

Upper Blue Sanitation District Board of Directors Special Meeting

Thursday August 15, 2013 @ 12:00 PM

Note: The August 8, 2013 regularly scheduled meeting was cancelled due to lack of a quorum.

I. ROLL CALL:

Mr. Robin Theobald called the meeting to order at 5:30 PM. Mr. Robin Theobald, 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:

July 11, 2013 minutes: Mr. Turek made a motion to approve the July 11, 2013 Board of Directors meeting minutes. Mr. Mosher seconded the motion. The motion was passed unanimously by the Board.

III. PUBLIC HEARINGS:

IV. PUBLIC COMMENT: None

V. BILLS:

The bills were reviewed and discussed by the Board of Directors. Mr. Mosher made a motion to approve the bills as submitted. 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 July 2013 Financial report was discussed by the Board of Directors. The Board was given the ninety days past due customer aging report.

VII. MONTHLY REPORTS:

A. Plant and Collection:

The Plant and Collection reports were discussed by the Board of Directors during the work session. The Farmers Korner Plant report said that Glacier is still finishing some warranty work.

B. Manager Report:

1) Project Update:

-Mr. Carlberg reported that the Administration Building repair is near completion. Mr. Carlberg said that he has investigated pricing for capping the top of the brick parapets on the Iowa Hill plant. The weather over the last 12 years has taken its toll on the grout, the brick is falling out and water is leaking into the plant. Mr. Carlberg said that CTM Construction estimated the cost for the repair to be approximately \$27,577.00.

-Mr. Carlberg reported that the Farmers Korner fence project is close to starting. At a previous Board meeting the Board decided to increase the height of the fence from 6 feet to 8 feet, so there was some redesign needed. Mr. Carlberg said that he is working on a landscaping plan.

Upper Blue Sanitation District Board of Directors Special Meeting**Thursday August 15, 2013 @ 12:00 PM****Note: The August 8, 2013 regularly scheduled meeting was cancelled due to lack of a quorum.****2) Nutrient Study:**

Mr. Carlberg reported that he met with the nutrient consultants. Mr. Carlberg said that the Nitrogen credits for connecting septic system properties to sewer may not give the District as much credit as originally planned. Although, there is a value with the Phosphorous credits. The nutrient consultants will get back to the District and Mr. Carlberg hopes to have the credit number at the next Board meeting.

3) Water Plant Study:

Mr. Carlberg said that he has not received any word on the progress of the Town of Breckenridge's water plant study. Mr. Carlberg said that he offered the Town of Breckenridge his attendance at town meetings or work sessions so that he could answer any questions they might have.

4) Water Right:

Mr. Carlberg said that he had a meeting with the District's new water attorney along with Mr. Mike Shimmin the past water attorney in order to bring the new water attorney up to speed. Mr. Carlberg said that he discussed with the water attorney's the District's interest in the Town of Breckenridge's most recent water cases. The District's water attorney's said that it was difficult to make any judgment at this time and that additional information can only be acquired through the legal process. The Board said that they would like to have a meeting with the District's new water attorney prior to the November 15, 2013 deadline to submit the District's written comments on the Town of Breckenridge's water cases.

VIII. OLD BUSINESS:**IX. NEW BUSINESS:****C. Ten Mile Vista, Breckenridge Park Estates Line Extensions, Award of Bid:**

Mr. Carlberg reported that the bid opening was conducted on July 31, 2013. Bear Construction, Schofield Construction and RKR submitted bids to the District. Mr. Carlberg said that the bids came in higher than expected. Mr. Carlberg and the engineer recommended that the Board accept the Bear Construction bid.

Mr. Turek made a motion to accept the Bear Construction bid in the amount of \$202,762.31. Mr. Mosher seconded the motion. Mr. Theobald asked the Board for a roll call and the motion was passed unanimously by the Board.

D. Pay Request #2 CTM Construction-Administration Building Repair:

Mr. Carlberg reported that the Administration Building foundation has been repaired; the walls have been repaired and painted. CTM Construction has submitted pay request #2 in the amount of \$12,906.00. Mr. Carlberg said that he and the Architect have reviewed the pay request and recommend that the Board approve CTM Construction pay request #2 in the amount of \$12,906.00.

Mr. Turek made a motion to approve CTM Construction pay request #2 in the amount of \$12,906.00. Mr. Stimson seconded the motion. Mr. Theobald asked the Board for a roll call and the motion was passed unanimously by the Board.

Mr. Carlberg said that CTM Construction has submitted two change orders. Change order #1 is a reduction in the contract amount of \$19,270.00 for work that did not have to be done on the Administration Building repair. Change order #2 is for re-working the brick and capping the top of the brick parapets on the Iowa Hill plant, which is estimated to cost \$27,577.00. The weather over the last 12 years has taken its toll on the grout, the brick is falling out and water is leaking into the plant.

Mr. Turek made a motion to approve CTM Construction change order #1 and change order #2. Mr. Mosher seconded the motion. Mr. Theobald asked the Board for a roll call and the motion was passed unanimously by the Board.

Upper Blue Sanitation District Board of Directors Special Meeting**Thursday August 15, 2013 @ 12:00 PM****Note: The August 8, 2013 regularly scheduled meeting was cancelled due to lack of a quorum.****E. TES Pay Request #1, Woodmoor Repair:**

Mr. Carlberg reported that TES has completed the video portion of the Woodmoor project and has identified areas that are in need of repair. TES also found dips and broken pipe in Blue River line extension that was done by Redline Construction. TES is going to repair the Blue River line. The District will pay TES with Redline Construction retainage that the District is holding.

Mr. Turek made a motion to approve TES pay request #1 for the Woodmoor slip line project in the amount of \$17,486.37. Mr. Stimson seconded the motion. Mr. Theobald asked the Board for a roll call and the motion was passed unanimously by the Board.

F. Blue River line Extension, Award of Bid:

Mr. Carlberg reported that the bid opening was conducted on July 31, 2013. Schofield Construction and Mountain Diggers submitted bids to the District. Mr. Carlberg said that the bids came in higher than expected. Mr. Carlberg suggested approaching Bear Construction about doing a change order to include the Blue River line extension into the recently awarded Ten Mile Vista/Breckenridge Park Estates project. Mr. Carlberg said that a change order would save the District approximately \$40,000.00. There was discussion on the legality of the bid process. Mr. Carlberg said that the bid process is to protect the interest of the District and it would be in the best interest of the District to negotiate a change order with Bear Construction, which would save the District approximately \$40,000.00. Mr. Carlberg verified with the District's legal counsel the legality of rejecting all bids and adding the Blue River line extension project as a change order.

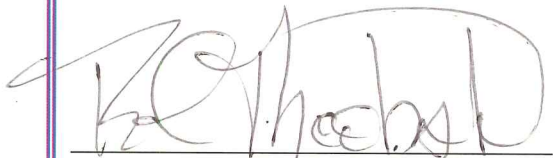
Mr. Stimson made a motion to reject all bids if the Manager can negotiate a change order with Bear Construction along with a commitment from Bear Construction that all three projects would be completed by November 1, 2013 and the unit prices would be the same for the Blue River line extension. Once the change order is negotiated the District will reject the bids from Schofield Construction and Mountain Diggers, but if the District is not able to negotiate a change order with Bear Construction then Schofield Construction will be awarded the bid. Mr. Turek seconded the motion. Mr. Theobald asked the Board for a roll call and the motion was passed unanimously by the Board.

X. CORRESPONDENCE:

Mr. Carlberg reminded the Board that the District picnic will be held on August 30, 2013 at 3:00 PM. Mr. Carlberg also reminded the Board that no official District business will be discussed even though a Board quorum will be in attendance.

XI. ADJOURN:

Mr. Turek made a motion to adjourn the meeting at 1:16 PM. Mr. Stimson seconded the motion. The motion was passed unanimously by the Board.



