

**Upper Blue Sanitation District**  
**Board of Directors Meeting**  
**Thursday October 11, 2012 @ 5:30 PM**

**I. ROLL CALL:**

Mr. Robin Theobald called the meeting to order at 5:30 PM. Mr. Robin Theobald, Mr. Kenneth Trausch, Mr. Allyn Mosher, Mr. Michael Turek and Mr. Barrie Stimson answered "present" at roll call.

Mr. Andrew Carlberg and Mrs. Marjorie Borsina attended as well.

**II. MINUTES:**

September 13, 2012 minutes: Mr. Turek made a motion to approve the September 13, 2012 Board of Directors meeting minutes as amended. Mr. Mosher 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. Mr. Trausch 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 presented to the Board.

**VII. MONTHLY REPORTS:**

C. Plant and Collection:

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

D. Manager Report:

-Blue River Phase III:

Construction in Blue River Phase III has been completed.

-2013 Draft Budget:

The 2013 draft Budget is included on the agenda. The Notice of Budget has been published and will run for three publications in the Summit County Journal. The District will be taking comments and making adjustments prior to the Board adopting the Budget at the December Board meeting.

-Redline Construction:

Mr. Carlberg reported that Redline Construction is still working on punch list items from phase II of the Blue River sewer line extension project. The District is holding approximately \$80,000.00 of Redline Construction's bond to cover these issues.

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**-Vehicle Replacement:**

Mr. Carlberg reported that the District will be replacing the Collection truck before the end of the year. The Collection truck has the most mileage and is now requiring the most repairs.

**-Meeting with Town of Breckenridge:**

Mr. Carlberg reminded the Board that the meeting with the Breckenridge Town Council is scheduled for October 23, 2012 at 6:00 PM.

**-Christmas Party:**

Mr. Carlberg told the Board that the District Christmas Party is scheduled for 6:00 PM on December 14<sup>th</sup> at Steak and Rib Restaurant.

**-Glacier Construction:**

Mr. Carlberg recommended that the Board approve the release of \$295,960.00 of the remaining retainage to Glacier Construction.

Mr. Turek made a motion to approve the release of retainage in the amount of \$295,960.00 to Glacier Construction. Mr. Stimson seconded the motion. Mr. Trausch abstained. Mr. Theobald asked the Board for a roll call and the motion was passed by the Board.

**-John Warnick Letter:**

Mr. Carlberg said that the Board has discussed at previous Board meetings the issues that the District has had with Mr. John Warnick. Mr. Warnick wanted the District to negotiate access past his property in order for the District to extend the main sewer line in Blue River. The District has the right to install utilities by law and decided not to negotiate a legitimate easement owned by the District. In order to complete the project on time, the District went about extending sewer service via a lift station instead of going past Mr. Warnick's property. Mr. Warnick has now written a letter to the entire Board of Directors. The Board drafted a response letter which will be sent to Mr. Warnick.

**VIII. OLD BUSINESS:**

**C. 2013 Draft Budget:**

Mr. Carlberg proposed that the District not increase service fees and plant investment fees for 2013. Mr. Carlberg said that the 2013 draft budget will be in review for the next couple of months and will be approved at the December Board meeting.

Mr. Carlberg said that he is researching new telemetry which is now obsolete and would like to put money in the budget for new telemetry. The Board discussed phase IV of the sewer line extension in Blue River. The Board discussed putting money in the budget for doing a Master Plan and construction design for Blue River Phase IV, which entails negotiating easements, lift stations, etc. The Board discussed putting money in the budget for water monitoring. Mr. Carlberg said that he will budget for a nutrient monitoring program and establishment of a nutrient trading program.

**IX. NEW BUSINESS:**

**D. Inclusion Petition, Lot 85 Breckenridge Park Estates:**

Mr. Carlberg told the Board that the owners of Lot 85 Breckenridge Park Estates have submitted a petition for inclusion. The property will be connecting to the new extension on County Road 533. Mr. Carlberg recommended that the Board accept the petition and call for a Public Hearing at the November Board meeting. Mr. Carlberg also recommended that the Board allow lot 85 Breckenridge Park Estates to connect prior to the next meeting because the septic system is failing.

Mr. Stimson made a motion to approve the inclusion petition and once all fees are paid allow the property to connect prior to the next meeting due to the failing septic system, which is a public health issue. Mr. Trausch seconded the motion. The motion was passed unanimously by the Board.

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E. Stan Miller Inc. Pay Request #3:

Mr. Carlberg said the Stan Miller Inc. has submitted pay request #3 in the amount of \$240,423.71 for Blue River Phase III work completed in September. Mr. Carlberg said that the project is approximately 95% complete and he recommends payment.

In addition, Mr. Carberg said that Stan Miller, Inc. has also submitted change order #1 and #2. Change order #1 is primarily for the modifications in alignment to run the sewer line into the Royal subdivision. The modifications were due to issues with Mr. Warnick's concern over easements with the District. Change order #1 is also for the culvert that the District replaced in conjunction with the Town of Blue River. Change order #1 is a decrease in the contract amount by \$57,028.79. Change order #2 was for additional work along Highway 9 which was an increase in the amount of \$1,573.00.

Mr. Turek made a motion to approve pay request #3 in the amount of \$240,423.71. Mr. Mosher seconded the motion. Mr. Theobald asked the Board for a roll call and the motion was passed unanimously by the Board.

