

Upper Blue Sanitation District
Board of Directors Meeting
Thursday April 11, 2024 @ 5:30 PM

I. ROLL CALL:

Mr. Orwig called the meeting of the Upper Blue Sanitation District Board of Directors to order at 5:30 PM. Mrs. Signe Stimson, Mrs. Joyce Mosher, Mr. Dan Corwin (via telephone) and Mr. Rick Orwig answered "present" at roll call.

Mr. Andrew Carlberg and Ms. Marjorie Covey attended as well.

II. MINUTES:

February 8, 2024 minutes: Mrs. Stimson made a motion to approve the February 8, 2024 Board of Directors meeting minutes as amended. Mrs. Mosher seconded the motion. The motion was passed unanimously by the Board of Directors.

III. PUBLIC HEARINGS:

-Resolution 2, Series 2024, Inclusion of Lot 38 Tordal Estates Subdivision

Mr. Carlberg said that the property owner requested sewer service and has submitted a petition for Inclusion of Lot 38 Tordal Estates Subdivision. Mr. Carlberg said that the Notice of Public Hearing has been published in the newspaper and to date the District has not received any comments. Mr. Carlberg said he recommends that the Board approve Resolution 2, Series 2024 for the Inclusion of Lot 38 Tordal Estates Subdivision.

Mrs. Mosher made a motion to approve Resolution 2, Series 2024 for the Inclusion of Lot 38 Tordal Estates Subdivision. Mrs. Stimson seconded the motion. The motion was passed unanimously by the Board.

IV. PUBLIC COMMENT: None

V. BILLS:

Mrs. Stimson made a motion to approve the bills as presented. Mrs. Mosher seconded the motion. The motion was passed unanimously by the Board.

VI. FINANCIAL REPORT:

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

VII. MONTHLY REPORTS:

A. Plant and Collection:

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

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B. Manager Report:

-The Technical Memo concerning Short Term Rentals has been completed.

-The District received an Open Records request concerning Short Term Rentals. The District responded to the request in accordance with the Statute. The response was sent via certified mail to the address provided. The District's response was returned a month later as unclaimed.

-The District has been working with the Architect on the design of the proposed garage and two apartments at Iowa Hill.

-The District is coordinating the contractors for the Peak 7 upgrades and Woodmoor collection system.

-The District's lawsuit against IWC concerning the malfunction of the South Blue River leach field is continuing slowly.

VIII. OLD BUSINESS: None

IX. NEW BUSINESS:

C. Short Term Rental Technical Memo

The Short Term Rental Technical Memo was presented by Merrick and Company during the work session.

D. Mueller Construction Services Pay Request #8:

Mr. Carlberg said that Mueller Construction Services is the contractor installing the new sludge screw press at Farmers Korner. Mueller Construction Services has submitted pay request #8 in the amount of \$156,733.93. Mr. Carlberg said that Mueller Construction Services has done exceptional work, and he recommended the Board approve Mueller Construction Services Pay Request #8 in the amount of \$156,733.93.

Mrs. Stimson made a motion to approve Mueller Construction Services Pay Request #8 in the amount of \$156,733.93. Mrs. Mosher seconded the motion. The motion was passed unanimously by the Board.

E. Notice of Award of Contract for Iowa Hill Expansion

Mr. Carlberg said that the District conducted a Bid opening on March 13, 2024 for the expansion of Iowa Hill. There were 5 bids submitted. The low bid was from RN Civil Construction, LLC in the amount of \$5,663,800.00 and the high bid was \$7,822,875.00. The District's budget for the project is \$15,000,000.00 of which \$3,000,000.00 has already been spent on engineering and procurement of equipment. The District conducted due diligence and Mr. Carlberg recommended awarding the contract to RN Civil Construction, LLC in the amount of \$5,663,800.00.

Mrs. Mosher made a motion to award the Iowa Hill expansion project to RN Civil Construction, LLC in the amount of \$5,663,800.00. Mr. Orwig seconded the motion. The motion was passed unanimously by the Board of Directors.