Mr. Robin Theobald, President



Mr. Allyn T. Mosher, Secretary

Memorandum

To: Andy Carlberg

From: Marjorie Borsina

Date: August 2, 2013

Re: Financial Update

- The District's Financial Records are in good order.
- We have not received all of the July 2013 bills. Therefore, the July 2013 Financial Statements are a preliminary draft for your review.
- I have enclosed a copy of the amended 2012 financial statements in the Board packet.
- The District's web site is not functioning properly due to some issues with the company who has been hosting the web site. I am working on getting those issues resolved, but it can only be on a short term basis. Therefore, the District needs to get the web site updated which will cost \$4,397.00.
- I will have the Aging Report of past due customers available at the work session on August 8, 2013 so that the report is current.
- The July 2013 Wells Fargo bank reconciliation is on your desk for your approval.

Marjorie

Upper Blue Sanitation District
Comparative Balance Sheet-UNAUDITED DRAFT
July 31, 2013 and July 31, 2012

	<u>2013</u>	<u>2012</u>	<u>Increase</u> <u>(Decrease)</u>
<u>Current Assets:</u>			
Petty Cash	\$200	\$200	-
Checking-Alpine Bank	\$ -	\$ -	-
Checking-Wells Fargo Bank	10,705,802	9,574,095	1,131,707
Cash-Centennial Bank Money Market	250,000	-	250,000
ColoTrust Prime	3,639,830	3,638,318	1,512
Total Cash and Equivalents	14,595,832	13,212,613	1,383,219
Investments			
FK Construction Retainage Escrow	-	428,761	(428,761)
Cert. of Deposit & Treasuries	2,011,921	2,510,569	(498,648)
Total Investments	2,011,921	2,939,330	(927,409)
Other Current Assets			
Receivables-Utility + Spec. Assessments	123,116	216,668	(93,552)
Developer/Contractor Escrow	128,736	135,744	(7,008)
Interest Receivable & Market Adjustments	-	-	-
Notes Receivable	181,894	210,643	(28,749)
Prepaid Expenses	57,405	297,507	(240,102)
Loan Issuance Costs (Net)	-	139,249	(139,249)
Total Other Assets	491,151	999,811	(508,660)
Total Current Assets:	17,098,904	17,151,754	(52,850)
Property Plant and Equipment:			
Land	721,070	721,070	-
Easements	69,583	69,583	-
Sewer Lines	13,460,838	13,368,225	92,613
Treatment Plants	76,468,318	75,663,825	804,493
Office Equipment	210,830	210,830	-
Other Machines & Equipment	459,772	459,772	-
Autos & Trucks	849,019	821,984	27,035
Upper Blue System Costs	4,321,429	3,587,750	733,679
Telemetry	102,075	102,075	-
Employee Housing	1,038,191	1,038,191	-
Total Property Plant and Equipment :	97,701,125	96,043,305	1,657,820
Less Accumulated Depreciation	(27,812,986)	(25,913,128)	(1,899,858)
Net Property Plant and Equipment :	69,888,139	70,130,177	(242,038)
Total Assets:	86,987,043	87,281,931	(294,888)

Liabilities

	<u>2013</u>	<u>2012</u>	<u>Increase</u> <u>(Decrease)</u>
Current Liabilities:			
Accounts Payable	41,204	213,460	(172,256)
Construction/Developer Escrow	128,736	135,744	(7,008)
Earned Employee Benefits	121,784	121,416	368
Unearned User Fees	873,491	866,818	6,673
Interest Payable	155,577	164,671	(9,094)
Loan Payable (Current Portion)	913,365	890,595	22,770
Retainage Payable-Construction in Progress	-	428,708	(428,708)
Retainage Payable-Blue River	49,063	-	49,063
Employee Housing Deposit Payable	1,250	1,250	-
Total Current Liabilities:	2,284,470	2,822,662	(538,192)
Long Term Liabilities:			
Loan Payable	9,290,474	10,203,839	(913,365)
Total Long Term Liabilities:	9,290,474	10,203,839	(913,365)
Total Liabilities	11,574,944	13,026,501	(1,451,557)
Net Assets			
Invested in Capital Assets, Net of Related Debt	59,528,723	58,920,134	608,589
Unrestricted Net Assets	11,883,376	13,335,296	(1,451,920)
Unrestricted Net Assets - Nutrient Reserve	4,000,000	2,000,000	2,000,000
Total Contributed Capital	75,412,099	74,255,430	1,156,669
Total Liabilities and Equity	86,987,043	87,281,931	(294,888)

Upper Blue Sanitation District
Monthly Financial Statement-UNAUDITED DRAFT
July 31, 2013

	2013	2013	2013	2013	2013
	July	Year To Date	Approved Budget	Uncollected	% Uncol/Col
Operating Revenue					
Sewer User Fees	435,463	3,059,489	5,231,574	2,172,085	42
Tap Inspection Fees	700	4,200	7,000	2,800	40
Miscellaneous Revenue	0	7,804	1,000	(6,804)	(680)
Camper Dump Fees	2,936	3,959	3,000	(959)	(32)
Late Fees	212	22,541	25,000	2,459	10
Line Extension Fees	2,105	20,842	25,000	4,158	17
Rental Income	7,500	26,250	40,000	13,750	34
Total Operating Revenue	<u>448,916</u>	<u>3,145,085</u>	<u>5,332,574</u>	<u>2,187,489</u>	<u>41</u>
Miscellaneous Revenue					
Interest on Loan Payments	699	6,031	9,000	2,969	33
Plant Investment Fees	118,852	1,002,248	400,000	(602,248)	(151)
Inclusion Fees	0	25,518	30,000	4,482	15
Interest on Investments	1,749	14,184	18,000	3,816	0
Transfer from Reserve	0	0	0	0	0
Total Miscellaneous Revenue	<u>121,300</u>	<u>1,047,981</u>	<u>457,000</u>	<u>(593,950)</u>	<u>(130)</u>
Total Revenue	<u>570,216</u>	<u>4,193,066</u>	<u>5,789,574</u>	<u>1,596,508</u>	<u>28</u>

Administration Expense	2013 July	2013 Year to Date	2013 Approved Budget	2013 Available	2013 % Available
Payroll & Employee Benefits					
Salaries	83,706	584,222	1,139,399	555,177	49
Overtime	4,429	13,609	45,000	31,391	70
FICA-Admn	5,381	36,474	74,000	37,526	51
Medicare-Admin	1,258	8,530	19,000	10,470	55
401K Contributions	6,148	42,598	80,000	37,402	47
Worker's Compensation Insurance	1,373	10,012	19,000	8,988	47
Health Insurance	18,448	138,966	256,238	117,272	46
Total	120,743	834,411	1,632,637	798,226	49
Office Supplies	0	1,355	4,000	2,645	66
Telephone	1,919	9,038	16,500	7,462	45
Business Expenses	6,965	25,479	32,000	6,521	20
Legal Counsel	2,494	9,656	50,000	40,344	81
Education	998	13,115	25,000	11,885	48
Audit & Accounting	2,100	8,100	9,000	900	10
Legal Publications	1,564	4,070	12,000	7,930	66
Board Members	500	3,500	6,000	2,500	42
Elections	0	0	0	0	0
Computer Expenses	1,220	17,175	9,000	(8,175)	(91)
Copy Machine & Supply	0	0	1,000	1,000	100
Postage & Meter Rent	945	6,503	13,000	6,497	50
Insurance - General	10,108	71,117	115,000	43,883	38
Insurance - Deductible	0	109	1,000	891	89
Engineering	1,979	33,148	100,000	66,852	67
Tools	0	1,499	3,500	2,001	57
Radios	0	0	0	0	0
Vehicle Expense	0	0	1,000	1,000	100
Dues & Memberships	110	3,260	7,000	3,740	53
Safety	2,357	3,450	4,000	550	14
Summit Water Quality	0	14,021	12,000	(2,021)	(17)
Building Maintenance	925	7,125	17,000	9,875	58
Employee Housing Maintenance	340	6,311	20,000	13,689	68
Employee Housing Utilities	728	2,933	3,000	67	2
Total Administration	155,995	1,075,375	2,093,637	1,018,262	49
Iowa Hill Plant Expenses					
Utilities					
Gas	92	8,132	6,000	(2,132)	(36)
Electric	2,113	17,853	50,000	32,147	64
Freight	116	288	2,000	1,712	86
Equipment Repairs	0	362	25,000	24,638	99
Chemicals	0	0	10,000	10,000	100
Contracted Repairs	0	11,440	25,000	13,560	54
Laboratory Supplies	6,893	13,605	15,000	1,395	9
Biomonitoring	0	0	0	0	0
Discharge Permit	0	0	7,000	7,000	100
Supplies	0	357	3,000	2,643	88
Total Iowa Hill	9,214	52,037	143,000	90,963	64