Mr. Turek made a motion to approve Change Order #1 and Change Order #2 which was a net decrease in the contract amount \$55,455.79. 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:**

Manager Review

**XII. ADJOURN:**

Mr. Stimson made a motion to adjourn the meeting at 6:45 PM. Mr. Mosher 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:** October 5, 2012  
**Re:** Financial Update

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- The District's Financial Records are in good order.
- We have not received all of the September 2012 bills. Therefore, the September 2012 Financial Statements are a preliminary draft for your review.
- At the last Board meeting the Board discussed whether the District should set up separate reserve accounts. The Board said that they wanted the opinion of the District's auditor, Mr. Tim Mayberry. Mr. Mayberry's response was that he did not recommend the District create a separate reserve account on the Balance Sheet or a separate fund. Mr. Mayberry said that the District cannot permanently restrict or tie the hands of future Boards on how to use the fund balance. In addition, Mr. Mayberry said that he could put a footnote in the financial statements which states that a certain amount has been put aside for possible future use on EPA treatment regulations. Currently, the District has an Unrestricted Net Assets category on the financial statements which allows the money to be used at the Boards discretion.
- We continue to solicit our customers to sign up for ACH/Auto Pay.

Upper Blue Sanitation District  
Comparative Balance Sheet-UNAUDITED DRAFT  
September 30, 2012 and September 30, 2011

	<u>2012</u>	<u>2011</u>	<u>Increase</u> <u>(Decrease)</u>
<b><u>Current Assets:</u></b>			
Petty Cash	\$200	\$200	-
Checking-Alpine Bank	\$ -	\$ 1,002,096	(1,002,096)
Checking-Wells Fargo Bank	9,102,992	9,399,048	(296,056)
Cash on Deposit with CWRPDA	-	-	-
ColoTrust Prime	3,638,539	3,637,122	1,417
Total Cash and Equivalents	12,741,731	14,038,466	(1,296,735)
Investments			
FK Construction Retainage Escrow	332,412	1,302,531	(970,119)
Cert. of Deposit & Treasuries	2,008,777	1,503,660	505,117
Total Investments	2,341,189	2,806,191	(465,002)
Other Current Assets			
Receivables-Utility + Spec. Assessments	63,363	39,442	23,921
Developer/Contractor Escrow	135,744	122,244	13,500
Interest Receivable & Market Adjustments	-	-	-
Notes Receivable	126,803	163,195	(36,392)
Prepaid Expenses	304,434	34,131	270,303
Loan Issuance Costs (Net)	139,249	151,549	(12,300)
Total Other Assets	769,593	510,561	259,032
<b>Total Current Assets:</b>	<b>15,852,513</b>	<b>17,355,218</b>	<b>(1,502,705)</b>
Property Plant and Equipment:			
Land	721,070	721,070	-
Easements	69,583	69,583	-
Sewer Lines	13,368,225	13,105,905	262,320
Treatment Plants	75,663,825	65,498,666	10,165,159
Office Equipment	210,830	173,451	37,379
Other Machines & Equipment	459,772	459,772	-
Autos & Trucks	821,984	791,743	30,241
Upper Blue System Costs	3,587,750	3,080,936	506,814
Telemetry	102,075	102,075	-
Employee Housing	1,038,191	1,038,191	-
Total Property Plant and Equipment :	96,043,305	85,041,392	11,001,913
<b>Less Accumulated Depreciation</b>	<b>(25,913,128)</b>	<b>(24,660,391)</b>	<b>(1,252,737)</b>
Net Property Plant and Equipment :	70,130,177	60,381,001	9,749,176
<b>Total Assets:</b>	<b>85,982,690</b>	<b>77,736,219</b>	<b>8,246,471</b>

# Liabilities

	<u>2012</u>	<u>2011</u>	<u>Increase</u> <u>(Decrease)</u>
<b>Current Liabilities:</b>			
Accounts Payable	306,286	1,161,894	(855,608)
Construction/Developer Escrow	135,744	122,244	13,500
Earned Employee Benefits	121,416	117,720	3,696
Unearned User Fees	-	-	-
Interest Payable	164,671	175,689	(11,018)
Loan Payable (Current Portion)	890,595	867,859	22,736
Retainage Payable-Construction in Progress	332,412	1,302,531	(970,119)
Retainage Payable-Blue River	-	40,317	(40,317)
Employee Housing Deposit Payable	1,250	1,250	-
Total Current Liabilities:	1,952,374	3,789,504	(1,837,130)
<b>Long Term Liabilities:</b>			
Loan Payable	10,203,839	11,094,434	(890,595)
Total Long Term Liabilities:	10,203,839	11,094,434	(890,595)
Total Liabilities	12,156,213	14,883,938	(2,727,725)
<b>Net Assets</b>			
Invested in Capital Assets, Net of Related Debt	58,871,070	48,243,017	10,628,053
Unrestricted Net Assets	14,955,407	14,609,264	346,143
Total Contributed Capital	73,826,477	62,852,281	10,974,196
Total Liabilities and Equity	85,982,690	77,736,219	8,246,471

Upper Blue Sanitation District  
Monthly Financial Statement-UNAUDITED DRAFT  
September 30, 2012

	2012	2012	2012	2012	2012
	<u>September</u>	<u>Year To Date</u>	<u>Approved Budget</u>	<u>Uncollected</u>	<u>% Uncol/Col</u>
<b>Operating Revenue</b>					
Sewer User Fees	433,607	3,898,769	5,178,264	1,279,495	25
Tap Inspection Fees	800	8,000	1,000	(7,000)	(700)
Miscellaneous Revenue	2,240	51,479	1,000	(50,479)	(5,048)
Camper Dump Fees	1,126	5,681	2,500	(3,181)	(127)
Late Fees	10,547	34,454	25,000	(9,454)	(38)
Line Extension Fees	0	47,988	20,000	(27,988)	(140)
Rental Income	3,750	33,750	35,000	1,250	4
Interest on Investments & Loans	3,487	26,871	29,000	2,129	7
<b>Total Operating Revenue</b>	<u>455,557</u>	<u>4,106,992</u>	<u>5,291,764</u>	<u>1,184,772</u>	<u>22</u>
<b>Capital Revenue</b>					
Plant Investment Fees	245,670	1,766,838	600,000	(1,166,838)	(194)
Inclusion Fees	400	44,260	20,000	(24,260)	(121)
Bonds and Grant	0	0	0	0	0
Transfer from Reserve	0	0	0	0	0
<b>Total Capital Revenue</b>	<u>246,070</u>	<u>1,811,098</u>	<u>620,000</u>	<u>(1,191,098)</u>	<u>(192)</u>
<b>Total Revenue</b>	<u>701,627</u>	<u>5,918,090</u>	<u>5,911,764</u>	<u>(6,326)</u>	<u>(0)</u>