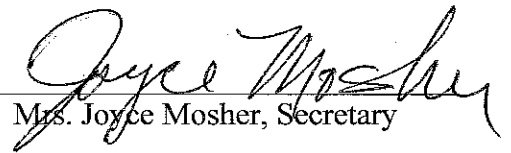
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X. CORRESPONDENCE:

XI. ADJOURN:

Mrs. Stimson made a motion to adjourn the meeting at 6:24 PM. Mrs. Mosher seconded the motion. The motion was passed unanimously by the Board of Directors.


Mr. Rick Orwig, President


Mrs. Joyce Mosher, Secretary

Upper Blue Sanitation District
Comparative Balance Sheet-UNAUDITED DRAFT
March 31, 2024

	<u>2024</u>	<u>2023</u>	<u>Increase</u> <u>(Decrease)</u>
<u>Current Assets:</u>			
Petty Cash	\$200	\$200	-
Checking-Wells Fargo Bank	9,871,059	14,665,744	(4,794,685)
Colotrust Plus	27,923,852	26,452,708	1,471,144
ColoTrust Prime	4,143,294	3,937,198	206,096
Total Cash and Equivalents	<u>41,938,405</u>	<u>45,055,850</u>	<u>(3,117,445)</u>
Investments			
Construction In Progress	523,077	279,507	243,570
Cert. of Deposit & Treasuries	-	-	-
Total Investments	<u>523,077</u>	<u>279,507</u>	<u>243,570</u>
Other Current Assets			
Receivables-Utility + Spec. Assessments	8,615	27,413	(18,798)
Developer/Contractor Escrow	189,723	189,723	-
Interest Receivable & Market Adjustments	-	-	-
Notes Receivable	24,036	38,418	(14,382)
Prepaid Expenses	143,380	128,686	14,694
Emp. Loan Assist. Notes Receivable	26,960	28,128	(1,168)
Total Other Assets	<u>392,714</u>	<u>412,368</u>	<u>(19,654)</u>
Total Current Assets:	<u>42,854,196</u>	<u>45,747,725</u>	<u>(2,893,529)</u>
Property Plant and Equipment:			
Land	868,609	868,609	-
Easements	98,254	98,254	-
Sewer Lines	20,778,793	20,778,793	-
Treatment Plants	83,357,771	83,357,771	-
Office Equipment	252,351	252,351	-
Other Machines & Equipment	573,511	573,511	-
Autos & Trucks	1,634,128	1,634,128	-
IH Administration Building	164,045	164,045	-
Upper Blue System Costs	9,334,400	9,334,400	-
Telemetry	440,929	440,929	-
Employee Housing	3,272,447	3,272,447	-
Total Property Plant and Equipment :	<u>120,775,238</u>	<u>120,775,238</u>	<u>-</u>
Less Accumulated Depreciation	<u>(52,229,382)</u>	<u>(52,229,382)</u>	<u>-</u>
Net Property Plant and Equipment :	<u>68,545,856</u>	<u>68,545,856</u>	<u>-</u>
Total Assets:	<u>111,400,052</u>	<u>114,293,581</u>	<u>(2,893,529)</u>

Liabilities

	<u>2024</u>	<u>2023</u>	<u>Increase</u> <u>(Decrease)</u>
<u>Current Liabilities:</u>			
Accounts Payable	401,223	296,739	104,484
Construction/Developer Escrow	189,723	189,723	-
Earned Employee Benefits	184,180	184,180	-
Unearned User Fees	-	580,939	(580,939)
Interest Payable	7,160	7,160	-
Loan Payable (Current Portion)	107,291	107,291	-
Retainage Payable-Construction in Progress	-	-	-
Retainage Payable-Blue River	-	-	-
Employee Housing Deposit Payable	2,322	3,888	(1,566)
Total Current Liabilities:	891,899	1,369,920	(478,021)
Long Term Liabilities:			
Loan Payable	751,942	751,942	-
Total Long Term Liabilities:	751,942	751,942	-
Total Liabilities	1,643,841	2,121,862	(478,021)
Net Assets			
Invested in Capital Assets, Net of Related Debt	67,938,529	67,938,529	-
Unrestricted Net Assets	21,817,682	24,233,190	(2,415,508)
Unrestricted Net Assets - Nutrient Reserve	20,000,000	20,000,000	-
Total Contributed Capital	109,756,211	112,171,719	(2,415,508)
Total Liabilities and Equity	111,400,052	114,293,581	(2,893,529)

