



AGENDA

REGULAR BOARD MEETING OF THE BOARD OF DIRECTORS

HELD REMOTELY*

THREE LAKES WATER AND SANITATION DISTRICT

MONDAY, AUGUST 11, 2025 – 6:30 PM

****Join the meeting from your computer, tablet or smartphone at
<https://global.gotomeeting.com/join/644196661>
or dial in using your phone at 1 (877) 568-4106 Access Code: 644-196-661***

1. Call to Order: Chairman Huff
2. Comments by the Chairman
3. Introductions of Public Present
4. Acceptance of Minutes:
 - a. July 8, 2025 Meeting Minutes
5. Matters Before the Board:
 - a. Consideration of engagement of Raftelis for updated rate study to be completed in 2026
 - b. Consideration of proposal letter from Anchor QEA for final engineering services for the Septic to Sewer Conversion Program – Phase 1, West of Downtown Area
 - c. Discussion: Pre-payment of tap fees
 - d. Discussion: Cyber Security
6. Public Comment:

This time is reserved for members of the public to make a presentation to the Board on items or issues that are not scheduled on the agenda. Each member will be given three minutes time. The Board will not discuss/debate those items, nor will the Board make any decisions on items presented during this time. Rather, the Board will refer the items to staff for follow-up.
7. Financial Reports:
 - a. Motion for approval of Check List for the month of July 2025
 - b. Acceptance of Financial Statements for the month of July 2025
8. Matters for Discussion as Brought Forth by Board Members
9. Superintendent Report
10. District Manager Reports



RECORD OF PROCEEDINGS

REGULAR MEETING OF THE BOARD OF DIRECTORS THREE LAKES WATER AND SANITATION DISTRICT TUESDAY, JULY 8, 2025 6:30 PM

1. **CALL TO ORDER**

A regular meeting of the Board of Directors was called to order by Chairman Huff, at 6:30 p.m. The meeting was held remotely.

Directors Present: Scott Huff – Chairman
Mike Golden – Vice Chairman
Jeannie Wilkinson – Secretary/Treasurer
Mark Gibson – Director
Scott Walter - Director

Staff Present: Katie Nicholls – District Manager
Mike Gibboni – Superintendent

2. **COMMENTS BY THE CHAIRMAN**

NONE.

3. **INTRODUCTIONS OF PUBLIC PRESENT**

Brenden Covert and Michael Whelan with Anchor QEA, Bob Orsatti with Orsatti Water Consultants, LLC, and Matt Miller with McMahan and Associates, LLC.

4. **ACCEPTANCE OF MINUTES**

By **MOTION**, and second the June 10 2025, Meeting Minutes were approved as presented.

5. **MATTERS BEFORE THE BOARD**

a. **McMahan and Associates: Presentation and motion of approval of 2024 Audit**
Matt Miller, McMahan and Associates presented the 2024 audit. He explained the auditing process noting that the district received a clean audit opinion. The only recommendation for the district is that annual inventory occur, as it is industry practice. He noted that inventory is a small amount, around \$35,000, and therefore not a huge concern. A brief discussion occurred with an error identified of a stale footnote that needed to be removed. By **MOTION**, second, and unanimous vote the Board approved the 2024 audit with the removal of the footnote in question.

b. **Consideration of engagement of McMahan and Associates, LLC for 2025 Audit**
By **MOTION**, second, and unanimous vote the Board engaged McMahan and Associates, LLC for 2025 audit.

c. **Anchor QEA: Presentation of Equipment Manufacturer Research and Selection for Grand Lake Wastewater Heat Trace Retrofitting Project**

Bob Orsatti, Orsatti Water Consultants, and Brenden Covert, Anchor QEA presented the report on manufacturer research and selection for the heat trace material for the Grand Lake Wastewater Heat Trace Retrofitting Project. They noted that there are not many manufacturers that have the ability to provide a product certified for in pipe use in wastewater piping, and none in the United States. The recommended manufacturer is Heat Line located in Canada which has a quote in line with the projected budget. A lengthy discussion ensued regarding the lifespan and replacement of the project, how many new manholes will be added for access, when and how timelines will be available and presented to the affected property owners, if lift stations are included, and property owner project notification methods.

d. **Consideration of Change Order #1 for Grand Lake Wastewater Heat Trace Retrofitting Project**

Bob Orsatti, Orsatti Water Consultants, and Brenden Covert, Anchor QEA presented the change order. They noted that administrative increases occurred due to the timeline change caused by the funding pursuit. Reductions were also included due to the District's existing relationships with contractors. The change order has a total increase of \$4,385. A discussion ensued regarding potential future change orders. By **MOTION**, second, and unanimous vote the Board approved Change Order #1 for the Grand Lake Wastewater Heat Trace Retrofitting Project.

e. **Motion to remove Matthew Reed and Stephanie Connors and add Jeannie Wilkinson and Scott John Walter to the checking and money market accounts held at United Business Bank**

By **MOTION**, second, and unanimous vote the Board removed Matthew Reed and Stephanie Connors and added Jeannie Wilkinson and Scott John Walter to the checking and money market accounts held at United Business Bank.

f. **Resolution 2025-7-1; a resolution adopting a rate discount for paperless billing and ACH payments**

District Manager Nicholls noted that the user fee rate discount of \$5.00 would start January 1, 2026 only for customers signed up for paperless billing only and ACH payment. The discount will be applied per account per quarter, it is not based on SFE. By **MOTION**, second, and unanimous vote the Board approved Resolution 2025-7-1; a resolution adopting a rate discount for paperless billing and ACH payments.

g. **Consideration of engagement of Cold Creek Excavation for drainage repair around office building**

District Manager Nicholls presented two bids for the repair of the drainage of the office building. She noted that this is necessary to fix the problem that caused the sinking of the slab in the office that has recently been repaired. A discussion ensued regarding the qualifications of both construction firms, timing needs and availability, project difficulty,

and cost. By **MOTION**, second, and unanimous vote the Board agreed to engage the services of Cold Creek Excavation for drainage repair around the office building.

h. **Discussion: Rate Study**

District Manager Nicholls presented the updated rate study. She stated that the Board should consider doing a modest increase for 2026 and contracting a new rate study to be completed due to the many changes that have occurred since the original rate study was done in 2018. A discussion ensued regarding the rate study, Raftelis the previous contractor for the rate study, and what an appropriate rate would be to cover expenses. By **MOTION**, second, and unanimous vote the Board directed the District Manager to set a Public Hearing for the September Board Meeting for a 5%, \$6.75 per SFE, increase starting January 1, 2026.

i. **Special Request: Consideration of temporary variance for 1287 GCR 47**

Mike Golden presented his variance request. He noted that this would be his second renewal of the temporary variance, but the easement required for connection continues to be denied. He further noted that the septic to sewer conversion project would provide a better connection point when it came to his road. A discussion ensued regarding the state and maintenance of the septic system and the construction bids received. By **MOTION**, second, and majority vote the Board approved the temporary variance for 1287 GCR 47. Vice Chairman Golden abstained.

6. **PUBLIC COMMENT**

None.

7. **FINANCIAL REPORTS**

By **MOTION**, second, and unanimous vote the checklists for the months of May and June 2025 were approved. The financial documents for May and June were reviewed and accepted as presented.

8. **MATTERS OF DISCUSSION AS BROUGHT FORTH BY BOARD MEMBERS**

None.

9. **SUPERINTENDENT REPORT**

Superintendent Gibboni presented the Superintendent report. He noted that the July 4th holiday went well with no call outs. He also noted that the inspection and cleaning of the interceptor line has been completed and the report received. There were no defects found in the pipes or manholes, and very little cleaning was needed. The project was completed under budget and quicker than planned. He concluded by noting that line replacement for the main located behind Kirk's Flyshop will be completed this week, it is the last clay line that needed to be replaced or rehabbed in the Town of Grand Lake.

10. **DISTRICT MANAGER REPORT**

District Manager Nicholls noted that the strategic planning meeting is set for Tuesday, July 22nd, and the agenda will be posted and emailed as soon as available. She concluded by stating that the office is having issues with the volume of calls from Columbine Lake residents pertaining to the water district that needs to be addressed as it is affecting the ability of the district to attend

to the constituents. A discussion ensued regarding the matter and the Board directed Director Walter, also a director on the Columbine Lake Water Board, to address the matter.

With no further business before the Board, the meeting was adjourned at 8:30 p.m.

Katie Nicholls, Reporting Secretary

Jeannie Wilkinson, Secretary/Treasurer

4. DETAILED PROPOSAL

Detailed Scope of Work

A. General

The District is requesting a financial planning and model update completed by Raftelis in 2018. The following tasks outline the level of effort required to complete this study.

The final deliverables of this study include presentation of results to the Board, a final report, and a financial planning model for the District's use in the future.