Administration Expense	2012 September	2012 Year to Date	2012 Approved Budget	2012 Available	2012 % Available
<b>Payroll &amp; Employee Benefits</b>					
Salaries	81,803	749,939	1,134,000	384,061	34
Overtime	2,170	28,506	45,000	16,494	37
FICA-Admn	4,451	46,891	74,000	27,109	37
Medicare-Admin	1,198	11,110	22,000	10,890	50
401K Contributions	5,992	53,390	75,000	21,610	29
Unemployment Insurance	1,295	10,402	23,000	12,598	55
Health Insurance	20,292	170,381	250,000	79,619	32
<b>Total</b>	<b>117,201</b>	<b>1,070,619</b>	<b>1,623,000</b>	<b>552,381</b>	<b>34</b>
Office Supplies	340	3,063	4,000	937	23
Telephone	1,214	13,179	15,000	1,821	12
Business Expenses	84	27,778	32,000	4,222	13
Legal Counsel	448	29,886	70,000	40,114	57
Education	460	5,950	25,000	19,050	76
Audit & Accounting	0	8,100	9,000	900	10
Legal Publications	42	8,103	6,000	(2,103)	(35)
Board Members	500	4,400	6,000	1,600	27
Elections	0	21	7,500	7,479	100
Computer Expenses	0	5,653	9,000	3,347	37
Copy Machine & Supply	0	400	1,000	600	60
Postage & Meter Rent	600	8,984	13,000	4,016	31
Insurance - General	9,142	82,277	110,000	27,723	25
Insurance - Deductible	0	500	1,000	500	50
Engineering	0	9,450	25,000	15,550	62
Tools	25	2,087	3,000	913	30
Radios	0	1,104	0	(1,104)	0
Vehicle Expense	0	0	500	500	100
Dues & Memberships	0	4,994	7,000	2,006	29
Safety	148	4,139	3,500	(639)	(18)
Summit Water Quality	0	11,531	13,000	1,469	11
Building Maintenance	1,449	12,079	25,000	12,921	52
Employee Housing Maintenance	130	12,320	25,000	12,680	51
Employee Housing Utilities	31	3,496	5,000	1,504	30
<b>Total Administration</b>	<b>131,814</b>	<b>1,330,113</b>	<b>2,038,500</b>	<b>708,387</b>	<b>35</b>
<b>Iowa Hill Plant Expenses</b>					
Utilities					
Gas	88	9,879	15,000	5,121	34
Electric	2,902	59,713	110,000	50,287	46
Freight	0	5,199	2,000	(3,199)	(160)
Equipment Repairs	0	14,983	10,000	(4,983)	(50)
Chemicals	0	19,812	10,000	(9,812)	(98)
Contracted Repairs	0	23,384	10,000	(13,384)	(134)
Laboratory Supplies	272	9,803	15,000	5,197	35
Biomonitoring	0	2,254	10,000	7,746	77
Discharge Permit	0	0	7,000	7,000	100
Supplies	454	2,584	3,000	416	14
<b>Total Iowa Hill</b>	<b>3,716</b>	<b>147,611</b>	<b>192,000</b>	<b>44,389</b>	<b>23</b>



	2012 <u>September</u>	2012 <u>Year to Date</u>	2012 <u>Approved Budget</u>	2012 <u>Available</u>	2012 <u>% Available</u>
<b>Farmers Korner Expenses</b>					
Utilities					
Gas	26	32,370	75,000	42,630	57
Electric	25,765	283,706	580,000	296,294	51
Freight	732	15,029	12,000	(3,029)	(25)
Equipment Repairs	9,911	44,183	50,000	5,817	12
Chemicals	5,474	241,709	180,000	(61,709)	(34)
Supplies	1,452	13,175	8,000	(5,175)	(65)
Contracted Repairs	1,927	6,740	18,000	11,260	63
Dumpster Charges	995	8,955	14,000	5,045	36
Biomonitoring	0	2,705	7,000	4,295	61
Discharge Permit	0	0	17,000	17,000	100
Composting	0	51,682	115,000	63,318	55
Site Monitoring	0	15,625	25,000	9,375	38
Sludge Hauling Costs	6,738	37,963	55,000	17,037	31
State Health Fees	0	1,365	2,500	1,135	45
<b>Total Farmers Korner</b>	<b>53,020</b>	<b>755,207</b>	<b>1,158,500</b>	<b>403,293</b>	<b>35</b>

**Collection Expenses**

Utilities	1,457	10,229	18,000	7,771	43
Vehicle Expense	2,389	21,059	26,000	4,941	19
Line Cleaner Expenses	0	20,347	4,000	(16,347)	(409)
Manhole Repairs/Line Repairs	2,688	89,495	100,000	10,505	11
Equipment Repairs	0	3,849	9,000	5,151	57
CCTV Expense	0	4,693	4,000	(693)	(17)
<b>Total Collection</b>	<b>6,534</b>	<b>149,672</b>	<b>161,000</b>	<b>11,328</b>	<b>7</b>

**Replacement Capital**

Administration	0	0	35,000	35,000	100
Plant:					
IH	0	0	135,000	135,000	100
FK	2,877	17,272	175,000	157,728	90
Upper Blue	0	0	0	0	0
Collection	0	83,613	335,000	251,387	75
Misc	0	0	0	0	0
Vehicle	0	0	30,000	30,000	100
<b>Total Replacement Capital</b>	<b>2,877</b>	<b>100,885</b>	<b>710,000</b>	<b>609,115</b>	<b>86</b>

**Non Operating Expenses**

Bond Principal	0	715,595	890,595	175,000	20
Bond Interest	0	324,459	394,781	70,322	18
<b>Total Non Operating</b>	<b>0</b>	<b>1,040,054</b>	<b>1,285,376</b>	<b>245,322</b>	<b>19</b>