Upper Blue Sanitation District
 Monthly Financial Statement-UNAUDITED DRAFT
 March 31, 2024

	2024	2024	2024	2024	2024
	<u>March</u>	<u>Year To Date</u>	<u>Approved Budget</u>	<u>Uncollected</u>	<u>% Uncol/Col</u>
Operating Revenue					
Sewer User Fees	607,254	1,822,006	7,375,000	5,552,994	75
Tap Inspection Fees	2,700	3,600	4,000	400	10
Miscellaneous Revenue	0	0	5,000	5,000	100
CEBT Dividend	0	0	0	0	#DIV/0!
Camper Dump Fees	0	0	20,000	20,000	100
Late Fees	4,369	3,555	15,000	11,445	76
Line Extension Fees	0	0	100,000	100,000	100
Rental Income	10,350	31,050	116,000	84,950	73
Total Operating Revenue	624,673	1,860,211	7,635,000	5,774,789	76
Miscellaneous Revenue					
Interest on Loan Payments	68	1,488	4,000	2,512	63
Plant Investment Fees	825,155	1,254,866	2,027,176	772,310	38
Inclusion Fees	400	400	100,000	99,600	100
Interest on Investments	146,979	433,370	1,200,000	766,630	64
Transfer from Reserve	0	0	0	0	0
Total Miscellaneous Revenue	972,602	1,690,124	3,331,176	1,638,540	49
Total Revenue	1,597,275	3,550,335	10,966,176	7,415,841	68

Administration Expense	2024 March	2024 Year to Date	2024 Approved Budget	2024 Available	2024 % Available
Payroll & Employee Benefits					
Salaries	142,869	418,739	1,900,000	1,481,261	78
Overtime	1,462	5,041	45,000	39,959	89
FICA-Admn	8,920	26,185	120,590	94,405	78
Medicare-Admin	2,086	6,124	28,203	22,079	78
401K Contributions	10,227	29,617	145,875	116,258	80
Worker's Compensation Insurance	2,051	4,465	20,000	15,535	78
Health Insurance	27,518	82,554	375,000	292,446	78
Total	195,133	572,725	2,634,668	2,061,943	78
Office Supplies	0	1,034	5,000	3,966	79
Telephone	556	1,595	25,000	23,405	94
Business Expenses	3,074	30,716	50,000	19,284	39
Bank Service Fees - Admin	0	343	12,000	11,657	97
Legal Counsel	0	8,661	100,000	91,339	91
Education	3,056	4,096	25,000	20,904	84
Audit & Accounting	0	0	12,000	12,000	100
Legal Publications	0	0	5,000	5,000	100
Board Members	500	1,500	6,000	4,500	75
Elections	0	0	5,000	5,000	100
Computer Expenses	0	4,055	40,000	35,945	90
Copy Machine & Supply	0	78	1,000	922	92
Postage & Meter Rent	0	3,055	17,000	13,945	82
Insurance - General	14,724	44,173	175,000	130,827	75
Insurance - Deductible	0	0	1,000	1,000	100
Engineering	3,465	26,518	75,000	48,482	65
Tools	0	160	2,500	2,340	94
Vehicle Expense	0	0	500	500	100
Dues & Memberships	0	0	15,000	15,000	100
Safety	0	2,506	5,000	2,494	50
Summit Water Quality	0	18,531	22,000	3,469	16
Building Maintenance	1,714	4,583	27,000	22,417	83
Employee Housing Maintenance	0	435	35,000	34,565	99
Employee Housing Utilities	2,619	7,073	24,000	16,927	71
Total Administration	224,841	731,837	3,319,668	2,587,831	78
Iowa Hill Plant Expenses					
Utilities					
Gas	2,188	5,081	65,000	59,919	92
Electric	1,080	2,417	170,000	167,583	99
Freight	18	875	15,000	14,125	94
Equipment Repairs	90	90	30,000	29,910	100
Chemicals	0	0	100,000	100,000	100
Supplies	402	1,245	10,000	8,755	88
Contracted Repairs	19,782	28,747	60,000	31,253	52
Laboratory Supplies	499	5,414	15,000	9,586	64
Biomonitoring	0	0	0	0	#DIV/0!
Discharge Permit	0	0	10,000	10,000	100
Site Monitoring	331	587	15,000	14,413	96
Total Iowa Hill	24,390	44,456	490,000	445,544	91

March Financial Statement Cont.