B. Scope of Work

Task 1: Project Management

This task provides a solid foundation for the project. During the kick-off meeting, all aspects of the project will be discussed, including the primary objectives of the District, final deliverables, and ongoing project.

- **Project Management**

- Provide timely invoices, regular calls with the District's project manager, and identify milestones and deliverables.

- **Project Initiation Meeting**

- Provide data requests in advance of the project initiation meeting.
- Schedule conference call to review and clarify data request items.
- Discuss other policy objectives that may affect the study (e.g., reserve policies, debt coverage requirements, etc.).
- Review rate model functional requirements with staff

DELIVERABLES:

- Virtual kick-off meeting with District Staff
- Technical Memorandum summarizing results and action items from Kick-off meeting

Task 2: Financial Plan, Rate, and Model Update

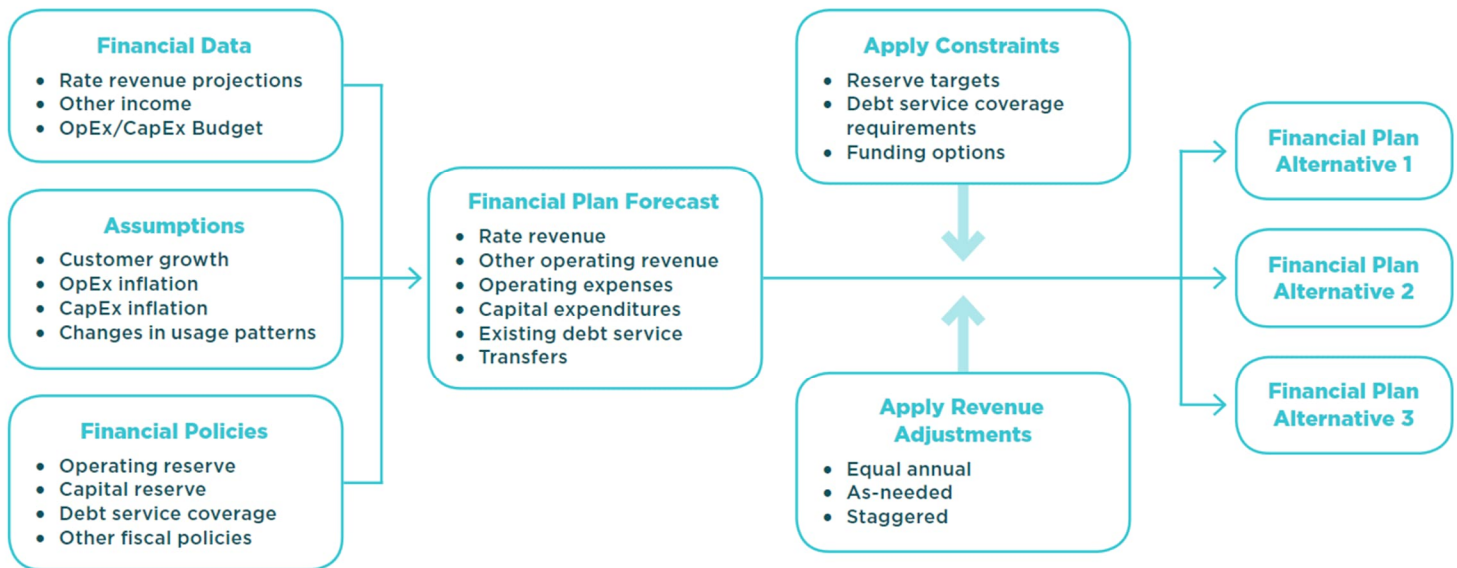
A primary consideration in developing an 'optimal' financial plan is minimizing annual revenue increases through balancing the use of reserves, existing rate revenue, and state loans. This balance is subject to the constraints of meeting the District's target reserve policies and debt service coverage requirements on any proposed debt.

This approach is an iterative process. For example, issuing debt to fund a capital project may keep revenue increases low however, new debt payments may decrease the coverage below the target level. As a result, a revenue increase may be needed to meet to maintain compliance with the target. The revenue generated from the increase now may meet debt service coverage and produce an ending balance more than the target reserve. This excess can be used to partially fund the capital project which, in turn, could reduce the proposed state loan amount. The District is interested in transitioning towards volume-based rates. This change may increase O&M costs due to a new billing

system and the administrative time to issue more complex bills. We will work with the District in estimating those costs and how they will impact rate design.

The financial planning task will include the development of forecasted revenues, O&M, debt service, and capital expenditures along with project bond or loan issues with any rate increases required to meet these requirements and financial metrics through the study period.

Figure 1: Financial Planning Process



- Create a water financial plan for the study period from 2026 to 2035 based on the District's current fund structure – Enterprise General Fund (Revenues, Expenditures, Capital Outlay), and the Enterprise Reserve Fund, and the Emergency Water Service Line Break Fund
- Forecast revenue under existing (2025) rates using billing data provided by the District incorporating estimated growth, tap fees, and other miscellaneous revenues.
- Forecast operations and maintenance (O&M), repair and replacement (R&R) capital, expansion capital (based on master plan results or other engineering reports), and existing and proposed debt service. Incorporate new positions, changes in operating efficiencies, etc.
- Identify the projects eligible for bond or state loans based on timing, duration, and the project amount. Raftelis can present financial plan alternatives considering specific projects financed through state loans or grants the District has secured.
- Forecast existing and proposed debt service based on identified capital projects available for bond funding
- Review existing reserve and debt capacity levels and recommend changes based on specific financial risks or upcoming large capital expenditures.
- Update financial plan scenarios based on feedback from District staff
- Update rates to incorporate annual revenue adjustments from financial plan
- Raftelis will use the District's existing model and update with the 2026 operating and capital expenditure budget including projected revenues for the 10-year study period
- Raftelis will make updates and changes to the functionality to support the District's needs for its future financial planning needs

DELIVERABLES:

- Revenue requirement projection and financial plan alternative cash flows
- Virtual meeting with Staff to review and finalize cash flows for use in the cost of service and rate design analysis
- Technical memorandum summarizing results of financial plan analysis
-

Task 3: Reports and Board Meeting Attendance

Reporting

Raftelis views the development of a detailed and fully transparent study report as a critical objective of the cost-of-service study and rate design process. The study report serves as a “legacy” document that will serve as a reference for guiding the utility future financial sufficiency.

We will memorialize the assumptions, calculations, findings and conclusions of the study into a draft rate report for the District’s review and comment. We will incorporate feedback and changes into a final report for the District’s records.

We will deliver the final model used to develop the results of this study. We will also provide an initialized model for use in the future years.

Board Meetings

We have included one on-site meeting and one virtual Board presentations in our scope of work. The first meeting is typically an informational session about the rate study. The second meeting will be the presentation of preliminary results. These presentations and presentations to other stakeholders are of critical importance to the study

C. Cost

The following table provides a breakdown of our proposed fee for this project. This table includes the estimated level of effort required for completing each task and the hourly billing rates for our project team members. Expenses include costs associated with travel.

Tasks	Virtual Meetings	In-person Meetings	Total Hours	Total Fees & Expenses
1. Project Management	1		8	\$2,400
2. Financial Plan, Rate, and Model Update	2		20	\$5,520
3. Reports and Board Meeting Attendance	1	1	16	\$4,960
Total Meetings / Hours	4	1	44	–
Total Fees & Expenses				\$12,880



August 5, 2025

To: Board of Directors
From: Katie Nicholls, District Manager
RE: Septic to Sewer Conversion Project – Phase 1 Final Engineering agreement and Cost/Price Analysis

As part of the EPA requirements to get procurement flexibility to use our engineers the District must approve the final engineering contract and perform a cost/price analysis to ensure reasonableness. This must be done before they will allow us to put in our official application for them to release the funds for the CDS Grant. I have outlined the requirements and some additional information below to help meet these requirements. A copy of the price and/or cost analysis requirements are also attached for reference.

As a reminder the District formally bid out for engineer firms in 2022 with two rounds of interviews conducted before Anchor QEA was selected to contract with the District with the intention of them being the engineer from project inception to finalization. As the project scope could not yet be defined, a master services agreement (MSA) was entered into for the project with project specifics as they were identified individually approved by the Board via a binding letter to the MSA. In 2024, the District was notified by Anchor QEA that they wished to use a subconsultant as Bob Orsatti had left the firm. The Board re-reviewed the engineering firm to ensure that it was appropriate for the District and decided to continue with the contract, using the subconsultant as allowed by the contract.

Comparison of Prices and Costs:

Labor mix, labor categories, level of effort, and total amount of time proposed must be considered within the cost and price analysis. If an individual cost is not believed to be reasonable the District should discuss the cost with the contractor to determine if it is in fact reasonable and accept the cost. If the cost is excessive a reduction to the amount should be negotiated and accepted by both parties.