## September Financial Statement Cont.

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	2012 <u>September</u>	2012 <u>Year to Date</u>	2012 <u>Approved Budget</u>	2012 <u>Available</u>	2012 <u>% Available</u>
Capital Outlay					
Plant:					
IH	0	0	25,000	25,000	100
FK	0	691,608	1,910,000	1,218,392	64
Upper Blue	0	0	10,000	10,000	100
Collection	240,424	497,573	1,035,000	537,427	52
Administration	0	0	0	0	0
Total Capital Outlay	240,424	1,189,181	2,980,000	1,790,819	60
Total Expenses	438,385	4,712,723	8,525,376	3,812,653	45
Revenue Less Expenses	263,242	1,205,367	(2,613,612)		

Upper Blue Sanitation District  
Comparative Financial Statement-UNAUDITED DRAFT  
September 30, 2012 vs. September 30, 2011

	2012	2011	2012	2011	Increase
	<u>September</u>	<u>September</u>	<u>Year To Date</u>	<u>Year to Date</u>	<u>(Decrease)</u>
Operating Revenue					
Sewer User Fees	433,607	415,990	3,898,769	3,732,569	166,200
Tap Inspection Fees	800	400	8,000	3,550	4,450
Miscellaneous Revenue	2,240	0	51,479	1,657	49,822
Camper Dump Fees	1,126	0	5,681	1,895	3,786
Late Fees	10,547	11,590	34,454	29,631	4,823
Line Extension Fees	0	10,863	47,988	37,091	10,897
Rental Income	3,750	3,750	33,750	27,583	6,167
Interest on Investments	3,487	3,883	26,871	65,095	(38,224)
Total Operating Revenue	455,557	446,476	4,106,992	3,899,071	207,921
Capital Revenue					
Plant Investment Fees	245,670	110,712	1,766,838	1,352,100	414,738
Inclusion Fees	400	7,083	44,260	45,785	(1,525)
Bonds & Grant	0	0	0	0	0
Transfer from Reserve	0	0	0	0	0
Total Capital Revenue	246,070	117,795	1,811,098	1,397,885	413,213
Total Revenue	701,627	564,271	5,918,090	5,296,956	621,134

Administration Expense	2012 September	2011 September	2012 Year to Date	2011 Year to Date	Increase (Decrease)
<b>Payroll &amp; Employee Benefits</b>					
Salaries	81,803	77,511	749,939	731,548	18,391
Overtime	2,170	2,796	28,506	20,788	7,718
FICA-Admin	4,451	4,156	46,891	44,903	1,988
Medicare-Admin	1,198	1,145	11,110	10,728	382
401K Contributions	5,992	5,501	53,390	52,370	1,020
Unemployment Insurance	1,295	1,158	10,402	11,292	(890)
Health Insurance	20,292	18,255	170,381	153,539	16,842
<b>Total</b>	<b>117,201</b>	<b>110,522</b>	<b>1,070,619</b>	<b>1,025,168</b>	<b>45,451</b>
Office Supplies	340	110	3,063	2,237	826
Telephone	1,214	955	13,179	10,822	2,357
Business Expenses	84	1,268	27,778	19,383	8,395
Legal Counsel	448	2,224	29,886	43,552	(13,666)
Education	460	975	5,950	8,017	(2,067)
Audit & Accounting	0	0	8,100	7,725	375
Legal Publications	42	682	8,103	4,313	3,790
Board Members	500	500	4,400	4,500	(100)
Elections	0	0	21	0	21
Computer Expenses	0	1,187	5,653	9,960	(4,307)
Copy Machine & Supply	0	0	400	0	400
Postage & Meter Rent	600	0	8,984	7,536	1,448
Insurance - General	9,142	8,709	82,277	78,385	3,892
Insurance - Deductible	0	0	500	0	500
Engineering	0	1,420	9,450	24,700	(15,250)
Tools	25	35	2,087	64	2,023
Radios	0	0	1,104	0	1,104
Vehicle Expense	0	0	0	0	0
Dues & Memberships	0	0	4,994	6,114	(1,120)
Safety	148	868	4,139	4,624	(485)
Summit Water Quality	0	961	11,531	8,646	2,885
Building Maintenance	1,449	3,793	12,079	12,505	(426)
Employee Housing Maintena	130	1,316	12,320	28,523	(16,203)
Employee Housing Utilities	31	218	3,496	4,675	(1,179)
<b>Total Administration</b>	<b>131,814</b>	<b>135,743</b>	<b>1,330,113</b>	<b>1,311,449</b>	<b>18,664</b>
<b>Iowa Hill Plant Expenses</b>					
Utilities					
Gas	88	94	9,879	12,515	(2,636)
Electric	2,902	17,705	59,713	141,499	(81,786)
Freight	0	756	5,199	7,350	(2,151)
Equipment Repairs	0	1,914	14,983	22,807	(7,824)
Chemicals	0	2,738	19,812	96,863	(77,051)
Contracted Repairs	0	130	23,384	8,065	15,319
Laboratory Supplies	272	648	9,803	9,675	128
Biomonitoring	0	29	2,254	4,449	(2,195)
Discharge Permit	0	0	0	0	0
Supplies	454	923	2,584	3,828	(1,244)
<b>Total Iowa Hill</b>	<b>3,716</b>	<b>24,937</b>	<b>147,611</b>	<b>307,051</b>	<b>(159,440)</b>