	2013 <u>July</u>	2013 <u>Year to Date</u>	2013 <u>Approved Budget</u>	2013 <u>Available</u>	2013 <u>% Available</u>
Farmers Korner Expenses					
Utilities					
Gas	39	42,735	75,000	32,265	43
Electric	31,117	233,441	550,000	316,559	58
Freight	1,825	22,717	25,000	2,283	9
Equipment Repairs	3,720	36,390	60,000	23,610	39
Chemicals	12,619	240,858	350,000	109,142	31
Supplies	590	3,295	15,000	11,705	78
Contracted Repairs	45	4,068	15,000	10,932	73
Dumpster Charges	995	6,965	14,000	7,035	50
Biomonitoring	0	2,837	7,000	4,163	59
Discharge Permit	0	1,657	17,000	15,343	90
Composting	0	45,257	115,000	69,743	61
Site Monitoring	491	12,259	25,000	12,741	51
Sludge Hauling Costs	4,500	32,175	55,000	22,825	42
State Health Fees	0	0	2,500	2,500	100
Total Farmers Korner	55,941	684,654	1,325,500	640,846	48
Collection Expenses					
Utilities	1,817	13,300	18,000	4,700	26
Vehicle Expense	2,052	18,496	27,000	8,504	31
Line Cleaner Expenses	0	828	5,000	4,172	83
Manhole Repairs/Line Repairs	25,830	49,501	120,000	70,499	59
Equipment Repairs	37	1,530	9,000	7,470	83
CCTV Expense	0	0	3,500	3,500	100
Total Collection	29,736	83,655	182,500	98,845	54
Replacement Capital					
Administration	12,906	89,678	120,000	30,322	25
Plant:		0			
IH	43,948	64,813	275,000	210,187	76
FK	1,697	38,936	613,000	574,064	94
Upper Blue	0	13,678	10,000	(3,678)	0
Collection			470,000	470,000	100
Misc	2,660	16,519	0	(16,519)	0
Vehicle	0	28,351	0	(28,351)	0
Total Replacement Capital	61,211	251,975	1,488,000	1,236,025	83
Non Operating Expenses					
Bond Principal	692,119	913,365	913,365	(0)	(0)
Bond Interest	186,255	372,948	372,948	0	0
Total Non Operating	878,374	1,286,313	1,286,313	(0)	(0)

July Financial Statement Cont.

Pg. 4

	<u>2013</u> <u>July</u>	<u>2013</u> <u>Year to Date</u>	<u>2013</u> <u>Approved Budget</u>	<u>2013</u> <u>Available</u>	<u>2013</u> <u>% Available</u>
Capital Outlay					
Plant:					
IH	0	0	25,000	25,000	100
FK	0	7,823	85,000	77,177	91
Upper Blue	0	7,224	65,000	57,776	89
Collection	0	40,443	305,000	264,557	87
Administration	0	0	0	0	0
Total Capital Outlay	<u>0</u>	<u>55,490</u>	<u>480,000</u>	<u>424,510</u>	<u>88</u>
Total Expenses	<u>1,190,471</u>	<u>3,489,499</u>	<u>6,998,950</u>	<u>3,509,451</u>	<u>50</u>
Revenue Less Expenses	<u>(620,255)</u>	<u>703,567</u>	<u>(1,209,376)</u>		

Upper Blue Sanitation District
Comparative Financial Statement-UNAUDITED DRAFT
July 31, 2013 vs. July 31, 2012

	2013	2012	2013	2012	Increase
	<u>July</u>	<u>July</u>	<u>Year To Date</u>	<u>Year to Date</u>	<u>(Decrease)</u>
Operating Revenue					
Sewer User Fees	435,463	433,256	3,059,489	3,032,129	27,360
Tap Inspection Fees	700	500	4,200	6,600	(2,400)
Miscellaneous Revenue	0	0	7,804	19,239	(11,435)
Camper Dump Fees	2,936	2,808	3,959	3,060	899
Late Fees	212	0	22,541	23,391	(850)
Line Extension Fees	2,105	15,200	20,842	48,191	(27,349)
Rental Income	7,500	3,750	26,250	26,250	0
Total Operating Revenue	448,916	455,514	3,145,085	3,158,860	(13,775)
Miscellaneous Revenue					
Interest on Loan Payments	699	1,106	6,031	6,840	(809)
Plant Investment Fees	118,852	137,850	1,002,248	1,395,509	(393,261)
Inclusion Fees	0	15,400	25,518	50,029	(24,511)
Interest on Investments	1,749	2,146	14,184	13,706	478
Transfer from Reserve	0	0	0	0	0
Total Miscellaneous Reven	121,300	156,502	1,047,981	1,466,084	(417,294)
Total Revenue	570,216	612,016	4,193,066	4,624,944	(431,878)

Administration Expense	2013 July	2012 July	2013 Year to Date	2012 Year to Date	Increase (Decrease)
Payroll & Employee Benefits					
Salaries	83,706	87,696	584,222	581,572	2,650
Overtime	4,429	2,048	13,609	22,677	(9,068)
FICA-Admin	5,381	5,539	36,474	36,930	(456)
Medicare-Admin	1,258	1,282	8,530	8,623	(93)
401K Contributions	6,148	6,056	42,598	41,413	1,185
Worker's Compensation Insu	1,373	1,295	10,012	7,812	2,200
Health Insurance	18,448	20,301	138,966	129,788	9,178
Total	120,743	124,217	834,411	828,815	5,596
Office Supplies	0	154	1,355	1,629	(274)
Telephone	1,919	1,304	9,038	10,559	(1,521)
Business Expenses	6,965	5,772	25,479	26,448	(969)
Legal Counsel	2,494	4,035	9,656	28,659	(19,003)
Education	998	775	13,115	4,890	8,225
Audit & Accounting	2,100	0	8,100	8,100	0
Legal Publications	1,564	0	4,070	7,021	(2,951)
Board Members	500	500	3,500	3,400	100
Elections	0	0	0	21	(21)
Computer Expenses	1,220	1,396	17,175	4,991	12,184
Copy Machine & Supply	0	0	0	400	(400)
Postage & Meter Rent	945	2,156	6,503	7,784	(1,281)
Insurance - General	10,108	9,142	71,117	63,993	7,124
Insurance - Deductible	0	0	109	0	109
Engineering	1,979	0	33,148	9,450	23,698
Tools	0	1,116	1,499	1,996	(497)
Radios	0	0	0	1,104	(1,104)
Vehicle Expense	0	0	0	0	0
Dues & Memberships	110	2,504	3,260	4,994	(1,734)
Safety	2,357	863	3,450	3,991	(541)
Summit Water Quality	0	0	14,021	11,531	2,490
Building Maintenance	925	1,975	7,125	10,132	(3,007)
Employee Housing Maintena	340	1,225	6,311	11,632	(5,321)
Employee Housing Utilities	728	711	2,933	3,405	(472)
Total Administration	155,995	157,845	1,075,375	1,054,945	20,430
Iowa Hill Plant Expenses					
Utilities					
Gas	92	70	8,132	9,724	(1,592)
Electric	2,113	2,805	17,853	54,044	(36,191)
Freight	116	14	288	5,199	(4,911)
Equipment Repairs	0	419	362	14,983	(14,621)
Chemicals	0	0	0	19,812	(19,812)
Contracted Repairs	0	0	11,440	22,082	(10,642)
Laboratory Supplies	6,893	631	13,605	9,153	4,452
Biomonitoring	0	0	0	2,254	(2,254)
Discharge Permit	0	0	0	0	0
Supplies	0	401	357	2,130	(1,773)
Total Iowa Hill	9,214	4,340	52,037	139,381	(87,344)

July Comparative Statement Cont.