Due to our remote and unique location traditional city comparisons are not adequate as a method of comparison. There are limited contractors not only willing to work within our geographic area, but that have knowledge of the building and construction limitations present from the topography, geology and weather. Due to this, hourly rates from the firms that bid in 2022 are outlined below. US Bureau of Labor Statistics has the CPI inflation rate at 12% from April 2022 to June 2025. With this information in mind and additionally knowing that one of these firms was unable to provide the various resources required for the project in-house, the hourly fees for our project in our area are reasonable and fair for the District.

Category	Anchor 2025	Firm 1 2022	Firm 2 2022	Firm 3 2022	Firm 4 2022
Principal Engineer	\$ 285	\$ 75	\$ 230	\$ 230	\$ 215
Project Manager	\$ 194	\$ 170	\$ 205	\$ 195	\$ 188
Project Engineer I	\$ 140	\$ 150	\$ 160	\$ 140	\$ 125
Engineer II	\$ 140	\$ 170	\$ 125	\$ 118	\$ 148
Construction Rep	\$ 155	N/A	\$ 165	\$ 180	\$ 160
CAD Designer	\$ 140	N/A	N/A	\$ 124	N/A
GIS Technician	\$ 135	N/A	N/A	\$ 125	\$ 139
Admin	\$ 135	\$ 75	\$ 95	\$ 95	\$ 89

A total of 1,988 hours of work is projected with 1,244 hours of engineering, 414 hours of administrative, CAD design and GIS work, and 330 hours of subconsultant work.

Appendix A: Conducting a price and or cost analysis

Price Analysis

A **price analysis** is an evaluation of a proposed price, without regard to the contractor's separate cost elements and proposed profit, to determine the price is reasonable. Although the UGG does not require price analyses for contracts less than the simplified acquisition threshold, a price analyses may be useful in documenting the reasonableness of contract costs. The following guide will assist you in completing price analyses.

Cost Estimate – An independent cost estimate for the supplies, equipment, or service you will be purchasing. This estimate may be based on such things as you and your staff's experience with similar purchases, a review of catalog or off-the-shelf prices available on the internet, prices or costs for similar services, or other relevant information. If detailed plans and specifications for a fixed-price contract are developed for bidders, the person or firm developing those plans should develop a detailed independent price estimate. Additional guidance is available at <https://www.usaid.gov/sites/default/files/documents/1868/300maa.pdf>

Comparison of Prices – Compare prices obtained from catalogues, suppliers, or bidders to your independent estimate.

Price Reasonableness –

A. If the offeror or bidder's price appears reasonable based on your independent estimate, and other appropriate information, purchase the supply, equipment, or service.

B. If the offeror or bidder's price is significantly higher than your independent estimate, review your requirements to determine whether unnecessary, overly restrictive, or complex requirements caused the higher than expected price. (Even if the price is significantly lower than expected, you should review the stated requirement or plans and specifications to ensure they are complete and will result in the supply, equipment, or service you need.) It may help, in making your determination, to talk to those providing quotes or bids.

1. If, after this evaluation, you determine the price is reasonable, considering the circumstances, purchase the supply, equipment, or service.

2. If you determine inappropriate requirements for the supply, equipment, or service resulted in an unreasonable price or the price is unreasonable, make adjustments and obtain new offers or bids.

C. You should ensure that the contractor is charging you the same prices as other similarly situated customers particularly in sole-source situations. Agreeing to pay an excessive price for a

good or service that you purchase with EPA funds may lead to disallowance of the cost for the item even if you are able to justify sole source procurement.

Cost Analysis

A **cost analysis** is the evaluation of each major contract cost category to determine reasonableness of each category and of the total cost of a contract or change order. A cost review may be done under negotiated cost type contracts, not fixed-priced contracts. Cost categories include personnel, fringe benefits, travel, subcontracting, indirect costs, profit and the like.

To obtain the information you need to conduct a cost analysis, you must require your offerors to provide cost data with their offers. EPA does not provide a form for this price data, so unless you prescribe a form, offerors may submit their cost data in any appropriate format. The offeror should certify that the information reflects complete, current, and accurate data.

The following is a general list of cost categories under which contractors may submit cost information and guidance on how you should evaluate each category:

Personnel Costs – Costs for labor directly related to the contract.

For Example the offeror will likely provide information that looks like this:

Category	Estimated Hours	x	Hourly Rate	=	Personnel Cost
Professional	300	x	\$30.00	=	\$ 9,000
Nonprofessional	2000	x	\$25.00	=	\$50,000
Clerical	800	x	\$15.00	=	\$12,000
Total Direct Personnel Cost					\$71,000

Consider:

- A. Whether the level of effort or the total amount of time proposed is consistent with the effort required to complete the contract.
- B. The labor mix or the labor categories proposed to ensure they are consistent with the difficulty and technical nature of the work- professional versus nonprofessional versus clerical.
- C. The proposed salaries, including reasonable escalation factors to ensure they are consistent with the offerors' actual pay scales. Generally, the conversion of annual salaries into hourly rates is accomplished by dividing the annual salary by 2,087 hours (assuming an 8-hour work day).

Fringe Benefits – Personnel costs other than employees' direct salary or pay (i.e., employer's portion of FICA insurance, retirement, sick leave, holiday pay, and vacation cost). While these costs are normally accumulated in a pool and allocated using percentages as shown below, offerors may calculate actual fringe benefit costs for each employee who will work on your job. Either method is acceptable if applied consistently to all cost centers.

Example:

Category	Estimated Fringe Benefit Rate	x	Total Hourly Pay	=Fringe Benefit Amount
Professional	10%	x	\$9,000	= \$ 900
Nonprofessional	10%	x	\$50,000	= \$5,000
Clerical	10%	x	\$12,000	= \$1,200
Total Fringe Benefit Cost				\$7,100

Consider:

A. Whether the fringe benefit rate applied to the direct labor base corresponds to fringe benefits available to each of the proposed labor categories and are consistent with the offeror's established benefits package.

B. Whether the offeror's FICA and unemployment insurance are applied only up to the maximum salary limits established by statute, if any.

Indirect Costs – Indirect costs are costs which cannot be charged to a project specific activity. Some contractors may have federally approved indirect cost rates from a cognizant federal audit agency. You may allow the contractor to charge the approved rate if it covers cost-reimbursement contracts.

Indirect costs often include office space, equipment depreciation, and personnel costs for clerical pools, executive salaries, and administrative support. Each organization determines the costs it will include in its indirect cost pool, and the organization must treat the costs the same if the circumstances are alike. Indirect costs are allocated to the particular contracts based on a fair method of approximation, generally a percentage of a specific set of direct costs under the contract. Indirect costs are also referred to as overhead or burden costs.

Indirect costs should be logically grouped and compared to some part or all of the organization's direct costs (the base). The most popular base is direct labor; however, there are instances where an equitable allocation cannot be made using this base.

Example:

Category	Rate	x	Direct Labor Base	= Cost
Indirect Cost	50%	x	\$71,000	= \$35,000
Total Indirect Cost				\$35,000

Consider if the vendor does not have a federally approved rate:

A. Whether the allocation base is an equitable basis for distribution.

B. Whether the proposed overhead rate is the same as that used for the contractor's other contracts.

Travel and per Diem Costs – Travel costs include transportation, per diem or subsistence, and other reasonable travel related items directly related to the contract.

Example:

Transportation	Number of Miles	x	Rate per Mile	=	Amount
POV Office to job site and return	50	x	\$.30	=	\$15.00
POV Office to EPA and return	20	x	\$.30	=	\$6.00
Transportation	Origin		Dest		
Flight to attend contract related meeting	Dallas		Waco		\$210.00
Per Diem	Number of Days		Rate per Day		
	10	x	\$75.00	=	\$750.00
Total Travel and Per Diem Cost					\$991.00

Consider:

A. Whether the proposed travel is necessary to complete the contact.

B. Whether all people traveling on a trip are necessary.

C. The cost per trip.

D. Whether the per diem or subsistence allowance is the same for other travel by the offeror's personnel.

You may use federal per diem rates for comparison purposes.

Supply, Material and Equipment Costs – Offerors will often have costs for supplies, material, and equipment (items with an acquisition cost of \$5,000 or more), material, and supplies directly related to the contract.

Example:

Item	Quantity	x	Cost per Item	=	Cost
Recording Barometers	5	x	\$ 455	=	\$2,275
Wind Turbine Generator	1	x	\$6,370	=	\$6,370
Incremental Water Quality Samplers	5	x	1,600	=	\$8,000
Aluminum Tubing	1500 ft.	x	\$.70/ft.	=	\$1,050

Item	Quantity	x Cost per Item	= Cost
Miscellaneous Supplies			\$2,105
Total Equipment, Materials, Supply Cost			\$19,800

Consider:

- A. Whether the proposed equipment (items with a unit acquisition cost of \$5,000 or more) is needed to complete the contract.
- B. Whether it would be better to lease or rent the equipment as opposed to purchasing it.
- C. Whether proposed materials and supplies are needed, and the costs appear reasonable.