## September Comparative Statement Cont.

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	<u>2012</u> <u>September</u>	<u>2011</u> <u>September</u>	<u>2012</u> <u>Year to Date</u>	<u>2011</u> <u>Year to Date</u>	<u>Increase</u> <u>(Decrease)</u>
<b>Farmers Korner</b>					
Utilities					
Gas	26	888	32,370	20,250	12,120
Electric	25,765	22,834	283,706	247,288	36,418
Freight	732	0	15,029	8,993	6,036
Equipment Repairs	9,911	1,707	44,183	18,737	25,446
Chemicals	5,474	12,242	241,709	107,776	133,933
Supplies	1,452	29	13,175	6,800	6,375
Contracted Repairs	1,927	2,487	6,740	3,241	3,499
Dumpster Charges	995	995	8,955	8,935	20
Biomonitoring	0	315	2,705	4,265	(1,560)
Discharge Permit	0	0	0	245	(245)
Composting	0	7,993	51,682	66,889	(15,207)
Site Monitoring	0	1,824	15,625	20,702	(5,077)
Sludge Hauling Costs	6,738	3,150	37,963	39,600	(1,637)
State Health Fees	0	0	1,365	1,175	190
<b>Total Farmers Korner</b>	<b>53,020</b>	<b>54,464</b>	<b>755,207</b>	<b>554,896</b>	<b>200,311</b>
<b>Collection Expenses</b>					
Utilities	1,457	1,077	10,229	10,160	69
Vehicle Expense	2,389	3,838	21,059	19,205	1,854
Line Cleaner Expenses	0	0	20,347	5,896	14,451
Manhole Repairs/Line Repair	2,688	4,917	89,495	83,024	6,471
Equipment Repairs	0	102	3,849	2,771	1,078
CCTV Expense	0	0	4,693	1,163	3,530
<b>Total Collection</b>	<b>6,534</b>	<b>9,934</b>	<b>149,672</b>	<b>122,219</b>	<b>27,453</b>
<b>Replacement Capital</b>					
Administration	0	14,320	0	31,830	(31,830)
Plant				0	
IH	0	0	0	877	(877)
FK	2,877	0	17,272	13,350	3,922
Upper Blue	0	0	0	0	0
Collection	0	0	83,613	0	83,613
Misc	0	0	0	0	0
Vehicle	0	0	0	0	0
<b>Total Replacement Capital</b>	<b>2,877</b>	<b>14,320</b>	<b>100,885</b>	<b>46,057</b>	<b>54,828</b>
<b>Non Operating Expenses</b>					
CWRPDA Loan Principal	0	0	715,595	522,859	192,736
Loan Interest	0	0	324,459	274,869	49,590
<b>Total Non Operating</b>	<b>0</b>	<b>0</b>	<b>1,040,054</b>	<b>797,728</b>	<b>242,326</b>

## September Comparative Statement Cont.

Pg. 4  
Increase  
(Decrease)

	2012 <u>September</u>	2011 <u>September</u>	2012 <u>Year to Date</u>	2011 <u>Year to Date</u>	
<b>Capital Outlay</b>					
Plant-IH-CO	0	0	0	1,378	(1,378)
Plant-FK-CO	0	761,560	691,608	8,370,357	(7,678,749)
Plant-South Blue-CO	0	0	0	276,001	(276,001)
Collection	240,424	352,340	497,573	433,198	64,375
Administration	0	0	0	0	0
<b>Total Capital Outlay</b>	<u>240,424</u>	<u>1,113,900</u>	<u>1,189,181</u>	<u>9,080,934</u>	<u>(7,891,753)</u>
<b>Total Expenses</b>	<u>438,385</u>	<u>1,353,298</u>	<u>4,712,723</u>	<u>12,220,334</u>	<u>(7,507,611)</u>
<b>Revenue Less Expenses</b>	<u>263,242</u>	<u>(789,027)</u>	<u>1,205,367</u>	<u>(6,923,378)</u>	<u>8,128,745</u>

**CAPITAL 2012**

	Current Month	Year To Date	Budget
<b>FARMERS KORNER - REPLACEMENT</b>			
10-85-8524			
East Plant RAS/WAS Pumps	\$0.00	\$0.00	\$60,000.00
SCADA Upgrade	\$0.00	\$5,000.00	\$25,000.00
Hydroneumatic Tank	\$0.00	\$0.00	\$10,000.00
Hotsy	\$0.00	\$0.00	\$5,000.00
Centrifuge & Plant Lights	\$0.00	\$9,394.41	
Nutrient Study	\$0.00	\$0.00	\$75,000.00
Hotsie	\$2,877.25	\$2,877.25	\$2,877.25
<b>TOTAL</b>	<b>\$2,877.25</b>	<b>\$17,271.66</b>	<b>\$177,877.25</b>
<b>FARMERS KORNER - NEW</b>			
10-95-9540			
Finalize Plant Expansion	\$0.00	\$691,607.87	\$1,750,000.00
Snow and Ice Shed	\$0.00	\$0.00	\$75,000.00
Articulating Lift	\$0.00	\$0.00	\$40,000.00
New VFD Influent Pump	\$0.00	\$0.00	\$10,000.00
New3 Windows South Building	\$0.00	\$0.00	\$25,000.00
Miscellaneous	\$0.00	\$0.00	\$10,000.00
<b>TOTAL</b>	<b>\$0.00</b>	<b>\$691,607.87</b>	<b>\$1,910,000.00</b>
<b>IOWA HILL - REPLACEMENT</b>			
10-85-8522			
Densedge and Filters Rehabilitation	\$0.00	\$0.00	\$125,000.00
Irrigation Rehabilitation	\$0.00	\$0.00	\$10,000.00
<b>TOTAL</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$135,000.00</b>
<b>IOWA HILL - NEW</b>			
10-95-9510			
Miscellaneous	\$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>			
10-85-8526			
<b>TOTAL</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>SOUTH BLUE - NEW</b>			
10-95-9590			
SCADA	\$0.00	\$0.00	\$10,000.00
<b>TOTAL</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$10,000.00</b>
<b>COLLECTION - REPLACEMENT</b>			
10-85-8530			
Warriors Mark/Illinois Gulch Slipline	\$0.00	\$63,730.55	\$200,000.00
Town of Breckenridge 6" to 8"	\$0.00	\$0.00	\$25,000.00
Miscellaneous Extensions/Repairs	\$0.00	\$0.00	\$100,000.00
Vehicle Replacement	\$0.00	\$0.00	\$30,000.00
Mapping	\$0.00	\$19,882.50	\$20,000.00
Line Cleaner Pump Replacement	\$0.00	\$0.00	\$10,000.00
<b>TOTAL</b>	<b>\$0.00</b>	<b>\$83,613.05</b>	<b>\$385,000.00</b>
<b>COLLECTION - NEW</b>			
10-95-9520			
Chemical Injection I/I Control	\$0.00	\$0.00	\$15,000.00
Miscellaneous Extension-Blue River Phase III	\$240,423.71	\$497,573.36	\$1,000,000.00
<b>TOTAL</b>	<b>\$240,423.71</b>	<b>\$497,573.36</b>	<b>\$1,015,000.00</b>
<b>ADMINISTRATION - REPLACEMENT</b>			
10-85-8510			
Equipment Replacement	\$0.00	\$0.00	\$35,000.00
<b>TOTAL</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$35,000.00</b>
<b>GRAND TOTALS</b>	<b>\$243,300.96</b>	<b>\$1,290,065.94</b>	<b>\$3,692,877.25</b>