Pg. 3

	<u>2013</u> <u>July</u>	<u>2012</u> <u>July</u>	<u>2013</u> <u>Year to Date</u>	<u>2012</u> <u>Year to Date</u>	<u>Increase</u> <u>(Decrease)</u>
Farmers Korner					
Utilities					
Gas	39	26	42,735	29,242	13,493
Electric	31,117	32,374	233,441	226,356	7,085
Freight	1,825	1,895	22,717	11,863	10,854
Equipment Repairs	3,720	1,924	36,390	31,441	4,949
Chemicals	12,619	33,113	240,858	204,872	35,986
Supplies	590	29	3,295	11,431	(8,136)
Contracted Repairs	45	0	4,068	4,603	(535)
Dumpster Charges	995	995	6,965	6,965	0
Biomonitoring	0	0	2,837	2,705	132
Discharge Permit	0	0	1,657	0	1,657
Composting	0	7,987	45,257	43,312	1,945
Site Monitoring	491	3,160	12,259	15,625	(3,366)
Sludge Hauling Costs	4,500	4,725	32,175	26,050	6,125
State Health Fees	0	0	0	1,365	(1,365)
Total Farmers Korner	55,941	86,228	684,654	615,830	68,824
Collection Expenses					
Utilities	1,817	1,110	13,300	7,622	5,678
Vehicle Expense	2,052	2,498	18,496	16,470	2,026
Line Cleaner Expenses	0	0	828	20,347	(19,519)
Manhole Repairs/Line Repair	25,830	5,067	49,501	68,166	(18,665)
Equipment Repairs	37	1,678	1,530	2,858	(1,328)
CCTV Expense	0	0	0	0	0
Total Collection	29,736	10,353	83,655	115,463	(31,808)
Replacement Capital					
Administration	12,906	0	89,678	0	89,678
Plant			0		
IH	43,948	0	64,813	0	64,813
FK	1,697	0	38,936	14,394	24,542
Upper Blue	0	0	13,678	0	13,678
Collection					
Misc	2,660	2,613	16,519	83,613	(67,094)
Vehicle	0	0	28,351	0	28,351
Total Replacement Capital	61,211	2,613	251,975	98,007	153,968
Non Operating Expenses					
CWRPDA Loan Principal	692,119	0	913,365	42,884	870,481
Loan Interest	186,255	0	372,948	127,667	245,281
Total Non Operating	878,374	0	1,286,313	170,551	1,115,762

July Comparative Statement Cont.

Pg. 4
Increase
(Decrease)

	<u>2013</u> <u>July</u>	<u>2012</u> <u>July</u>	<u>2013</u> <u>Year to Date</u>	<u>2012</u> <u>Year to Date</u>	
Capital Outlay					
Plant-IH-CO	0	0	0	0	0
Plant-FK-CO	0	0	7,823	691,608	(683,785)
Plant-South Blue-CO	0	0	7,224	0	7,224
Collection	0	75,814	40,443	104,892	(64,449)
Administration	0	0	0	0	0
Total Capital Outlay	<u>0</u>	<u>75,814</u>	<u>55,490</u>	<u>796,500</u>	<u>(741,010)</u>
Total Expenses	<u>1,190,471</u>	<u>337,193</u>	<u>3,489,499</u>	<u>2,990,677</u>	<u>498,822</u>
Revenue Less Expenses	<u>(620,255)</u>	<u>274,823</u>	<u>703,567</u>	<u>1,634,267</u>	<u>(930,700)</u>

Upper Blue Sanitation District
Monthly Financial Statement-UNAUDITED DRAFT
July 31, 2013

Revenue Over Budget

Expenses Over Budget

	2013	2013	2013	2013	2013
	July	Year To Date	Approved Budget	Uncollected	% Uncol/Col
Operating Revenue					
Sewer User Fees	435,463	3,059,489	5,231,574	2,172,085	42
Tap Inspection Fees	700	4,200	7,000	2,800	40
Miscellaneous Revenue	0	7,804	1,000	(6,804)	(680)
Camper Dump Fees	2,936	3,959	3,000	(959)	(32)
Late Fees	212	22,541	25,000	2,459	10
Line Extension Fees	2,105	20,842	25,000	4,158	17
Rental Income	7,500	26,250	40,000	13,750	34
Total Operating Revenue	448,916	3,145,085	5,332,574	2,187,489	41
Miscellaneous Revenue					
Interest on Loan Payments	699	6,031	9,000	2,969	33
Plant Investment Fees	118,852	1,002,248	400,000	(602,248)	(151)
Inclusion Fees	0	25,518	30,000	4,482	15
Interest on Investments	1,749	14,184	18,000	3,816	0
Transfer from Reserve	0	0	0	0	0
Total Miscellaneous Revenue	121,300	1,047,981	457,000	(593,950)	(130)
Total Revenue	570,216	4,193,066	5,789,574	1,596,508	28

Administration Expense	2013 July	2013 Year to Date	2013 Approved Budget	2013 Available	2013 % Available
Payroll & Employee Benefits					
Salaries	83,706	584,222	1,139,399	555,177	49
Overtime	4,429	13,609	45,000	31,391	70
FICA-Admn	5,381	36,474	74,000	37,526	51
Medicare-Admin	1,258	8,530	19,000	10,470	55
401K Contributions	6,148	42,598	80,000	37,402	47
Worker's Compensation Insurance	1,373	10,012	19,000	8,988	47
Health Insurance	18,448	138,966	256,238	117,272	46
Total	120,743	834,411	1,632,637	798,226	49
Office Supplies	0	1,355	4,000	2,645	66
Telephone	1,919	9,038	16,500	7,462	45
Business Expenses	6,965	25,479	32,000	6,521	20
Legal Counsel	2,494	9,656	50,000	40,344	81
Education	998	13,115	25,000	11,885	48
Audit & Accounting	2,100	8,100	9,000	900	10
Legal Publications	1,564	4,070	12,000	7,930	66
Board Members	500	3,500	6,000	2,500	42
Elections	0	0	0	0	0
Computer Expenses	1,220	17,175	9,000	(8,175)	(91)
Copy Machine & Supply	0	0	1,000	1,000	100
Postage & Meter Rent	945	6,503	13,000	6,497	50
Insurance - General	10,108	71,117	115,000	43,883	38
Insurance - Deductible	0	109	1,000	891	89
Engineering	1,979	33,148	100,000	66,852	67
Tools	0	1,499	3,500	2,001	57
Radios	0	0	0	0	0
Vehicle Expense	0	0	1,000	1,000	100
Dues & Memberships	110	3,260	7,000	3,740	53
Safety	2,357	3,450	4,000	550	14
Summit Water Quality	0	14,021	12,000	(2,021)	(17)
Building Maintenance	925	7,125	17,000	9,875	58
Employee Housing Maintenance	340	6,311	20,000	13,689	68
Employee Housing Utilities	728	2,933	3,000	67	2
Total Administration	155,995	1,075,375	2,093,637	1,018,262	49
Iowa Hill Plant Expenses					
Utilities					
Gas	92	8,132	6,000	(2,132)	(36)
Electric	2,113	17,853	50,000	32,147	64
Freight	116	288	2,000	1,712	86
Equipment Repairs	0	362	25,000	24,638	99
Chemicals	0	0	10,000	10,000	100
Contracted Repairs	0	11,440	25,000	13,560	54
Laboratory Supplies	6,893	13,605	15,000	1,395	9
Biomonitoring	0	0	0	0	0
Discharge Permit	0	0	7,000	7,000	100
Supplies	0	357	3,000	2,643	88
Total Iowa Hill	9,214	52,037	143,000	90,963	64