Subcontract Costs – Subcontracts are contracts awarded by your contractor.

Example:

Cost Type	Price
Total Contract Costs	\$150,000
Profit	\$15,000
Total Cost	\$165,000

Consider:

- A. The procedures for cost review of contracts in excess of the simplified acquisition threshold are the same as for a prime contract, so you will need detailed cost information.
- B. For contracts less than the simplified acquisition threshold, you are not required to conduct a cost analysis, but such an analysis may be useful in documenting the reasonableness of the cost for the subcontract. (Profit for offerors and subcontractors should be evaluated based on the profit section below).

Profit – Profit is the amount paid to a contractor above the total cost of the contract.

You should ensure that contractors of negotiated contracts are paid only fair and reasonable profits, as required by [2 CFR 200.324\(b\)](#) profit must be a separate element of price when there is no price competition. EPA does not interpret this requirement to apply to micro-purchases made on a fixed priced basis. As provided in [2 CFR 200.324\(b\)](#):

To establish a fair and reasonable profit, consideration must be given to the complexity of the work to be performed, the risk borne by the contractor, the contractor's investment, the amount of subcontracting, the quality of its record of past performance, and industry profit rates in the surrounding geographical area for similar work.

Example:

Cost Type	Price
Total Direct & Indirect Costs	\$150,000
Profit	\$10,000
Total Cost	\$165,000

Consider:

A. The offeror's risk. Generally, the greater the risk the contractor assumes, the higher the rate of profit. Contractors assume greater risks on fixed-price contracts involving complex or difficult tasks as opposed to cost reimbursement contracts.

B. Profits may also be higher if the contractor incurs significant capital costs, exercises considerable ingenuity, or does independent developmental work.

C. Percentage of construction cost and cost plus a percentage cost contracts provide an incentive for the contractor to increase costs in order to increase profit. These contract types must not be used.

Cost Review Findings

After you complete a required cost review, you must determine whether the proposed contract cost is reasonable. If the individual items are reasonable, the total cost is reasonable.

A. If you find an individual cost is not reasonable, you should discuss the cost with the contractor. If, based on the contractor's justification, you and the contractor reach agreement that the cost is reasonable, accept the cost. If you and the contractor agree the cost is excessive, negotiate a reduction to a reasonable amount and accept the cost.

B. If you cannot agree with the contractor concerning the reasonableness of proposed costs, reject that contractor's offer. If the next best offer meets your requirements, you should review proposed cost information for that contractor. Follow the same review and negotiation process as above for the new contractor's proposed costs.

Documentation

Document all actions in conducting each price or cost analysis. Ensure all price and cost reviews are described and retained in your records in accordance with your record retention requirements or EPA's.

August 5, 2025

Katie Nicholls, District Manager
Three Lakes Water & Sanitation District
1111 GCR 48, PO Box 899
Grand Lake, CO 80447

Reference: Updated Proposal for Wastewater System Design & Construction Field
Engineering Services, West of Downtown Area

Dear Katie:

Anchor QEA resubmits this letter proposal to prepare the final design of wastewater collection system improvements for the West of Downtown Area, and to provide related bidding phase and construction field engineering services. We propose to prepare the final design documents for all improvements recommended for the area, while also defining the limits of construction required for the first phase of work, targeting in an overall project budget of \$1M.

We acknowledge that execution of this contract work is contingent upon the receipt of Federal funds. If the work is awarded, our development of design documents and Contractor requirements will take into account relevant Federal requirements applicable to USEPA grant funding.

Anchor anticipates delivering the project in a conventional Design-Bid-Build delivery method and is prepared to provide engineering services during the bidding and construction phases to support successful execution of the wastewater infrastructure design.

Anchor QEA proposes to initially meet with CDPHE and Grand County to confirm the anticipated design criteria and regulatory requirements that the project will be constrained by. Anchor will document those requirements for the record and then prepare initial assessments of the anticipated wastewater flows being developed by the West of Downtown area and surrounding areas contributing to wastewater flows. Anchor will further analyze the impact of the proposed flows on all downstream wastewater lift stations that will be required to process the additionally generated wastewater flow. These hydraulic assessments are planned to be formal deliverables for District review and approval prior to submission to CDPHE

Concurrently with preparation of the hydraulic assessments, Anchor proposes to perform appropriate site investigations required to complete the final design and construction documents. We propose to utilize Kumar & Associates as registered professional geotechnical engineers to perform a geotechnical investigation of the proposed sanitary sewer alignment. It is anticipated that a series of borings will be advanced to depths of approximately 20 feet, or to the depth or bedrock. The soil

borings will be analyzed, and a technical report will be prepared documenting the findings with recommendations for engineering uses of the native materials encountered.

Additionally, Anchor QEA proposes to include Altura Land Consultants as Registered land surveyors to perform a site improvement survey including utility locations, ground topography, and legal boundary and easement information and provide CAD based drawings for use as construction drawing base information.

The final design is anticipated to be developed in a two-step process, affording the District the opportunity to review and provide input on the final design at the 60% and 90% completion levels. Final design deliverables are anticipated to include bid ready construction documents including a project manual including the construction contract conditions and technical specifications and the final design construction bid drawings required to submit a competitive bid and construct the project.

Anchor also proposes to assist the District with the bidding process for the project by managing the contractor communication process, conducting an onsite pre-bid meeting, issuing any required addenda, reviewing all submitted bids and providing a recommendation of award to the District.

To assure conformance with the bidding documents during construction, Anchor QEA proposes to provide a combination of office and field services during construction. Office services will include ongoing construction contractor communications, submittal reviews, pay application review and processing, project change order management, attendance at biweekly construction meetings, construction record documents and project closeout management. Engineering field services are proposed to include 8 hours (1 day) of on-site construction observation per week during active periods of construction (currently anticipated at 26 weeks. Additional field services include a substantial completion inspection of facilities with the associated punch list and a final inspection to provide certification for funding agency documentation and District ownership.

Detailed Scope of Work

The detailed scope of work, fee estimate, and schedule are presented below for your review and approval.

Task 1 – Project Management

Subtask 1.A - Project Work Plan. Anchor QEA will prepare a simple work plan, confirming the work scope components, project team assignments, and project schedule. The work plan serves as the initial focus document for the Project Kickoff Meeting and provides a baseline for initial input from the District.

Subtask 1.B- Project Kickoff Meeting. This task will include an internal meeting of the design team to review project schedule, budget, scope refinement, communication protocols, meeting attendance, and any graphics or formatting standards required for project deliverables.

Subtask 1.C – Monthly Progress Reporting & Invoicing. Anchor QEA will prepare monthly invoices and progress reporting for delivery to the District Manager.

Subtask 1.D – Quality Assurance & Control. Prior to the District receiving any significant deliverable for their review, Anchor QEA will conduct an independent quality check of the deliverable to confirm completeness, eliminate errors & typos, and ensure the document is clear and easily understood. This process occurs for the following deliverables:

- 1.D.1 - Lift Station & Hydraulics Assessment QA/QC
- 1.D.2 - 60% Final Design QA/QC
- 1.D.3 - 90% Final Design QA/QC
- 1.D.4 - Bid Documents QA/QC
- 1.D.5 - Conformed Construction Documents QA/QC
- 1.D.6 - Construction Record Documents QA/QC

Subtask 1.E – Monthly Web Project Status Meetings. While the project is ongoing thru the bidding phase, Anchor QEA will conduct a monthly review meeting with the project team and District staff to review work progress, address questions and concerns, and implement project adjustments as the design process evolves. Meeting notes will be prepared by Anchor QEA and circulated to participants.

Subtask 1.F – District Board Meeting Attendance. While the project is ongoing, Anchor QEA will attend each scheduled board meeting to provide a progress report and interact with the Board & Public on current District matters. Attendance at Board meetings is anticipated to be via web/phone, with in-person attendance occurring once per quarter.

Task 2 – Regulatory Agencies Coordination

Subtask 2.A – CDPHE Coordination. Anchor QEA will coordinate with CDPHE to confirm the current wastewater design criteria and standards to be utilized and to confirm the contents and scope of the hydraulic assessment and lift station impact assessment as required deliverables. Feedback from CDPHE will be documented for the project record.

Subtask 2.B – Grand County Permit Coordination. Anchor will coordinate with Grand County to inform them of the District's plan for construction. The coordination will provide up to date knowledge of applicable County rules, regulations, and permit requirements related to the design and construction of the improvements. Options and approaches for potentially

extending the construction season past mid-October, if conditions allow, will also be explored. Feedback from Grand County will be documented for the project record.