UPPER BLUE SANITATION DISTRICT  
CERTIFICATES OF DEPOSIT  
2012

	<u>MILLENNIUM</u>	<u>TOTAL</u>
Bal. Forward 1/1/2011	\$1,506,251.44	\$1,506,251.44
January Interest	\$694.11	\$694.11
Redemption		\$0.00
Bal. 1/31/2011	\$1,506,945.55	\$1,506,945.55
February Interest	\$767.29	\$767.29
Redemption		\$0.00
February 28, 2011	\$1,507,712.84	\$1,507,712.84
March Interest	\$582.81	\$582.81
Redemption		\$0.00
March 31, 2011	\$1,508,295.65	\$1,508,295.65
April Interest	\$490.31	\$490.31
Redemption		\$0.00
April 30, 2011	\$1,508,785.96	\$1,508,785.96
May Interest	\$445.04	\$445.04
Purchase		\$0.00
Redemption		\$0.00
May 31, 2011	\$1,509,231.00	\$1,509,231.00
June Interest	\$585.19	\$585.19
Purchase	\$1,000,000.00	\$1,000,000.00
Redemption		\$0.00
June 30, 2011	\$2,509,816.19	\$2,509,816.19
July Interest	\$752.61	\$752.61
Purchase		\$0.00
Redemption		\$0.00
July 31, 2011	\$2,510,568.80	\$2,510,568.80
August Interest	\$770.52	\$770.52
Purchase	\$1,007,295.30	\$1,007,295.30
Interest Paid		
Redemption	(\$1,007,295.30)	(\$1,007,295.30)
August 31, 2011	\$2,511,339.32	\$2,511,339.32
September Interest	\$708.89	\$708.89
Purchase		
Redemption	(\$503,270.85)	
September 30, 2011	\$2,008,777.36	\$2,008,777.36
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



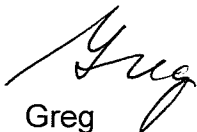
DATE: Oct. 2, 2012

TO: Andrew Carlberg, District Manager

FROM: Greg Brown, Chief Plant Operator

SUBJECT: Treatment plant operations for September, 2012.

1. Total influent flow for the Upper Blue Treatment Facilities was 34.4 million gallons for the month of September. The flow for the previous September was 34.5 million gallons. There was a 0.1 million gallon decrease (0.3%).
2. Influent flow for the Farmer's Korner Treatment facility was 34.4 million gallons for the month of August. We have taken the old Farmer's Korner South Plant off line so only the new North Plant is operating.
3. Solids loading at Farmer's Korner was down for September from 128,072# to 59,961#. (53.0% decrease). The solids loading has been consistently down ever since the new plant went on-line. This is primarily due to the fact that the Iowa Hill plant is off-line and no longer wasting solids to Farmer's Korner.
4. Glacier is still working on a few punch-list items and some warranty items that have occurred. The floor repairs have yet to be started. The staff is still in the process of fine tuning the treatment systems. We are discharging very good water that meets all discharge permit requirements. The average phosphorus discharge concentration is at 0.025mg/l (ppm).



Greg  
cc: file

### PLANT STATISTICS - FARMERS KORNER

MONTH	FLOW (MG)			PHOS (LBS)			INF SS (LBS)			SLUDGE (TONS)		
	2010	2011	2012	2010	2011	2012	2010	2011	2012	2010	2011	2012
JAN	33.9	31.2	41.4	4.1	1.9	1.8	163448	132341	201554	49.9	54.5	43.2
FEB	30.7	29.0	38.1	3.1	2.0	2.9	84794	180701	123132	24.3	35.8	35.0
MAR	36.3	35.8	60.6	3.9	2.9	14.5	155910	155768	172780	70.4	59.0	66.1
APR	28.7	35.7	45.9	0.6	1.4	11.0	140701	137501	149764	55.2	46.0	21.5
MAY	28.8	44.3	38.9	1.1	0.7	4.8	48401	67212	86021	13.2	41.8	31.1
JUN	31.3	30.2	35.7	1.2	1.0	5.8	42767	72034	72201	36.4	55.6	39.0
JUL	27.4	37.0	52.5	2.3	0.9	10.6	50175	66111	131823	52.2	62.6	54.9
AUG	26.0	31.2	46.6	1.7	2.5	8.0	128708	123291	155732	39.6	48.1	62.5
SEP	17.6	20.4	34.4	1.4	1.5	8.4	37181	87790	59961	25.2	28.3	24.5
OCT	18.2	17.6		0.8	0.7		77049	43008		15.7	20.7	
NOV	19.2	18.2		1.4	1.0		80043	63296		29.5	47.1	
DEC	28.9	30.3		1.1	1.0		138477	76814		46.5	35.4	
TOTAL	327.0	360.9	394.1	22.7	17.5	67.8	1147654	1205867	1152968	458.1	534.9	377.8