	<u>2013 July</u>	<u>2013 Year to Date</u>	<u>2013 Approved Budget</u>	<u>2013 Available</u>	<u>2013 % Available</u>
Farmers Korner Expenses					
Utilities					
Gas	39	42,735	75,000	32,265	43
Electric	31,117	233,441	550,000	316,559	58
Freight	1,825	22,717	25,000	2,283	9
Equipment Repairs	3,720	36,390	60,000	23,610	39
Chemicals	12,619	240,858	350,000	109,142	31
Supplies	590	3,295	15,000	11,705	78
Contracted Repairs	45	4,068	15,000	10,932	73
Dumpster Charges	995	6,965	14,000	7,035	50
Biomonitoring	0	2,837	7,000	4,163	59
Discharge Permit	0	1,657	17,000	15,343	90
Composting	0	45,257	115,000	69,743	61
Site Monitoring	491	12,259	25,000	12,741	51
Sludge Hauling Costs	4,500	32,175	55,000	22,825	42
State Health Fees	0	0	2,500	2,500	100
Total Farmers Korner	55,941	684,654	1,325,500	640,846	48
Collection Expenses					
Utilities	1,817	13,300	18,000	4,700	26
Vehicle Expense	2,052	18,496	27,000	8,504	31
Line Cleaner Expenses	0	828	5,000	4,172	83
Manhole Repairs/Line Repairs	25,830	49,501	120,000	70,499	59
Equipment Repairs	37	1,530	9,000	7,470	83
CCTV Expense	0	0	3,500	3,500	100
Total Collection	29,736	83,655	182,500	98,845	54
Replacement Capital					
Administration	12,906	89,678	120,000	30,322	25
Plant:		0			
IH	43,948	64,813	275,000	210,187	76
FK	1,697	38,936	613,000	574,064	94
Upper Blue	0	13,678	10,000	(3,678)	0
Collection			470,000	470,000	100
Misc	2,660	16,519	0	(16,519)	0
Vehicle	0	28,351	0	(28,351)	0
Total Replacement Capital	61,211	251,975	1,488,000	1,236,025	83
Non Operating Expenses					
Bond Principal	692,119	913,365	913,365	(0)	(0)
Bond Interest	186,255	372,948	372,948	0	0
Total Non Operating	878,374	1,286,313	1,286,313	(0)	(0)

July Financial Statement Cont.

	<u>2013</u> <u>July</u>	<u>2013</u> <u>Year to Date</u>	<u>2013</u> <u>Approved Budget</u>	<u>2013</u> <u>Available</u>	<u>2013</u> <u>% Available</u>
Capital Outlay					
Plant:					
IH	0	0	25,000	25,000	100
FK	0	7,823	85,000	77,177	91
Upper Blue	0	7,224	65,000	57,776	89
Collection	0	40,443	305,000	264,557	87
Administration	0	0	0	0	0
Total Capital Outlay	0	55,490	480,000	424,510	88
Total Expenses	1,190,471	3,489,499	6,998,950	3,509,451	50
Revenue Less Expenses	(620,255)	703,567	(1,209,376)		

UPPER BLUE SANITATION DISTRICT
CERTIFICATES OF DEPOSIT
2013

	<u>Centennial</u>	<u>TOTAL</u>
Bal. Forward 1/1/2013	\$2,009,036.74	\$2,009,036.74
January Interest	\$551.70	\$551.70
Redemption		\$0.00
Bal. 1/31/2012	\$2,009,588.44	\$2,009,588.44
February Interest	\$499.48	\$499.48
Redemption		\$0.00
February 28, 2012	\$2,010,087.92	\$2,010,087.92
March Interest	\$502.13	\$502.13
Redemption		\$0.00
March 31, 2012	\$2,010,590.05	\$2,010,590.05
April Interest	\$556.00	\$556.00
Redemption		\$0.00
April 30, 2012	\$2,011,146.05	\$2,011,146.05
May Interest	\$538.32	\$538.32
Redemption		\$0.00
May 31, 2012	\$2,011,684.37	\$2,011,684.37
June Interest	\$608.27	\$608.27
Purchase	\$1,000,000.00	\$1,000,000.00
Redemption	(\$1,000,992.18)	(\$1,000,992.18)
June 30, 2012	\$2,011,300.46	\$2,011,300.46
July Interest	\$620.75	\$620.75
Purchase		\$0.00
Redemption		\$0.00
July 31, 2012	\$2,011,921.21	\$2,011,921.21
August Interest		\$0.00
Purchase		\$0.00
Interest Paid		
Redemption		\$0.00
August 31, 2012		\$0.00
September Interest		\$0.00
Purchase		
Redemption		
September 30, 2012		\$0.00
October Interest		\$0.00
Purchase		
Redemption		
October 31, 2012		\$0.00
November Interest		\$0.00
Redemption		
Purchase		
November 30, 2012		\$0.00
December Interest		\$0.00
Redemption		\$0.00
Purchase		\$0.00
December 31, 2012		\$0.00

FARMERS KORNER - REPLACEMENT**10-85-8524**

Upgrade Blowers	\$0.00	\$0.00	\$300,000.00
Sump Pump Replacement - East Plant	\$0.00	\$0.00	\$25,000.00
Filter Valves/Actuators - South Plant	\$0.00	\$0.00	\$50,000.00
Filter Media	\$0.00	\$11,600.00	
Effluent Flow Meter - South Plant	\$0.00	\$0.00	\$5,000.00
Alum Pump System	\$0.00	\$8,708.64	\$20,000.00
Lighting Refurbish	\$0.00	\$0.00	\$10,000.00
Gen Set Roof	\$0.00	\$0.00	\$50,000.00
Telemetry Upgrade	\$0.00	\$2,350.00	\$115,000.00
Digester Air Flow Meter	\$0.00	\$0.00	\$18,000.00
Miscellaneous Equipment Replace/Repair	\$0.00	\$0.00	\$20,000.00
Lighting	\$0.00	\$7,398.00	
Bulk Storage Tank	\$0.00	\$3,356.80	
SCADA	\$1,697.38	\$1,697.38	
Chemical Skid	\$0.00	\$3,825.00	
TOTAL	\$1,697.38	\$38,935.82	\$613,000.00

FARMERS KORNER - NEW**10-95-9540**

Fence for Storage Yard	\$0.00	\$7,823.16	\$50,000.00
Spare VFD Influent Pump	\$0.00	\$0.00	\$15,000.00
Miscellaneous Equipment Replace/Repair	\$0.00	\$0.00	\$20,000.00
TOTAL	\$0.00	\$7,823.16	\$85,000.00

IOWA HILL - REPLACEMENT**10-85-8522**

Refurbish BAF's, Filters	\$43,948.00	\$60,826.68	\$250,000.00
Replace Flow Control Valves with Electric	\$0.00	\$3,986.25	\$25,000.00
TOTAL	\$43,948.00	\$64,812.93	\$275,000.00

IOWA HILL - NEW**10-95-9510**

Miscellaneous Equipment Replace/Repair	\$0.00	\$0.00	\$25,000.00
TOTAL	\$0.00	\$0.00	\$25,000.00

SOUTH BLUE - REPLACEMENT**10-85-8526**

Miscellaneous Equipment Replace/Repair	\$0.00	\$10,648.13	\$10,000.00
TOTAL	\$0.00	\$10,648.13	\$10,000.00

SOUTH BLUE - NEW**10-95-9590**

Blue River Master Plan	\$0.00	\$0.00	\$30,000.00
Blue River Lift Station Landscaping	\$0.00	\$750.00	\$25,000.00
Miscellaneous Equipment Replace/Repair	\$0.00	\$1,164.75	\$10,000.00
Accoustic Panels		\$5,308.83	
TOTAL	\$0.00	\$7,223.58	\$65,000.00

COLLECTION - REPLACEMENT**10-85-8530**

Woodmore Repairs I/I and Lining	\$500.00	\$4,875.00	\$200,000.00
Town of Breckenridge Repairs/slipline	\$0.00	\$0.00	\$80,000.00
Miscellaneous Line Extensions/Redline	\$0.00	\$0.00	\$100,000.00
3-30 Amp Breakers for Blowers	\$0.00	\$3,030.00	
Mapping	\$2,160.00	\$11,644.46	\$25,000.00
Replace Main LS - Peak 7	\$0.00	\$0.00	\$30,000.00
Replace Individual Lift Stations	\$0.00	\$0.00	\$25,000.00
TOTAL	\$2,660.00	\$19,549.46	\$460,000.00

COLLECTION - NEW**10-95-9520**

New LS Pump - Blue River	\$0.00	\$0.00	\$20,000.00
Miscellaneous Line Extension	\$0.00	\$40,443.13	\$260,000.00
TOTAL	\$0.00	\$40,443.13	\$280,000.00

VEHICLE - RC**10-85-8550**

Vehicle Replacement	\$0.00	\$28,350.76	\$35,000.00
TOTAL	\$0.00	\$28,350.76	\$35,000.00

ADMINISTRATION - REPLACEMENT

10-85-8510

Administration Building Repair	\$12,906.00	\$89,677.55	\$80,000.00
Equipment/Car Replacement	\$0.00	\$0.00	\$40,000.00
TOTAL	\$12,906.00	\$89,677.55	\$120,000.00
GRAND TOTALS	\$61,211.38	\$307,464.52	\$1,968,000.00

DATE: August 2, 2013

TO: Andrew Carlberg, District Manager

FROM: Greg Brown, Chief Plant Operator

SUBJECT: Treatment plant operations for July, 2013.