	2024 March	2024 Year to Date	2024 Approved Budget	2024 Available	2024 % Available
Farmers Korner Expenses					
Utilities					
Gas	0	16,917	115,000	98,083	85
Electric	47,365	108,480	750,000	641,520	86
Freight		43	60,000	59,957	100
Equipment Repairs	1,447	4,656	115,000	110,344	96
Chemicals	55,041	170,289	600,000	429,711	72
Supplies	30	1,020	10,500	9,480	90
Contracted Repairs	13,490	33,889	150,000	116,111	77
Dumpster Charges	1,100	3,300	18,000	14,700	82
Biomonitoring	0	0	7,800	7,800	100
Discharge Permit	0	0	20,000	20,000	100
Composting	9,170	30,561	165,000	134,439	81
Site Monitoring	507	1,824	40,000	38,176	95
Sludge Hauling Costs	7,000	24,750	105,000	80,250	76
State Health Fees	0	0	2,500	2,500	100
Total Farmers Korner	135,150	395,729	2,158,800	1,763,071	82
South Blue Expenses					
Utilities					
Gas	3,001	5,743	17,000	11,257	66
Electric	4,239	9,813	60,000	50,187	84
Equipment Repairs	423	423	6,000	5,577	93
Supplies	0	0	1,000	1,000	100
Contracted Repairs	0	0	8,000	8,000	100
Discharge Permit	0	0	4,500	4,500	100
Site Monitoring	791	1,967	12,000	10,033	84
Total South Blue	8,454	17,946	108,500	90,554	83
Collection Expenses					
Utilities	1,345	4,953	28,000	23,047	82
Vehicle Expense	2,610	8,207	60,000	51,793	86
Line Cleaner Expenses	9	9	12,000	11,991	100
Manhole Repairs/Line Repairs	8,591	22,614	160,000	137,386	86
Equipment Repairs	981	5,329	20,000	14,671	73
CCTV Expense	0	0	7,500	7,500	100
Total Collection	13,536	41,112	287,500	246,388	86
Total Operating Expenditures	406,371	1,231,080	6,364,468	5,133,388	81
Net Cash from Operations	218,302	629,131	1,270,533	641,402	50
Replacement Capital					
Administration	0	17,832	50,000	32,168	64
Employee Housing	0	0	0	0	#DIV/0!
Plant:					
IH	36,095	41,898	7,500,000	7,458,102	99
FK	0	5,630	935,000	929,370	99
South Blue	0	0	75,000	75,000	100
Collection					
Misc.	1,155	3,300	1,410,000	1,406,700	100
Vehicle	0	0	0	0	#DIV/0!
Total Replacement Capital	37,250	68,660	9,970,000	9,901,340	99
Non Operating Expenses					
Bond Principal	0	54,452	107,000	52,548	49
Bond Interest	0	7,519	26,813	19,294	72
Total Non Operating	0	61,971	133,813	71,842	54

March Financial Statement Cont.

	<u>2024</u> <u>March</u>	<u>2024</u> <u>Year to Date</u>	<u>2024</u> <u>Approved Budget</u>	<u>2024</u> <u>Available</u>	<u>2024</u> <u>% Available</u>
Capital Outlay					
Plant:					
IH	34,227	40,029	7,500,000	7,459,971	99
FK	156,734	547,334	3,950,000	3,402,666	86
South Blue	0	0	2,000,000	2,000,000	0
Employee Housing	0	0	1,600,000	1,600,000	100
Collection	742	2,063	1,950,000	1,947,937	100
Land					
Administration	0	0	50,000	50,000	100
Total Capital Outlay	<u>191,703</u>	<u>589,426</u>	<u>17,050,000</u>	<u>16,460,574</u>	<u>97</u>
Total Expenses	<u>635,324</u>	<u>1,951,137</u>	<u>33,518,280</u>	<u>31,567,143</u>	<u>94</u>
Total Revenue - Total Expenses	<u>961,951</u>	<u>1,599,198</u>			