Subtask 2.C – Lift Station Impact Analysis Approval Coordination. Anchor will interface with CDPHE following submission of hydraulics and lift station assessments and address specific questions and concerns from the State to gain project approval.

Task 3 – Site Investigations

Subtask 3.A – Geotechnical Engineering Investigation. We propose to utilize Kumar and Associates as registered professional geotechnical engineers to perform a geotechnical investigation of the proposed sanitary sewer alignment. It is anticipated that approximately 12 borings will be taken, all drilled to 20 ft. of depth or bedrock. The soil borings will be analyzed, and a technical report will be prepared documenting the findings with recommendations for engineering uses of the native materials encountered.

Subtask 3.B – Site Improvement & Boundary Site Survey. Anchor QEA proposes to include Altura Land Consultants as Registered land surveyors to perform a site improvement survey including utility locations, ground topography, and legal boundary and easement information and provide CAD based drawings for use as construction drawing base information.

Task 4 – 60% Level Design Engineering

Subtask 4.A – Initial Design Team Site Investigation. The project design team will conduct a one-day site visit of the existing West of Downtown project site to inspect existing conditions in more detail and record additional information pertinent to the development of the 60% final design process.

Subtask 4.B – Onsite/Offsite Wastewater Hydraulics Assessment. Anchor QEA will work with the District to develop standardized planning wastewater flowrates for the various residential development types to apply to the West of Downtown wastewater analysis and position the team to develop additional flow modeling for the overall Septic to Sewer program.

After flowrate development, Anchor will develop a localized hydraulic analysis to establish before and after wastewater flow conditions within and immediately downstream of the existing collection system. This flow information will then be compared to the available hydraulic capacity of the existing wastewater collection system. This will provide the District with a clear picture of the future impact of the West of Downtown service area on available downstream capacity and determine if any downstream improvements would be required. This assessment will be prepared in a technical memorandum format and submitted to the District as a .pdf file for review prior to submission to CDPHE.

Subtask 4.C – Offsite Wastewater Lift Station Impact Assessment. As a separate and parallel activity, Anchor QEA will prepare a hydraulic assessment of the addition of the West of Downtown service area to the operation of downstream lift stations that exist between the service area connection point to the trunk main and the existing wastewater treatment facility. This assessment will be prepared in a technical memorandum format and submitted to the District as a .pdf file for review prior to submission to CDPHE.

Subtask 4.D – 60% Construction Agreement Documents Development. Anchor QEA will prepare draft construction contract documents included in Division 0 of the project manual, to address the project bidding requirements, the draft construction contract agreement and contract forms, general and supplemental contract conditions, pay application procedures and forms, and procedures for requesting and processing construction change orders. Anchor QEA proposes to utilize standard contract documents for conventional design-bid-build delivery as available by the Engineers Joint Contract Documents Committee (EJCDC). Anchor QEA will also prepare a draft of Division 1, General Project Requirements, which define all the overriding requirements that need to be followed by the construction contractor.

Contract documents will also include Federal requirements related to construction activity, labor payment, and material procurement, as appropriate to establish consistency with USEPA grant funding guidelines. Such requirements are expected to include meeting Davis-Bacon Act (DBA), American Iron and Steel (AIS), and Build America, Buy America (BABA) standards, as applicable, among others.

Draft documents will be submitted to the District for review and comment in .pdf file format.

Subtask 4.E – 60% Construction Agreement Docs Coordination w/ TLWSD. Following the District review of the draft construction contract documents, Anchor will coordinate with the District to make required modifications to the draft Division 0 and 1 of the project manual. Given the level of detail associated with this information, Anchor is anticipating performing this initial coordination in two virtual meetings.

Subtask 4.F – 60% Civil Site Design. Anchor QEA will prepare the civil site design for the proposed wastewater improvements. Design will include site access, grading, and drainage design; new buildings and associated concrete flatwork, gravel paving, fencing & gates, erosion control & landscaping, and buried site piping for utilities and treatment processes. Design will include the development of engineering calculations, final design drawings, and specifications.

Subtask 4.G – 60% Wastewater Collection System Design. After the site tour, Anchor QEA will prepare the collection system design. Design elements will include all new piping, manholes,

and equipment associated with wastewater collection located in the entire focus area. Design will include the development of engineering calculations, final design drawings, and technical specifications.

Subtask 4.H – Prepare 60% Cost Estimate. As the 60% Final Design and accompanying items are being prepared, Anchor QEA will also develop a construction cost estimate. The cost estimate will be developed using AACE standard protocols for a Class 3 estimate.

Subtask 4.I – Major Equipment/Material Prepurchase Assessment. Concurrently with the 60% Design development, Anchor QEA will prepare an assessment to determine the viability and best timing for the purchase of materials. Due to supply chain constraints and manufacturing limitations, we recommend exploring the District's ability to pre-purchase select materials earlier in the project workflow to avoid potential construction delays to installation by the Contractor. If appropriate, a memo will be prepared to list candidate materials, their purchase costs and anticipated schedules for purchase agreements, submittal approval, manufacture and delivery.

Subtask 4.J – Compile & Submit 60% Design Documents to District. Following development of the 60% Final Design and our internal Quality Assurance process, Anchor QEA will compile and submit the Design package to the District and other project stakeholders for review and comment. Documents will be provided in .pdf format.

Subtask 4.K – 60% Final Design Review Meeting. Following delivery of the 60% Final Design to project stakeholders, Anchor QEA will conduct a web-based review meeting to go over the contents, receive comments and questions and provide discussion and dialog on the document. Meeting notes will be recorded, and all comments will be incorporated into the development of the 90% Final Design.

Subtask 4.L – Incorporate District Comments in Final 90% Design Documents. Following the 60% Final Design Review Meeting, Anchor QEA will incorporate requested changes and edits from the meeting into the development of the 90% Final Design.

Task 5 – 90% Level Design Engineering

Subtask 5.A – Final Design Team Site Visit. Following delivery of the 60% Final Design, the project design team will conduct a one-day site investigation of the proposed construction area to perform a final inspection of existing conditions in more detail and record any changes or additional information pertinent to the development of the 90% final design process.

Subtask 5.B – Final Hydraulics Design Confirmation. Anchor will review and finalize the localized hydraulic analysis to establish before and after wastewater flow conditions within and immediately downstream of the existing collection system.

Subtask 5.C – 90% Construction Agreement Documents Development. Anchor QEA will prepare final construction contract documents included in Division 0 of the project manual. Anchor will also finalize Division 1, General Project Requirements, which defines all the overriding requirements that need to be followed by the construction contractor, including Federal requirements related to USEPA grant funding. Final documents will be submitted to the District for review and comment in .pdf file format.

Subtask 5.D – 90% Construction Agreement Docs Coordination w/ TLWSD. Following the District review of the draft construction contract documents, Anchor will coordinate with the District to make required modifications to the draft Division 0 and 1 of the project manual. Given the level of detail associated with this information, Anchor is anticipating performing this initial coordination in two virtual meetings.

Subtask 5.E – 90% Civil Site Design. After the final design site visit, Anchor QEA will prepare the civil site design for the proposed wastewater collection improvements. Design will include required site grading and drainage design, coordination with existing buried utilities, impacts to existing roadway surfacing design, contractor staging requirements, traffic detour planning, erosion control & landscaping impacts within the public ROW. Design will include the development of final engineering calculations, final design drawings, and technical specifications.

Subtask 5.F – 90% Wastewater Collection System Design. After the site tour, Anchor QEA will refine the final collection system design. Design elements will include all new piping, manholes, and equipment associated with wastewater collection located in the entire focus area. Design will include the development of final engineering calculations, final design drawings, and technical specifications.

Subtask 5.G – Prepare 90% Cost Estimate. As the 90% Final Design and accompanying items are being prepared, Anchor QEA will also develop a construction cost estimate. The cost estimate will be developed using AACE standard protocols for a Class 3 estimate

Subtask 5.H – Compile & Submit 90% Design Documents to District. Following development of the 90% Final Design and our internal Quality Assurance process, Anchor QEA will compile and submit the 90% Design package to the District and other project stakeholders for review and comment. Documents will be provided in .pdf format

Subtask 5.I – 90% Final Design Review Meeting. Following delivery of the 90% Final Design to project stakeholders, Anchor QEA will conduct a web-based review meeting to go over the contents, receive comments and questions and provide discussion and dialog on the document. Meeting notes will be recorded, and all comments will be incorporated into the final 90% Final Design documents.

Subtask 5.J – Incorporate District Comments in Bid Documents. Following the 90% Final Design Review Meeting, Anchor QEA will incorporate requested changes and edits from the meeting into the delivery of the Bid Documents.