1. Total influent flow for the Upper Blue Treatment Facilities was 52.6 million gallons for the month of July. The flow for the previous July was 52.5 million gallons. There was a 0.1 million gallon increase (0.2%).
2. Solids loading at Farmer's Korner was down for July from 131,823# to 67,996# (15.6% decrease). This dramatic reduction is due to the Colorado Department of Health changing our permit influent sampling point from before the bar screens to after the bar screens. That has greatly reduced the solids test results.
3. There are still some warranty issues that are outstanding and will be addressed by Glacier Construction. The following items included are interior paint of the Desedeg, window seals, building exterior, filter concrete replacement, fire hydrant replacement, a-basin gate repair, and misc. painting items.
4. We are discharging good water that meets all discharge permit requirements. The average phosphorus discharge concentration is at 0.016 mg/l (ppm).
5. The scada replacement project for the south plant at Farmer's Korner has been completed. There are still some punch list items remaining, but the scada system is functional and operating the south plant.



Greg

cc: A. Carlberg
cc: file

PLANT STATISTICS - FARMERS KORNER

MONTH	FLOW (MG)			PHOS (LBS)			INF SS (LBS)			SLUDGE (TONS)		
	2011	2012	2013	2011	2012	2013	2011	2012	2013	2011	2012	2013
JAN	31.2	41.4	57.4	1.9	1.8	13.2	132341	201554	104118	54.5	43.2	75.4
FEB	29.0	38.1	52.3	2.0	2.9	10.7	180701	123132	73437	35.8	35.0	54.2
MAR	35.8	60.6	52.6	2.9	14.5	9.5	155768	172780	60641	59.0	66.1	64.6
APR	35.7	45.9	40.3	1.4	11.0	6.6	137501	149764	54588	46.0	21.5	47.7
MAY	44.3	38.9	66.6	0.7	4.8	8.0	67212	86021	42603	41.8	31.1	26.4
JUN	30.2	35.7	43.4	1.0	5.8	4.7	72034	72201	60953	55.6	39.0	38.4
JUL	37.0	52.5	52.6	0.9	10.6	7.2	66111	131823	67996	62.6	54.9	53.0
AUG	31.2	46.6		2.5	8.0		123291	155732		48.1	62.5	
SEP	20.4	34.4		1.5	8.4		87790	59961		28.3	24.5	
OCT	17.6	30.3		0.7	5.2		43008	58517		20.7	36.0	
NOV	18.2	34.9		1.0	8.4		63296	96343		47.1	15.8	
DEC	30.3	49.1		1.0	10.8		76814	67806		35.4	20.4	
TOTAL	360.9	508.4	365.2	17.5	92.2	59.9	1205867	1375634	464336	534.9	450.0	359.7

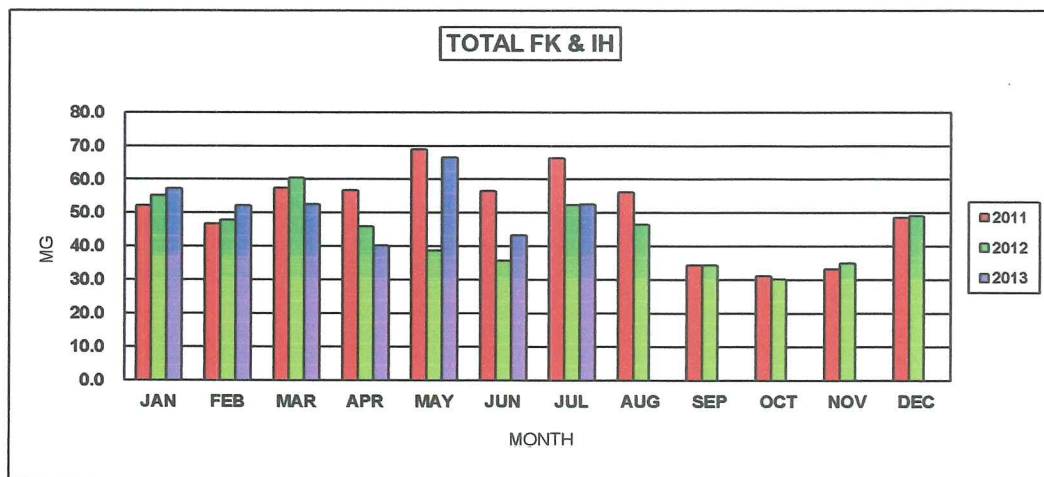
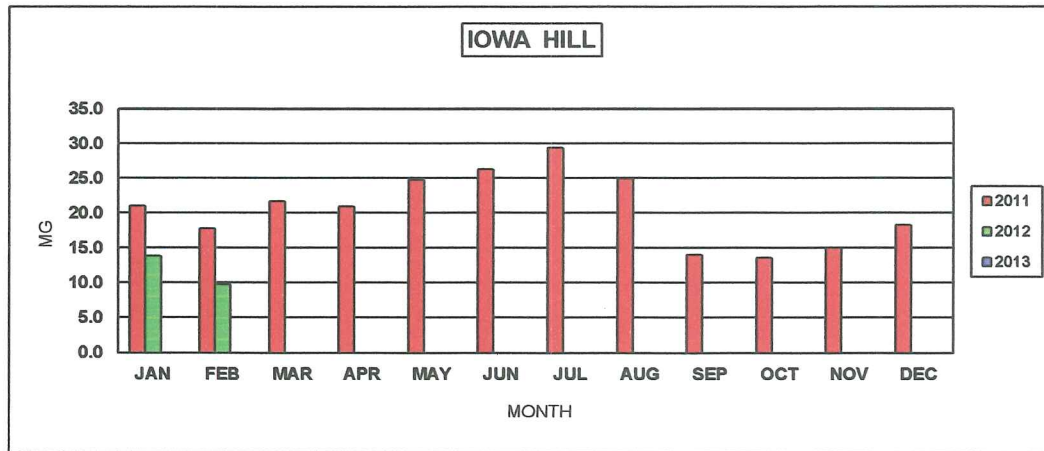
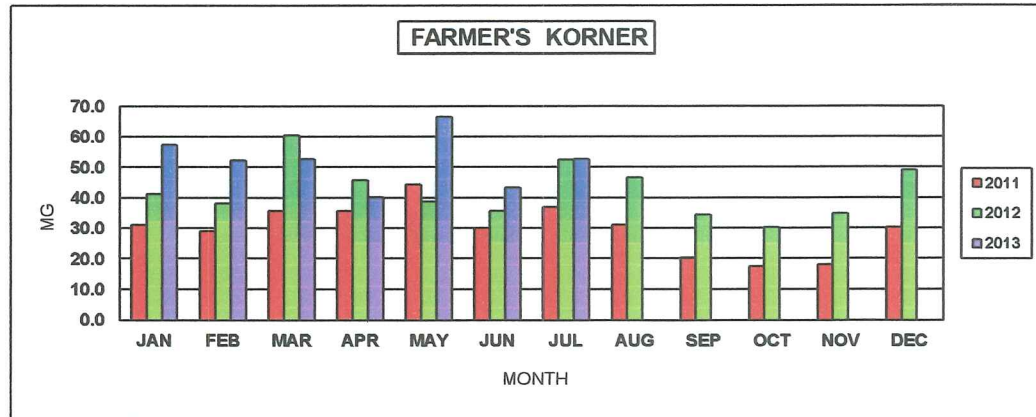
PLANT STATISTICS - IOWA HILL