Upper Blue Sanitation District
 Comparative Financial Statement-UNAUDITED DRAFT
 March 31, 2024 vs. March 31, 2023

	2024	2023	2024	2023	Increase
	March	March	Year To Date	Year to Date	(Decrease)
Operating Revenue					
Sewer User Fees	607,254	581,818	1,822,006	1,743,835	78,171
Tap Inspection Fees	2,700	300	3,600	600	3,000
Miscellaneous Revenue	0	0	0	0	0
CEBT Dividend	0	0	0	0	
Camper Dump Fees	0	0	0	0	-
Late Fees	4,369	3,933	3,555	5,005	(1,450)
Line Extension Fees	0	14,792	0	14,792	(14,792)
Rental Income	10,350	8,800	31,050	26,400	4,650
Total Operating Revenue	624,673	609,643	1,860,211	1,790,632	69,579
Miscellaneous Revenue					
Interest on Loan Payments	68	71	1,488	785	703
Plant Investment Fees	825,155	95,309	1,254,866	308,169	946,697
Inclusion Fees	400	5,622	400	6,022	(5,622)
Interest on Investments	146,979	123,806	433,370	347,703	85,667
Transfer from Reserve	0	0	0	0	0
Total Miscellaneous Revenue	972,602	224,808	1,690,124	662,679	1,026,742
Total Revenue	1,597,275	834,451	3,550,335	2,453,311	1,097,024

March Comparative Statement Cont.

	2024 <u>March</u>	2023 <u>March</u>	2024 <u>Year to Date</u>	2023 <u>Year to Date</u>	<u>Increase (Decrease)</u>
Administration Expense					
Payroll & Employee Benefits					
Salaries	142,869	124,296	418,739	367,893	50,846
Overtime	1,462	3,554	5,041	9,091	(4,050)
FICA-Admn	8,920	7,852	26,185	23,147	3,038
Medicare-Admin	2,086	1,836	6,124	5,413	711
401K Contributions	10,227	9,306	29,617	27,612	2,005
Worker's Compensation Insur	2,051	1,730	4,465	4,860	(395)
Health Insurance	27,518	27,391	82,554	81,176	1,378
Total	195,133	175,965	572,725	519,192	53,533
Office Supplies	0	150	1,034	198	836
Telephone	556	2,328	1,595	6,206	(4,611)
Business Expenses	3,074	4,882	30,716	13,366	17,350
Bank Service Fees - Admin	0	0	343	0	343
Legal Counsel	0	25,691	8,661	72,205	(63,544)
Education	3,056	704	4,096	1,888	2,208
Audit & Accounting	0	0	0	0	0
Legal Publications	0	24	0	81	(81)
Board Members	500	500	1,500	1,500	0
Elections	0	0	0	36	(36)
Computer Expenses	0	7,019	4,055	15,296	(11,241)
Copy Machine & Supply	0	0	78	0	78
Postage & Meter Rent	0	601	3,055	6,214	(3,159)
Insurance - General	14,724	13,316	44,173	39,947	4,226
Insurance - Deductible	0	0	0	0	0
Engineering	3,465	2,585	26,518	14,897	11,621
Tools	0	999	160	1,707	(1,547)
Vehicle Expense	0	0	0	0	0
Dues & Memberships	0	233	0	3,987	(3,987)
Safety	0	(1,725)	2,506	1,657	849
Summit Water Quality	0	0	18,531	0	18,531
Building Maintenance	1,714	2,347	4,583	6,843	(2,260)
Employee Housing Maintenan	0	0	435	0	435
Employee Housing Utilities	2,619	2,070	7,073	2,989	4,084
Total Administration	224,841	237,689	731,837	708,209	23,628
Iowa Hill Plant Expenses					
Utilities					
Gas	2,188	2,705	5,081	9,493	(4,412)
Electric	1,080	719	2,417	2,204	213
Freight	18	90	875	218	657
Equipment Repairs	90	0	90	745	(655)
Chemicals	0	0	0	0	0
Contracted Repairs	402	3,014	1,245	14,746	(13,501)
Laboratory Supplies	19,782	63	28,747	1,672	27,075
Biomonitoring	499	0	5,414	0	5,414
Discharge Permit	0	0	0	0	0
Supplies	0	295	0	996	(996)
Site Monitoring	331	128	587	384	203
Total Iowa Hill	24,390	7,014	44,456	30,458	13,998

March Comparative Statement Cont.