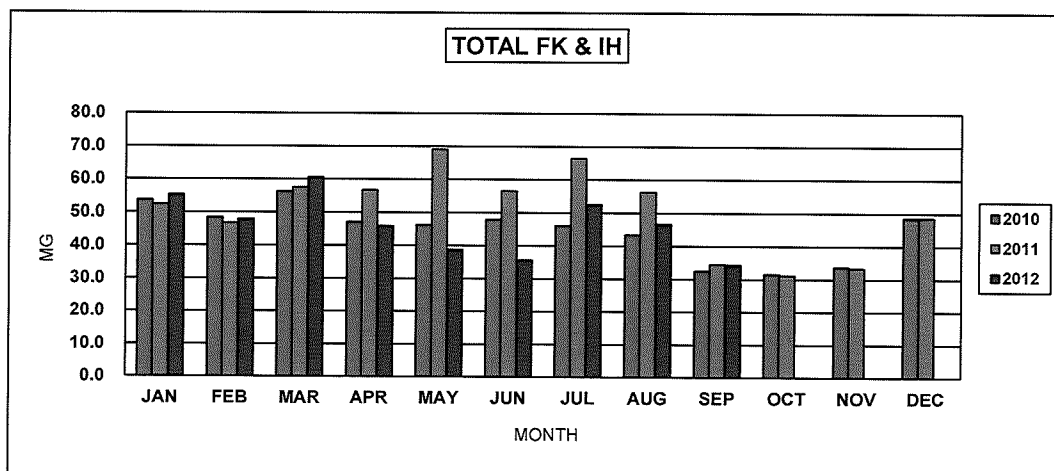
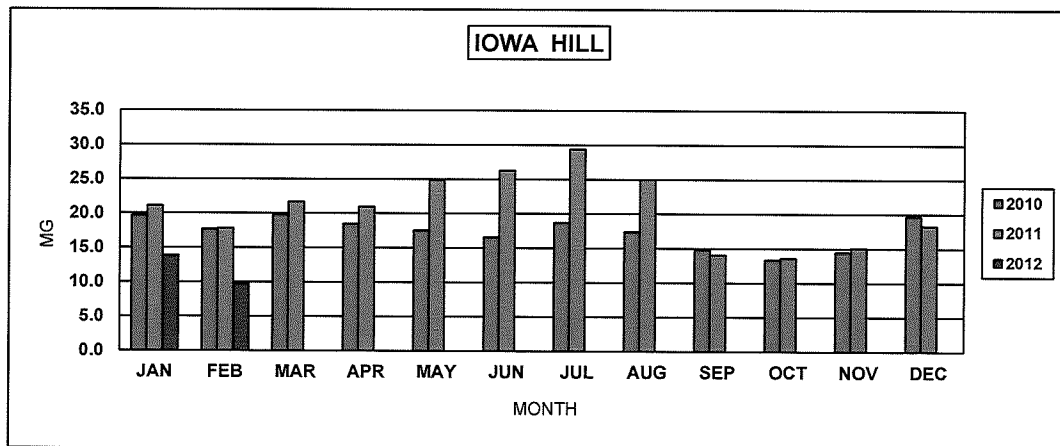
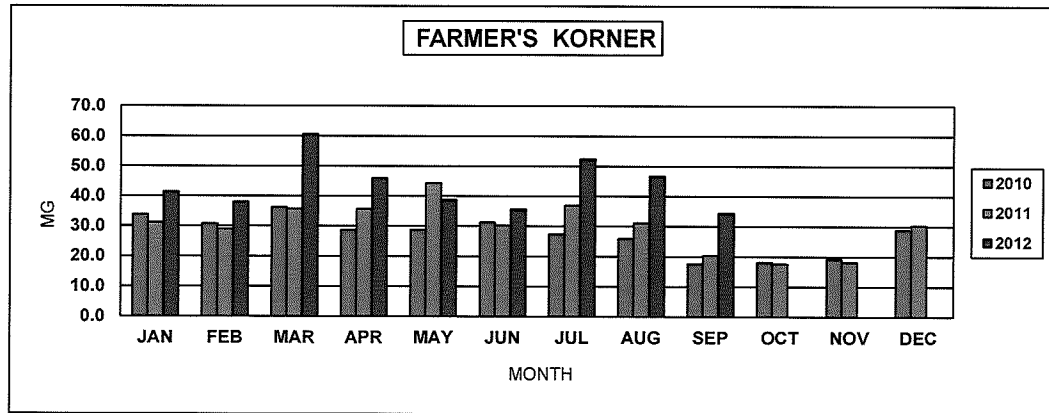
### PLANT STATISTICS - IOWA HILL

MONTH	EFF FLOW (MG)			EFF PHOS (LBS)			INF SS (LBS)		
	2010	2011	2012	2010	2011	2012	2010	2011	2012
JAN	19.7	21.1	13.9	2.7	1.8	4.2	50748	86584	36828
FEB	17.7	17.8	9.8	2.9	1.5	2.4	53585	73806	29021
MAR	19.9	21.7	0.0	3.3	2.0	0.0	69125	67754	0
APR	18.5	21.0	0.0	1.9	2.3	0.0	38484	40209	0
MAY	17.5	24.8	0.0	2.0	2.3	0.0	26866	24633	0
JUN	16.6	26.3	0.0	4.8	3.7	0.0	29572	36937	0
JUL	18.7	29.4	0.0	2.2	4.3	0.0	49902	71311	0
AUG	17.4	25.0	0.0	2.1	2.0	0.0	40950	50532	0
SEP	14.9	14.1	0.0	1.5	1.6	0.0	37846	40282	0
OCT	13.4	13.6		1.6	2.2		26909	34260	
NOV	14.5	15.1		1.1	4.0		25263	33498	
DEC	19.7	18.3		1.6	3.7		63962	58386	
TOTAL	208.5	248.2	23.7	27.7	31.4	6.6	513212	618192	65849