MONTH	EFF FLOW (MG)			EFF PHOS (LBS)			INF SS (LBS)		
	2011	2012	2013	2011	2012	2013	2011	2012	2013
JAN	21.1	13.9	0.0	1.8	4.2	0.0	86584	36828	0
FEB	17.8	9.8	0.0	1.5	2.4	0.0	73806	29021	0
MAR	21.7	0.0	0.0	2.0	0.0	0	67754	0	0
APR	21.0	0.0	0.0	2.3	0.0	0	40209	0	0
MAY	24.8	0.0	0.0	2.3	0.0	0	24633	0	0
JUN	26.3	0.0	0.0	3.7	0.0	0	36937	0	0
JUL	29.4	0.0	0.0	4.3	0.0	0	71311	0	0
AUG	25.0	0.0		2.0	0.0		50532	0	
SEP	14.1	0.0		1.6	0.0		40282	0	
OCT	13.6	0.0		2.2	0.0		34260	0	
NOV	15.1	0.0		4.0	0.0		33498	0	
DEC	18.3	0.0		3.7	0.0		58386	0	
TOTAL	248.2	23.7	0.0	31.4	6.6	0.0	618192	65849	0

PLANT STATISTICS - TOTAL

MONTH	EFF FLOW (MG)			EFF PHOS (LBS)			INF SS (LBS)			SLUDGE (TONS)		
	2011	2012	2013	2011	2012	2013	2011	2012	2013	2011	2012	2013
JAN	52.3	55.3	57.4	3.7	6.0	13.2	218925	238382	104118	54.5	43.2	75.4
FEB	46.8	47.9	52.3	3.5	5.3	10.7	254507	152153	73437	35.8	35.0	54.2
MAR	57.5	60.6	52.6	4.9	14.5	9.5	223522	172780	60641	59.0	66.1	64.6
APR	56.7	45.9	40.3	3.7	11.0	6.6	177710	149764	54588	46.0	21.5	47.7
MAY	69.1	38.9	66.6	3.0	4.8	8.0	91845	86021	42603	41.8	31.1	26.4
JUN	56.5	35.7	43.4	4.7	5.8	4.7	108971	72201	60953	55.6	39.0	38.4
JUL	66.4	52.5	52.6	5.2	10.6	7.2	137422	131823	67996	62.6	54.9	53.0
AUG	56.2	46.6	0.0	4.5	8.0	0.0	173823	155732	0	48.1	62.5	0.0
SEP	34.5	34.4	0.0	3.1	8.4	0.0	128072	59961	0	28.3	24.5	0.0
OCT	31.2	30.3	0.0	2.9	5.2	0.0	77268	58517	0	20.7	36.0	0.0
NOV	33.3	34.9	0.0	5.0	8.4	0.0	96794	96343	0	47.1	15.8	0.0
DEC	48.6	49.1	0.0	4.7	8.7	0.0	135200	67806	0	35.4	20.4	0.0
TOTAL	609.1	532.1	365.2	48.9	96.7	59.9	1824059	1441483	464336	534.9	450.0	359.7

FACILITY FLOW



TO: Andrew Carlberg, District Manager

FROM: Wally Esquibel, Collection System Foreman

DATE: August 2, 2013

SUBJECT: Collection System Report for July, 2013

1. No backups reported for the month of July.
2. District personnel continue to line clean. We have also injected 3 manholes with heavy infiltration. To date, 14.5 miles have been jetted.
3. District projects manhole repairs to begin in August.
4. Shockhill sewer main extension is under construction.
5. Working on budget numbers for new line cleaner and service truck.
6. 340 locates were completed of which 39 were actual and 19 were meets.
7. Service line inspections and sewer main inspections are all up to date.

Wally

cc:file
/we



MANAGER REPORT

August 2013

- 1) Project update-** Projects are going well. Administration is basically done. I am investigating the capping the top of the brick parapets on the plant. The weather over the last 12 years has taken its toll on the grout and the brick is falling out. I am getting a price. The fence project is close to beginning. The Board at the meeting changed the height of the fence so there was some redesign. I am also working on a landscaping plan.
- 2) Nutrient Study** – I have a meeting with the consultants on August 9 to discuss our progress. I will keep the Board informed of our progress.
- 3) Water plant study** – There is no word on the progress of the report. I offered to the Town that I would attend meetings or work sessions to answer questions they might have.
- 4) Water Right** – I was able to meet with our water attorneys and discuss the District's interest in the Town's most recent Water cases. They agree that there could be problems for the District. However at this time it was difficult to make any judgment. We need additional information which can only be acquired through the legal process. I will keep the Board up to speed if anything changes. With this report I have included

Subj: **Breckenridge Case Nos. 13CW45 and 13CW47**
Date: 7/23/2013 5:14:06 P.M. Mountain Daylight Time
From: dp@vrlaw.com
To: ACbrecksan@aol.com
CC: mds@vrlaw.com

Good afternoon Andy:

There was a status conference with the Referee this afternoon in Breckenridge Case Nos. 13CW45 and 13CW47.

Glenn Porzack appeared for the Applicant. The following Opposers appeared: Denver (Casey Funk), Colorado Springs (Michael Gustavson) and Windows LLC (Andrea Benson). Division Engineer Allen Martellaro also appeared.

13CW45 is a change of place of storage of 2500 acre-feet of the Goose Pasture Tarn 1st Enlargement Water Right to the McCain property below the Town of Breckenridge.

13CW47 is a diligence case for the Goose Pasture Tarn 1st Enlargement. Breckenridge intends to abandon the remaining 24,627.7 acre-feet of the Goose Pasture Tarn 1st Enlargement water right that is not transferred in Case No. 13CW45.

The Division Engineer filed his Summary of Consultation today.

Referee Strablitzky established the following Case Management Plan:

- September 13, 2013: Applicant's response to the Division Engineer's Summary of Consultation; Applicant's Engineering and proposed Decree.
- November 15, 2013: Opposers' written comments to Applicant re: Applicant's Engineering and proposed Decree.
- June 2014: Deadline for Referee Disposition of the Case.

The next status conference with the Referee is set for December 10, 2013 at 1:30 pm.

Dan Platt
Vranesh and Raisch, LLP
1720 14th St., Suite 200
Boulder, CO 80302
Telephone: 303-443-6151 x 207
Facsimile: 303-443-9586
dp@vrlaw.com

EMAIL NOTICE: This email message (and any attachments) contains information belonging to the sender which is confidential and legally privileged. It was the intention of the sender that this email be sent to, and viewed by, a specific set of "intended recipients" as determined by the sender. If you received this email but you are not an "intended recipient," you have received it in error and: (a) you are hereby notified that any review, use, disclosure, copying, or distribution of the email (or the attachments); or any action taken in reliance on the email (or the attachments) is strictly prohibited; and (b) you are hereby requested to notify the sender and then delete the message (and any attachments) from your computer and network. Thank you.

=

Monday, July 29, 2013 AOL: ACbrecksan



DEPARTMENT OF NATURAL RESOURCES

DIVISION OF WATER RESOURCES

DATE FILED: July 23, 2013 3:29 PM

FILED: John W. H. Cooper
Governor

Mike King
Executive Director

Dick Wolfe, P.E.
Director/State Engineer

Alan C. Martellaro, P.E.
Division Engineer

REPORT OF THE DIVISION ENGINEER

SUMMARY OF CONSULTATION

CASE NO.: 13CW045

APPLICANT: Town of Breckenridge

STRUCTURE

Goose Pasture Res., 1st Enl.

APPL. CLAIM

Change of Conditional Storage Right

The application was filed with the court on April 29, 2013.

CONCERNS

I cannot recommend approval of this application until the following concerns are addressed:

1. The application as submitted does not provide any evidence to support a change of water right application and enable the court to properly evaluate such application.
 - a. The applicant must provide engineering to demonstrate that storage of 2500AF at the changed location will not cause injury to vested rights, including that storage at the changed location will not enlarge the right as decreed at the original location.
 - b. The applicant must provide evidence that this water right could be developed as originally decreed. This evidence must consider the physical and legal limitations at the original location.
2. The text of the application only provides the name of the water right as originally decreed. The attached map depicts the new place of storage as "McCain Reservoir". Applicant should confirm McCain Reservoir is the name of the structure at the changed location and include that name in any proposed decree, or provide a name and re-label the attached map for inclusion in a decree.
3. The map provided does not include the location of the water right as originally decreed. Please provide an additional map that depicts both the original and proposed locations.
4. The application fails to provide the basic attributes of a storage structure for the proposed changed location including; surface area, dam height and length, active and dead storage, and whether the structure is on or off channel. Applicant must include this information in any proposed ruling.
5. The Goose Pasture Reservoir, 1st enlargement is a surface storage right. Construction at the changed location cannot intercept groundwater for storage cannot be granted to structures that intercept ground water due to the lack of dominion and control of the water diverted into the structure, based on the fact that water will migrate between the structure and the alluvium depending on the relative water levels.
6. The application must provide terms and conditions to prevent injury. Terms and conditions that must be considered include; limiting storage at proposed new location to amount physically and legally available at original location, accounting of the first enlargement after the initial right is satisfied, and consideration for routing storage flows at the original location to the changed location through a losing stream reach.