Task 6 – Construction Bidding Phase Support

Subtask 6.A – Prepare/Deliver Bidding Documents. Anchor QEA will prepare the final Bidding Documents to include the final project manual incorporating construction contract terms and conditions and technical specifications as well as the final construction drawings. Documents will be provided to the District and made available to all interested contractors in electronic .pdf file format.

Subtask 6.B – Bid Advertisement & Coordination. Following review and acceptance of the Bid Advertisement by the District, Anchor QEA will host a posting website where the official bidding documents will be made available to interested parties at no cost. Anchor QEA will prepare public announcement advertising for the District to publish in accordance with funding regulations. The District will be responsible for payment of associated advertising costs.

Subtask 6.C – Bidding Contractor Coordination. During the bidding period, Anchor will receive all communication from interested parties regarding the construction project. Questions will be answered and when appropriate, questions will develop written responses to be captured in prepared addenda.

Subtask 6.D – Pre-bid Meeting & Site Tour. During the bidding period, Anchor will prepare for and conduct one on-site meeting with interested general contractors to discuss the Bidding Documents and construction of the designed improvements. Efforts will also include agenda preparation, recording of meeting notes and leading of the on-site tour of the proposed improvements.

Subtask 6.E – Addenda Preparation. During the proposal period, questions and/or comments received from contractors and other project stakeholders may result in the requirement to issue changes, corrections, or clarifications to the contract documents prior to receipt of proposals. Anchor will issue no more than 2 addenda to capture said documentation as required without a request for change.

Subtask 6.F – Bid Review & Evaluation. Following the bid opening, Anchor will take custody of all submitted bids received for the project. We will examine each proposal for correctness and completeness to determine if the proposals received have any irregularities. Anchor will prepare a bid tabulation capturing the results of the bids received and the identification of any irregularities or enhancements for District review.

Subtask 6.G – Recommendation of Award. Following the bid review process, Anchor QEA will tabulate the results and make a recommendation to the District for award of the construction contract.

Task 7 – Construction Contract Initiation

Subtask 7.A – Construction Contract Coordination & Finalization. Anchor QEA will prepare draft forms of the construction contract agreement for execution between the District and a single general contractor to assume overall responsibility for construction of the wastewater collection improvements.

Subtask 7.B – Prepare Draft Conformed Construction Contract Document. Anchor QEA will update the Bidding Documents to incorporate all changes and clarifications made during the bidding process. These documents will be signed and sealed by technical discipline leads as certified for construction purposes and delivered to the project team in .pdf format.

Subtask 7.C – Conformed Construction Document Review and Acceptance Meeting. Following receipt of required bonds and insurance from the general contractor, Anchor QEA will conduct initial review and delivery of the contract to the District for final review and execution. Also included in this process will be the issuance of a Notice to Proceed for the construction contract period.

Subtask 7.D – Final Delivery of Conformed Construction Documents. After the Conformed Document Acceptance Meeting, Anchor QEA will incorporate all requested changes and edits from the meeting. The Final Conformed Construction Documents will then be submitted electronically to the Contractor and the District to serve as the basis of the construction contract. An electronic version of these documents will also be transmitted to CDPHE for their records. Documents will be provided in .pdf format

Subtask 7.E – Construction Contract Execution. Anchor QEA will prepare draft forms of the construction contract agreement for execution between the District and the general contractor to assume overall responsibility for construction of the Wastewater Improvements. Following receipt of required bonds and insurance from the contractor, we will conduct the initial review and delivery of the contract to the District for final review and execution. Also

included in this process will be the issuance of a Notice to Proceed for the construction contract period.

Subtask 7.F – Construction Kickoff Meeting. Anchor QEA will prepare a meeting agenda and chair the construction kickoff meeting for attendance by the Contractor's team and the rest of the Project Stakeholder Group. The meeting will be held onsite at the Contractor's site trailer and will provide general guidance on construction contract provisions and procedures outlined by the contract documents.

Task 8 – Construction Office Engineering Services

These services are based on a construction schedule where the \$1M project budget construction work will be accomplished in a construction season of 6 months in 2025. Should the general contractor wish to complete the work with a different schedule, Anchor QEA would request that affected engineering services be re-negotiated.

Subtask 8.A - Construction Submittal Review. Anchor QEA will review individual Contractor submittals, such as samples, schedules, shop drawings, and test results as required by the construction contract requirements. Anchor has anticipated a total of 50 individual submittals for the project at an average review time of 2 hours per submittal. Given we have no control over the GCs packaging of submittals, Anchor reserves the right to re-negotiate this effort should the GC deliver more than 50 individual submittals for review. Our effort assumes the general contractor maintains contractual responsibility for maintaining the actual submittal records and logs with the District's ability to request and receive documentation through a Web based software portal throughout the construction process.

Subtask 8.B - Construction Pay Application Certification. Every month during construction, Anchor QEA will receive, review, and certify construction pay applications submitted by the General Contractor in conformance with the construction contract. We have assumed that construction activities will require the processing of 6 pay applications between June and November 2025. Anchor QEA would request to re-negotiate this effort should the contractor deliver more than 6 individual pay applications for certification.

Subtask 8.C – Ongoing Construction Communication. Anchor QEA will provide written and oral communication with the general contractor in the daily execution of the construction project. Specific efforts will include the processing of contractor Requests for Information (RFIs) and other contractor communications. This effort specifically excludes communication associated with requests for substitution or variance, field work orders, work change directives or change orders. Total effort for this task has been based on 2 hrs/week for 26 total construction weeks.

Subtask 8.D – Bi-weekly Construction Progress Meetings. Anchor QEA will attend bi-weekly construction progress meetings on-site or by conference call depending on construction work progress. The contractor shall facilitate these meetings and is responsible for agenda preparation and meeting minutes. Anchor QEA has anticipated attendance at 13 meetings, 7 of these meetings will be conducted virtually and 6 of the meetings will be conducted on-site.

Subtask 8.E - Construction Change Management. Anchor QEA will manage construction changes through various mechanisms including field orders, work change directives and change orders depending on the source and cause of the change. We will prepare necessary documentation of the construction change and act as the District's agent in the negotiation of any contract price and schedule revisions. Anchor has anticipated that 4 change orders will be required on the project. Should contract conditions require the preparation of additional change documents, we would request re-negotiation of this task budget.

Subtask 8.F - Project Closeout. Following satisfactory completion of the Substantial Completion Punchlist, Anchor QEA will coordinate construction contract closeout and final payment with the General Contractor.

Subtask 8.G – Construction Record Documents. Anchor QEA will utilize the as-built drawings and records provided by the general contractor at the end of construction to produce construction record documents for the District. Following completion of those documents, Anchor QEA will provide .pdf documents for deliverables to the District.

Task 9 – Construction Field Engineering Services

Subtask 9.A – Construction Observation. Given the nature of the construction activities, the fast pace of the construction schedule, and the inherent risks to the District and the environment, Anchor QEA proposes to provide one construction observation visit per week during construction. It is anticipated that 26 weekly site inspection trips will be required during the available construction season. This level of on-site observation will be supplemented with active daily communication to provide cost effective monitoring of day-to-day construction activities. Each site visit will be documented by a field observation memo with photos to report the conditions found, recommendations made, or requirements for corrective action.

Subtask 9.B – Substantial Completion Inspection & Punchlist. Upon request from the Contractor, the Anchor QEA Team and District stakeholders will conduct a Substantial Completion Inspection of all the new facilities improvements. Any components of the project found to be incomplete or not per design will be identified in the Punch List for resolution by

the Contractor. The GC will be required to complete the punch list prior to scheduling of the Final Completion Inspection & Project Closeout.

Subtask 9.C - Facilities Start-Up & Commissioning Coordination. Anchor QEA will provide coordination between the installing GC and the Contract Operations staff to assure that equipment is operating in agreement with the design intent.

Subtask 9.D - Final Completion Inspection. Following completion of the Substantial Completion Punchlist by the Contractor, Anchor QEA will conduct a Final Completion Inspection to confirm that punch list items were completed and certified for District ownership.

Potential Additional Services (if requested)

Specific work items have been excluded from this work scope and can be addressed as additional services as the District requests:

- Construction phase services to support any West of Downtown wastewater collection system activities beyond the \$1M project budget.
- Field sampling and laboratory testing to collect additional information to characterize leaking septic tanks.
- Combined application of construction phase field services on both the West of Downtown Improvements construction and the 2026 season of the Grand Lake Heat Trace construction project. Initial projections suggest a District savings of approximately \$15K.
- Other services not specifically mentioned.

Proposed Project Workflow Schedule

Table 1 presents a detailed milestone project schedule highlighting the project workflow from Project Authorization to Final Completion of Construction. Construction activities occurring beyond mid-October will require coordination with, and approval from, Grand County.