### PLANT STATISTICS - TOTAL

MONTH	EFF FLOW (MG)			EFF PHOS (LBS)			INF SS (LBS)			SLUDGE (TONS)		
	2012	2011	2012	2010	2011	2012	2010	2011	2012	2010	2011	2012
JAN	53.6	52.3	55.3	6.8	3.7	6.0	214196	218925	238382	49.9	54.5	43.2
FEB	48.4	46.8	47.9	6.0	3.5	5.3	138379	254507	152153	24.3	35.8	35.0
MAR	56.2	57.5	60.6	7.2	4.9	14.5	225035	223522	172780	70.4	59.0	66.1
APR	47.2	56.7	45.9	2.5	3.7	11.0	179185	177710	149764	55.2	46.0	21.5
MAY	46.3	69.1	38.9	3.1	3.0	4.8	75267	91845	86021	13.2	41.8	31.1
JUN	47.9	56.5	35.7	6.0	4.7	5.8	72339	108971	72201	36.4	55.6	39.0
JUL	46.1	66.4	52.5	4.5	5.2	10.6	100077	137422	131823	52.2	62.6	54.9
AUG	43.4	56.2	46.6	3.8	4.5	8.0	169658	173823	155732	39.6	48.1	62.5
SEP	32.5	34.5	34.4	2.9	3.1	8.4	75027	128072	59961	25.2	28.3	24.5
OCT	31.6	31.2	0.0	2.4	2.9	0.0	103958	77268	0	15.7	20.7	0.0
NOV	33.7	33.3	0.0	2.5	5.0	0.0	105306	96794	0	29.5	47.1	0.0
DEC	48.6	48.6	0.0	2.7	8.7	0.0	202439	135200	0	46.5	35.4	0.0
TOTAL	535.5	609.1	417.8	50.4	52.9	74.4	1660866	1824059	1218817	458.1	534.9	377.8

# FACILITY FLOW



TO: ANDY CARLBERG- DISTRICT MANAGER  
FROM: WALLY ESQUIBEL- COLLECTION SYSTEM FOREMAN  
DATE: OCTOBER 1, 2012

RE: SEPTEMBER 2012 COLLECTION SYSTEM REPORT

ANDY,

1. NO SEWER BACKUPS WERE REPORTED FOR THE MONTH OF SEPTEMBER.
2. UBSD PERSONAL HAVE SUCCESULLY COMPLETED THEIR GOAL OF 33.70 MILES OF SEWER MAIN CLEANING, MAINTENACE AND GPS COLLECTION.
3. UBSD PERSONAL HAS STARTED OUR SECOND ROUND OF ANNUAL LIFT STATION CLEANING AND MAINTENACE OF AUXIARY POWER GENERATORS.
4. SBR SEWER MAIN ESTENSION PHASE III HAS BEEN COMPLETED AND VACUUM TESTS HAVE MET UBSD SPECIFICATIONS. WE ARE CURRENTLY WORKING ON PUNCHLIST ITEMS.
5. PHASE II PUCHLIST ITEMS TO BE COMPLETED:
  - A. REDLINE CONSTRUCTION HAS MADE AN ATTTEMPT TO FIX DIPS AT THE CROSSING OF BLUE RIVER ROAD AND HIGHWAY 9. UBSD THEN HIRED CLEARWATER CLEANUP COMPANY TO CCTV THIS PARTICULAR SEAGMENT OF PIPE AND FOUND DIPS STILL REMAIN.
  - B. AT THE REQUEST OF LARRY FROM THE TOWN OF BLUE RIVER ROAD AND BRIDGE DEPARTMENT, A PATCH OF ASPHALT LOCATED ON BLUE RIVER ROAD NEEDED TO BE REPAIRED DUE TO SUBSTANDARD CONDITIONS. ALL-PHASE CONSTRUCTION WAS HELD RESPONSIBLE FOR THE ASPHALT REPAIR VIA A CONTRACTUAL AGREEMENT WITH REDLINE CONSTRUCTION. UNFORTUNATELY, WHEN LARRY REQUESTED ALL-PHASE CONSTRUCTION TO COMPLETE THE REPAIR, ALL-PHASE CONSTRUCTION OWNER MARK SWANSON REJECTED HIS REQUEST. THIS REJECTED REQUEST CAME AFTER MARK SWANSON VERBALLY AGREED TO UBSD THAT HE WOULD INDEED REAPIR THE SUBSTANDARD AREA. SINCE ALL-PHASE CONSTRUCTION WOULD NOT AGREE TO REPAIR THE AFFECTED AREA UBSD HIRED A-PEAK ASPHALT INC. TO COMPLETE THE NEEDED REPAIR.
6. 224 LOCATES WERE REQUESTED; OF WHICH 21 WERE ACTUAL AND 12 REQUIRED A MEETING.
7. ALL SERVICELINE INSPECTIONS AND FLEET MAINTENACE ARE CURRENT AND UP TO DATE.

WALLY ESQUIBEL

## **MANAGER REPORT**

### **October 2012**

- 1)** Construction in Blue River Phase III has been going well and should be completed by next week. We have had no complaints. Stan Miller will also be working on warranty issues from Phase I.
- 2)** The Draft Budget is included in the Board packet. The Notice of Budget has been published and will run for three publications of the Journal. We will be taking comments and making adjustments over the next two months with the planned adoption in December. To date there has not been any comments submitted.
- 3)** Redline Construction has attempted to fix problem areas in phase II Blue River. Their attempts have failed so far. We are still holding approximately \$80,000 and their bond to cover these issues.
- 4)** We will be replacing one vehicle by the end of the year. The Collection truck has the most miles and is now requiring the most repairs.
- 5)** Reminder of the Special Joint Worksession with the Town Of Breckenridge on October 23, 6pm at Town Hall.
- 6)** Reminder of the District Christmas party December 14, 6 pm at the Steak and Rib. Invitations will be sent out in the next few weeks.