	2024 March	2023 March	2024 Year to Date	2023 Year to Date	Increase (Decrease)
Farmers Korner					
Utilities					
Gas	0	6,683	16,917	38,280	(21,363)
Electric	47,365	53,032	108,480	160,594	(52,114)
Freight		3,757	43	17,644	(17,601)
Equipment Repairs	1,447	9,201	4,656	12,021	(7,365)
Chemicals	55,041	39,613	170,289	160,336	9,953
Supplies	30	566	1,020	2,375	(1,355)
Contracted Repairs	13,490	19,355	33,889	32,526	1,363
Dumpster Charges	1,100	1,100	3,300	5,530	(2,230)
Biomonitoring	0	0	0	0	-
Discharge Permit	0	0	0	0	-
Composting	9,170	13,340	30,561	36,994	(6,433)
Site Monitoring	507	866	1,824	3,075	(1,251)
Sludge Hauling Costs	7,000	10,750	24,750	30,250	(5,500)
State Health Fees	0	0	0	0	-
Total Farmers Korner	135,150	158,263	395,729	499,625	(103,896)
South Blue Expenses					
Utilities					
Gas	3,001	1,533	5,743	4,290	1,453
Electric	4,239	4,302	9,813	12,286	(2,473)
Equipment Repairs	423	0	423	0	423
Contracted Repairs	0	0	0	385	(385)
Supplies	0	0	0	0	-
Discharge Permit	0	0	0	0	-
Site Monitoring	791	588	1,967	1,764	203
Total South Blue	8,454	6,423	17,946	18,725	(779)
Collection Expenses					
Utilities	1,345	1,237	4,953	3,794	1,159
Vehicle Expense	2,610	3,269	8,207	9,212	(1,005)
Line Cleaner Expenses	9	0	9	0	9
Manhole Repairs/Line Repair	8,591	4,741	22,614	17,736	4,878
Equipment Repairs	981	4,775	5,329	9,586	(4,257)
CCTV Expense	0	186	0	186	(186)
Total Collection	13,536	14,208	41,112	40,514	598
Total Operating Expenditur	406,371	423,597	1,231,080	1,297,531	(66,451)
Net Cash from Operations	218,302	186,046	629,131	493,101	136,030
Replacement Capital					
Administration	0	0	17,832	0	17,832
Employee Housing	0	0	0	0	
Plant:					
IH	36,095	21,125	41,898	21,125	20,773
FK	0	10,513	5,630	1,236	4,394
South Blue	0	0	0	29,991	(29,991)
Collection					
Misc.	1,155	660	3,300	8,250	(4,950)
Vehicle	0	0	0	0	0
Total Replacement Capital	37,250	32,298	68,660	60,602	8,058
Non Operating Expenses					
CWRPDA Loan Principal	0	0	54,452	53,379	1,073
Loan Interest	0	0	7,519	8,592	(1,073)
Total Non Operating	0	0	61,971	61,971	0

March Comparative Statement Cont.

	<u>2024</u> <u>March</u>	<u>2023</u> <u>March</u>	<u>2024</u> <u>Year to Date</u>	<u>2023</u> <u>Year to Date</u>	
Capital Outlay					
Plant-IH-CO	34,227	21,125	40,029	21,125	18,904
Plant-FK-CO	156,734	0	547,334	76,177	471,157
Plant-South Blue-CO	0	0	0	0	0
Employee Housing	0	0	0	6,553	(6,553)
Collection	742	1,650	2,063	13,554	(11,491)
Land		0		0	0
Administration	0	0	0	0	0
Total Capital Outlay	191,703	22,775	589,426	117,409	472,017
Total Expenses	635,324	478,670	1,951,137	1,537,513	413,624
Revenue Less Expenses	961,951	355,781	1,599,198	915,798	4,785,709