Anticipating a September 2025 Board approval date, project milestones are planned to be met as follows:

Table 1
Milestone Project Schedule

Project Task	Estimated Completion Date
Owner Executes Engineering Services Agreement	September, 2025
Preparation of Preliminary Design Documents	October, 2025
Project Permitting Assessment & Coordination	October, 2025
Preparation of Engineering Assessments	November, 2025
Owner Review of Assessments	December, 2025
Site Investigations	September- November 2025
Finalize 60% Final Design	January, 2026
Owner 60% Review Process	February, 2026
Finalize 90% Final Design	March, 2026
Funding Receipt	March, 2026
Submission of construction permit application, Project Plans & Specifications for State Approval	March, 2026
Approval of Project Plans & Specifications, Issuance of construction permit	June, 2026
Draft Bid documents and Advertisement methods sent to EPA for review	March, 2026
Advertise for Bids	April, 2026
Receipt of Bids	May, 2026
Submittal of Bids received, advertisement methods, and contract sent to EPA for review	May, 2026
Awarding of Contracts	June, 2026
Commencement of Project Construction	June - July, 2026
Completion of Project Construction	December, 2026

Submittal of Engineer-Approved as-builts to Owner	February, 2027
Provide quarterly progress reports and financial reporting as required by grant	Within 30 days of end of reporting period, throughout life of grant
Provide final performance and financial reports as required by grant	Within 120 days of end of project period

Proposed Task Budgets

The attached spreadsheet provides a detailed breakdown of work tasks, person-hours, labor costs, and expenses for the work defined above. Reimbursable expenses have also been included in the not to exceed amounts. Invoicing for the project will be submitted to the District monthly in accordance with the rates defined on the fees spreadsheet. A summary of proposed engineering fees by major project task is as follows:

Table 2
Summary of Proposed Task-by-Task Budgets

Task Number	Task Name	Proposed Budget
Task 1	Project Management	\$55,399
Task 2	Regulatory Access Coordination	\$10,900
Task 3	Site Investigations	\$30,886
Task 4	60% Level Design Engineering	\$82,968
Task 5	90% Level Design Engineering	\$43,875
Task 6	Construction Bidding Phase Support	\$21,395
Task 7	Construction Contract Initiation	\$15,463
Task 8	Construction Office Engineering Services	\$57,338
Task 9	Construction Field Engineering Services	\$47,846
Total Budget		\$366,070

Please let me know upon receipt of this letter proposal if you have any questions or adjustments that you may wish to make about project approach, schedule, or fees. We look forward to continuing our collaboration with you on a successful project.

Very sincerely yours,

Anchor QEA, Inc.

A handwritten signature in black ink, reading "Michael Whelan". The signature is fluid and cursive, with a long horizontal stroke extending from the end of the name.

Michael Whelan, PE
Principal Engineer

Attachment: Proposed Engineering Fee Estimate (provided as separate file)

Cc: Michael Gibboni, Three Lakes Water & Sanitation District
Bob Orsatti, Orsatti Water Consultants

Three Lakes Water & Sanitation District					Professional Engineering Fee Estimate										Anchor QEA																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																
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August 6, 2025

To: Board of Directors
From: Katie Nicholls, District Manager
RE: Discussion: Pre-Payment of tap fees

As mentioned at the strategic planning meeting held on July 22, 2025, a constituent has requested that the board consider allowing prepayment of tap fees to help mitigate costs and planning efforts for property owners who will either connect of their own accord or be compelled to connect in the future. The District Rules and Regulations currently do not allow the advance purchase of taps and require user fees commence under sections 4.4, 4.7, 7.2, 7.8, and 8.3. These sections are outlined below for your reference.

4.4 APPLICATION FOR SEWER TAP

A proposed owner/user seeking service from the District shall submit an Application for Sewer Tap, on the District's standard form. The Application for Sewer Tap form shall be supplemented by any plans, specifications or other information considered pertinent in the judgment of the District. No Sewer Tap shall be sold without review of Building Plans, as outlined in Section 4.2 Building Plan Review, ready for submittal to the Grand County or Town of Grand Lake Building Department. District personnel shall stamp Plan sets as required by the Grand County or Town of Grand Lake Building Department and, in particular, shall review the floor plans of said Plan sets and stamp each page accordingly, acknowledging review of each. The stamp shall serve as an indicator to the Grand County or Town of Grand Lake Building Department that sewer service shall be provided as per the assessment noted by the District, in accordance with the Rules and Regulations of the District, and that all tap fees have been paid for said assessment. No Tap shall be sold for service to a property not serviceable by the District at the time of the request for purchase.

4.7 TAP PURCHASE LIMITATION

If the property of an applicant for a Sewer Tap is improved, the Tap will be limited to the number of SFEs required to serve the buildings existing on the property on the date of the application. If applicant's property is unimproved, or additional improvements are proposed, the Tap is limited to the Building Plans submitted and assessed by the District.

7.2 QUARTERLY USER FEES

In addition to those fees and charges described elsewhere in these Rules and Regulations, the District, in consultation with its Manager, Superintendent and Engineer, shall determine the total annual costs of administration, operation, maintenance, repair, replacement and upgrading of the sewer system which are necessary to maintain the capacity and performance of such sewer system as designed and constructed, and the costs of managing the District. The Board shall then approve a quarterly flat rate user fee per SFE based on these findings. The District will review its fees and charges at least every two (2) years and revise as necessary to ensure that it generates adequate annual revenues.

User fees shall commence when Building Plans are reviewed and stamped, except as set forth below.

For taps purchased after January 1, 2019 for planned new development, user fees commence upon the earlier of: connection into to the District's system or one year from the date of the Connection and Inspection Permit for planned new development.

7.8 CAPITAL IMPROVEMENT FEE

The District shall charge a capital improvement fee on each SFE on the District's records which has not been activated and used within two (2) years from its date of purchase. The capital improvement fee shall be the difference between: 1) the SFE tap fee at the time that sewer service through the Tap actually begins; and 2) the amount initially paid for the SFEs as shown on the District's records. The District shall collect a capital improvement fee prior to issuance of a Connection and Inspection Permit or prior to the inspection of the physical Tap at the sewer main line. This capital improvement fee shall be in addition to the tap fee paid for such SFEs and the Connection and Inspection Permit fee. The capital improvement fee is effective for all SFEs purchased March 1, 1998 and thereafter.

8.3 BILLING PROCEDURES

Except as specifically provided by written agreement between the District and an owner, all sewer charges and fees provided in these Rules and Regulations will be billed to the owner of record and are due on the first day of the quarter in advance of service at the office of the District. Billing shall commence at the time of payment of the tap fee. Billing is continuous and shall not cease unless a surrender of a Tap or Taps has been accepted by the District. Except as specifically provided by written agreement between the District and an owner, tap fees, tap transfer fees, Connection and Inspection Permit fees, disconnection and reactivation fees and any other fees and charges are due when application for such Permit or request is made, or the task is performed, whichever occurs first.

The Board should consider the following items when discussing the matter:

- If a limitation of taps available for purchase per property is appropriate.
- If pre-payment is allowable for both residential and commercial properties.
- If the capital improvement fee would apply.
- If financing through the district will be allowed.
- If transfers of taps will be allowed.

Should the Board wish to move forward with allowing pre-paid tap purchases it will need to be done through resolution at a regularly held meeting. The attorney for the district will need to update the Rules and Regulations accordingly, and a new separate tap application will need to be established. Staff would recommend making any action effective January 2026 to allow appropriate time to establish new procedures internally.



August 6, 2025

To: Board of Directors
From: Katie Nicholls, District Manager
RE: Cyber Security Discussion

Since August 2024, Executech Utah, LLC has completed the following for us:

Workstations

- Maintained the domain-wide implementation of Sophos Anti-Virus software which kept the workstations free from any virus, malware and PUA infections.
- Used remote management tools (*Ninja / ScreenConnect*) to ensure all workstations continue to have vetted Windows and 3rd party software updates applied on a scheduled basis.
- Used those same remote management tools to provide remote technical support for routine support interactions.
- All workstations to be upgraded to Windows 11 as part of Microsoft mandatory update by Oct 2025

Backups

- Maintained a Cloud and Local backup strategy, with encryption where appropriate.
- Monthly Backup restore test to verify backups are operating correctly.

Server(s)

- Maintained the Sophos Anti-Virus software on the servers to keep them free from any virus, malware or PUA infections.
- Used Ninja & ScreenConnect tools to ensure the servers continue to have vetted Windows and 3rd party software updates applied on a scheduled basis.
- Replaced aging server with a PowerEdge T360

Firewall/Network Security

- Maintained Firewall patching to ensure VPNs were functional and minimize likelihood of network intrusion.
- Configured and enforced MFA for Microsoft 365 to continue improving data security.
- Assisted with business continuity efforts by moving and setting up network links and workstations in other office spaces, to facilitate remote staff access during office building repairs, and then put everything back in its place post-construction.
- Implemented Sophos Managed Detection and Response to enhance network security.