Water Division 5 • Glenwood Springs

202 Center Drive, Glenwood Springs, CO 81601 • Phone: 970-945-5665 • Fax: 970-945-8741

Mailing Address: P.O. Box 396, Glenwood Springs, CO 81602 • <http://water.state.co.us>

RECOMMENDATIONS

Based on the above concerns, the State and Division Engineers ask that the issues discussed in this consultation be addressed prior to granting the requested change for the conditional storage water right, and that the following terms and conditions be included in any decree granted:

1. In the event groundwater is exposed, such pond(s) will be backfilled so as not to expose groundwater until such time as: 1) a well permit has been obtained for the groundwater pond pursuant to CRS 37-90-137 and any associated water storage rights have been vacated; or 2) the pond(s) are lined in accordance with the State Engineer's guidelines dated August 1999.
2. Alternate place of storage will not place a call on the Blue River that will cause water rights on the Blue River or its tributaries below the originally decreed location of the Goose Pasture Reservoir 1st Enlargement, aka Goose Pasture Tarn.
3. Storage at the alternate place of storage will be limited to storage legally and physically available at the original location for the Goose Pasture Reservoir after the initially absolute right of 1,3956.4AF at Goose Pasture Tarn has been fully satisfied, or any storage by the 1st enlargement will "paper fill" the initially absolute right.
4. Adequate accounting language must be included as follows: Applicant shall install measuring devices, including devices to demonstrate that water legally and physically available at Goose Pasture Tarn is delivered to the alternate place of storage, provide accounting and supply calculations regarding availability, routing of storable flows, and amounts in storage accounts as required by the Division Engineer. The applicant shall also file an annual report with the Division Engineer by November 15th following each preceding irrigation year (November 1 through October 31) summarizing diversions and replacements made under this plan.

Information requested in this consultation should be submitted to the Division 5 Water Court.

DATE: July 22, 2013

SIGNED: _____


Alan C Martellaro, P.E., Division Engineer

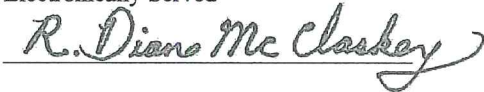
Staff Assigned: Alan Martellaro

CRS 1973, 37-92-302(4), signed into law May 17, 1988, provides that the applicant or the applicant's attorney shall mail or deliver a copy of this consultation to all parties of record who filed a statement of opposition to this application. The statute also requires that the applicant or his/her attorney shall file a certificate of mailing with the water clerk for Water Division 5, confirming that this consultation is mailed to any and all opposing parties.

CERTIFICATE OF MAILING

I hereby certify that on this 23rd day of July, 2013 a true and correct copy of the foregoing Summary of Consultation of the Division Engineer was served to the individual(s) listed below, either electronically through Integrated Colorado Courts E-Filing System or by first-class U.S. Mail, as indicated:

Dick Wolfe, P.E., State Engineer
Division of Water Resources
1313 Sherman Street Room 818
Denver, CO 80203
Electronically Served



Porzak, Browning & Bushong, LLP
Glenn E. Porzak #2793
929 Pearl St, Ste 300
Boulder, CO 80302
Electronically Served

Water Division 5 • Glenwood Springs

P.O. Box 396 (202 Center Drive) • Glenwood Springs, CO 81602 • Phone: 970-945-5665 • Fax: 970-945-8741

www.water.state.co.us



DEPARTMENT OF NATURAL RESOURCES

DIVISION OF WATER RESOURCES

DATE FILED: July 23, 2013 3:43 PM

FILING John A. Hanks, P.E.
Governor

Mike King
Executive Director

Dick Wolfe, P.E.
Director/State Engineer

Alan C. Martellaro, P.E.
Division Engineer

REPORT OF THE DIVISION ENGINEER

SUMMARY OF CONSULTATION

CASE NO.: 13CW047

APPLICANT: Town of Breckenridge

STRUCTURE

Goose Pasture Reservoir, 1st Enl

APPL. CLAIM

Due Diligence

The application was filed with the court on April 30, 2013.

CONCERNS

I cannot recommend approval of this application until the following concerns are addressed:

1. For the court to consider granting a finding of reasonable diligence the Applicant must overcome two burdens.
 - a) First, looking back in time, applicant must prove that it applied steady effort to complete the appropriation during the subject diligence period. CRS 37-92-301(4)(b). Repair and maintenance of the existing structure at Goose Pasture Tarn, and lease of water for non-decreed uses do not support diligence of the subject right. Additional details of diligence pursued during the diligence period regarding system expansion and the subject right should be provided.
 - b) Second, looking forward, applicant must prove that the subject water rights "can and will" be beneficially used within a reasonable time and that applicant is not speculating in priorities CRS 37-92-305(9)(b); CRS 37-92-103(a)(I).
 - c) It is understood that the applicant has filed a change for 2,500AF of the conditional storage right. However, it is not clear that this water right can be developed within a reasonable time without the change of water right. Additionally, the applicant has not provided evidence of plans to ultimately build the structure at the changed location.
 - d) To adequately address the concerns in 1.a) through 1.c), the applicant should supplement the application with evidence to support a finding of reasonable diligence with regard to these observations.
2. Based on the statement in paragraph 4.K. of the application and that the applicant is only requesting diligence on 2500 acre-feet, the court must cancel 24,627.7acre-feet of the 27,127.7acre-feet conditionally decreed to Goose Pasture Reservoir, 1st enlargement.
3. Should the ruling for this application include reference to the changed location of the Goose Pasture Reservoir 1st enlargement and attach a map, the ruling must provide the name of the structure as proposed to be decreed in Case No. 13CW45 and any map must be appropriately labeled.

Water Division 5 • Glenwood Springs

202 Center Drive, Glenwood Springs, CO 81601 • Phone: 970-945-5665 • Fax: 970-945-8741

Mailing Address: P.O. Box 396, Glenwood Springs, CO 81602 • <http://water.state.co.us>

RECOMMENDATIONS

Based on the above concerns, the State and Division Engineers ask that the issues discussed in this consultation be addressed prior to granting a finding for reasonable diligence.

Information requested in this consultation should be submitted to the Division 5 Water Court.

DATE: July 22, 2013

SIGNED: _____


Alan C Martellaro, P.E., Division Engineer

Staff Assigned: Alan Martellaro

CRS 1973, 37-92-302(4), signed into law May 17, 1988, provides that the applicant or the applicant's attorney shall mail or deliver a copy of this consultation to all parties of record who filed a statement of opposition to this application. The statute also requires that the applicant or his/her attorney shall file a certificate of mailing with the water clerk for Water Division 5, confirming that this consultation is mailed to any and all opposing parties.

CERTIFICATE OF MAILING

I hereby certify that on this 23rd day of July, 2013 a true and correct copy of the foregoing Summary of Consultation of the Division Engineer was served to the individual(s) listed below, either electronically through Integrated Colorado Courts E-Filing System or by first-class U.S. Mail, as indicated:

Dick Wolfe, P.E., State Engineer
Division of Water Resources
1313 Sherman Street Room 818
Denver, CO 80203
Electronically Served

Porzak, Browning & Bushong, LLP
Glenn E. Porzak
929 Pearl St, Ste 300
Boulder, CO 80302
Electronically Served



Water Division 5 • Glenwood Springs

P.O. Box 396 (202 Center Drive) • Glenwood Springs, CO 81602 • Phone: 970-945-5665 • Fax: 970-945-8741

www.water.state.co.us