	2.202	1.445	0.716	2.181	1.158	0.833	1.991
28-Dec	1.090	1.138	2.228	2.672	0.000	2.672	1.540	0.804	2.344	1.472	0.765	2.237	1.214	0.898	2.112
29-Dec	0.960	1.119	2.099	2.684	0.000	2.684	1.531	0.792	2.323	1.550	0.780	2.330	1.412	0.828	2.238
30-Dec	1.217	1.064	2.311	2.880	0.000	2.880	1.614	0.777	2.391	1.682	0.823	2.285	1.346	0.854	2.200
31-Dec	1.324	1.116	2.440	2.900	0.000	2.900	1.714	0.822	2.536	1.753	0.785	2.538	1.498	0.894	2.392
1-Jan	0.864	1.063	1.927	2.685	0.000	2.685	1.668	0.789	2.437	1.666	0.783	2.449	1.301	0.849	2.150
2-Jan	0.961	1.111	2.072	2.372	0.000	2.372	1.530	0.747	2.277	1.489	0.702	2.191	1.075	0.737	1.812
3-Jan	0.893	1.048	1.939	2.450	0.000	2.450	1.271	0.833	1.904	1.382	0.692	2.054	1.043	0.733	1.776
4-Jan	0.903	1.152	2.055	2.470	0.000	2.470	1.169	0.754	1.923	1.282	0.664	1.946	1.060	0.799	1.859
AVERAGE	0.863	1.068	1.951	2.334	0.000	2.334	1.361	0.738	2.098	1.392	0.698	2.090	1.151	0.782	1.933
TOTAL	14.265	18.930	31.215	37.344	0.000	37.344	21.788	11.802	33.570	22.268	11.164	33.432	16.413	12.515	30.928
%inc/dec			-0.481			19.635			-10.106			-0.411			-7.490

To: Andrew Carlberg, District Manager

From: Wally Esquibel, Collection System Forman

Date: January 6, 2011

Subject: Collection System Report for December

1. No backups reported for the month of December.
2. We continue to monitor all lift stations that the District is responsible for.

We are keeping a close watch on the Mountain View lift station. No problems so far.
3. A summer maintenance schedule is on the books.
4. Fleet maintenance, service line inspection and locates are all up to date.
5. 42 locates completed.

MANAGER REPORT

01-2011

1) Town of Blue River / South Blue treatment plant

We are continuing work with selecting a design engineer for phase 2 of the extension. TST, Kurfman Engineering and Alpine will have proposals for our review. I anticipate to have all evaluated by the Board meeting with a recommendation.

2) Solar Installation

I have been working with Vibrant Solar and others to determine if we could proceed with installation of solar panels at the 3 previously identified locations. The two in Blue River were eliminated from evaluation primarily due to Blue River Town Building Codes prohibiting ground mounted installations. In addition if the District were to replace the aeration blowers with higher efficiency units we would not see the economic return, because the agreement would be based on historical electric usage. The last installation on Hwy 9 would not be feasible from their point of view because it would not make economic sense as a single installation.

3) Grand Lodge PIF Agreement

In 2007 the developers for Grand Timber Lodge approached the District with a special request for deferral of PIF's for initial phases of construction of Grand Timber Lodge. The basis for this request was due to the 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. After review the Board agreed for the deferral and authorized the Building Permit sign off under the following conditions:

- Developer pay all District legal costs for review and development of agreement
- Each phase will begin construction on a specific date and the developer will be required to pay the then going cost for a PIF.
- 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.

The agreement work very well and no problems were encountered. I would recommend that the Board authorize the District Manager develop a final draft agreement for the Board's review at the next meeting.

4) Summit County Water Case Review

I believe we are close to, if not at, agreement on the two outstanding cases. The County has recently responded to our latest proposal and we plan on review at the Board worksession.

If you have any questions on any of these items feel free to contact me prior to the meeting.

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