They have also maintained active monitoring of Anti-Virus, Server Off-line alerts, and Internet Outages to respond to issues as quickly as possible.

The Next 12 Months

- Continue to refine the IT Roadmap and future planning
- Reassign and replace workstations as needed based on IT Roadmap for 2026
- Continue to review and evaluate service ticket submissions to reduce ongoing occurrences

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THREE LAKES WATER & SANITATION DISTRICT
Check Detail - Enterprise Fund
July 2025

Type	Num	Date	Name	Account	Paid Amount
Bill Pmt -Check	ACH	07/02/2025	PITNEY BOWES - MTNC & SUPPLIES	1006a · UBB ENTERPRISE	
Bill		07/02/2025		5050 · EQUIPMENT/MAINTENANCE AGREEM...	-424.26
TOTAL					-424.26
Bill Pmt -Check	ACH	07/02/2025	PITNEY BOWES - PURCHASE POWER CREDIT	1006a · UBB ENTERPRISE	
Bill		07/02/2025		5060 · POSTAGE & BOX RENT	-5.00
TOTAL					-5.00
Bill Pmt -Check	ACH	07/07/2025	UNITED BUSINESS BANK SVC	1006a · UBB ENTERPRISE	
Bill		04/22/2025		5025 · BANK SERVICE CHARGES	-60.00
TOTAL					-60.00
Bill Pmt -Check	ACH	07/10/2025	COLUMN	1006a · UBB ENTERPRISE	
Bill		07/10/2025		5062 · PRINTING & PUBLICATIONS	-30.48
TOTAL					-30.48
Bill Pmt -Check	ACH	07/14/2025	UBB - BILLING ACCOUNT	1006a · UBB ENTERPRISE	
Bill		07/02/2025		5061 · COMPUTERS / PRINTERS	-19.99
				5061 · COMPUTERS / PRINTERS	-76.00
				5061 · COMPUTERS / PRINTERS	-1,399.00
				5169 · PLANT - REPAIRS & MAINTENANCE	-27.54
				5037 · DIRECTOR WAGES and EXPENSES	-930.96
				5037 · DIRECTOR WAGES and EXPENSES	-9.99
				5061 · COMPUTERS / PRINTERS	-19.99
				5136 · DUES / TRAINING /PUBLICATIONS	-100.00
				5149 · PLANT - LAB	-23.85
				5195 · TRUCK REPAIR & MAINTENANCE	-392.31
				5195 · TRUCK REPAIR & MAINTENANCE	-392.31
				5192 · TOOLS	-35.94
				5183 · SHOP SUPPLIES	-16.98
TOTAL					-3,444.86
Bill Pmt -Check	ACH	07/15/2025	CENTURY LINK-LUMEN	1006a · UBB ENTERPRISE	

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THREE LAKES WATER & SANITATION DISTRICT
Check Detail - Enterprise Fund
July 2025

Type	Num	Date	Name	Account	Paid Amount
Bill		07/07/2025		5162 · SCADA SOFTWARE/EQUIPMENT LEASE	-73.57
TOTAL					-73.57
Bill Pmt -Check	ACH	07/15/2025	WASTE MANAGEMENT	1006a · UBB ENTERPRISE	
Bill		06/30/2025		5170 · PROPERTY REPAIR & MAINTENANCE	-316.22
				5169 · PLANT - REPAIRS & MAINTENANCE	-724.21
TOTAL					-1,040.43
Bill Pmt -Check	ACH	07/28/2025	XCEL ENERGY	1006a · UBB ENTERPRISE	
Bill		07/07/2025		5090 · UTILITIES - ADMIN BLDG	-90.27
TOTAL					-90.27
Bill Pmt -Check	ACH	07/30/2025	COMCAST	1006a · UBB ENTERPRISE	
Bill		08/06/2025		5075 · TELEPHONE/INTERNET	-388.43
				5207 · PLANT - TELEPHONE	-167.89
TOTAL					-556.32
Bill Pmt -Check	ACH	07/30/2025	VERIZON WIRELESS SERVICES LLC	1006a · UBB ENTERPRISE	
Bill		07/14/2025	NORTH SHORE WATER DISTRICT	1170 · DUE FROM NORTH SHORE WATER	-98.90
			COLUMBINE LAKE WATER DISTRICT	1180 · DUE FROM COLUMBINE LAKE WATER	-98.90
				5076 · CELL PHONE	-98.90
				5075 · TELEPHONE/INTERNET	-114.18
			NORTH SHORE WATER DISTRICT	1170 · DUE FROM NORTH SHORE WATER	-56.73
			COLUMBINE LAKE WATER DISTRICT	1180 · DUE FROM COLUMBINE LAKE WATER	-56.73
TOTAL					-524.34
Bill Pmt -Check	ACH	07/30/2025	WOODRIVER ENERGY	1006a · UBB ENTERPRISE	
Bill		07/07/2025		5208 · PLANT - UTILITIES	-1,148.19
TOTAL					-1,148.19
Bill Pmt -Check	38802	07/02/2025	ALPINE ARCHAEOLOGICAL CONSULTANTS, INC	1006a · UBB ENTERPRISE	
Bill		06/09/2025		6450 · Septic-to-Sewer Conversion Proj	-3,171.75

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THREE LAKES WATER & SANITATION DISTRICT
Check Detail - Enterprise Fund
 July 2025

Type	Num	Date	Name	Account	Paid Amount
TOTAL					-3,171.75
Bill Pmt -Check	38803	07/02/2025	ANCHOR QEA	1006a · UBB ENTERPRISE	
Bill		06/24/2025		5210 · ENGINEERING-Town of GL WW 5138 · ENGINEERING - GENERAL	-16,711.50 -7,556.75
TOTAL					-24,268.25
Bill Pmt -Check	38804	07/02/2025	BLACKWELL OIL COMPANY	1006a · UBB ENTERPRISE	
Bill		06/10/2025		5147 · FUEL EXPENSE	-1,478.41
TOTAL					-1,478.41
Bill Pmt -Check	38805	07/02/2025	BROWNS HILL ENGINEERING & CONTROLS, LLC	1006a · UBB ENTERPRISE	
Bill		06/24/2025		5190 · SYSTEM REPAIR & MAINTENANCE	-1,307.60
TOTAL					-1,307.60
Bill Pmt -Check	38806	07/02/2025	COGENT, INC	1006a · UBB ENTERPRISE	
Bill		06/10/2025		5190 · SYSTEM REPAIR & MAINTENANCE	-3,826.12
TOTAL					-3,826.12
Bill Pmt -Check	38807	07/02/2025	COLLINS COLE FLYNN WINN & ULMER, PLLC	1006a · UBB ENTERPRISE	
Bill		06/19/2025		5067 · LEGAL SERVICE & CONSULTING	-10,010.25
TOTAL					-10,010.25
Bill Pmt -Check	38808	07/02/2025	COLO. DEPARTMENT REVENUE MOTOR VEHICLE	1006a · UBB ENTERPRISE	
TOTAL					0.00
Bill Pmt -Check	38809	07/02/2025	COLORADO ANALYTICAL LABORATORIES, INC.	1006a · UBB ENTERPRISE	
Bill		06/24/2025		5149 · PLANT - LAB	-831.00
TOTAL					-831.00

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THREE LAKES WATER & SANITATION DISTRICT
Check Detail - Enterprise Fund
July 2025

Type	Num	Date	Name	Account	Paid Amount
Bill Pmt -Check	38810	07/02/2025	DENVER INDUSTRIAL PUMPS	1006a · UBB ENTERPRISE	
Bill		06/26/2025		5169 · PLANT - REPAIRS & MAINTENANCE	-15,516.03
TOTAL					-15,516.03
Bill Pmt -Check	38811	07/02/2025	Hilly-Lawn Gardening Services	1006a · UBB ENTERPRISE	
Bill		06/30/2025		5170 · PROPERTY REPAIR & MAINTENANCE	-160.00
TOTAL					-160.00
Bill Pmt -Check	38812	07/02/2025	LOU'S GLOVES INC.	1006a · UBB ENTERPRISE	
Bill		06/10/2025		5183 · SHOP SUPPLIES	-231.00
TOTAL					-231.00
Bill Pmt -Check	38813	07/02/2025	MOSES, WITTEMYER, HARRISON, & WOODRUFF	1006a · UBB ENTERPRISE	
Bill		06/10/2025		5067 · LEGAL SERVICE & CONSULTING	-44.80
TOTAL					-44.80
Bill Pmt -Check	38814	07/02/2025	NAPA AUTO PARTS	1006a · UBB ENTERPRISE	
Bill		06/24/2025		5195 · TRUCK REPAIR & MAINTENANCE	-58.67
Bill		06/24/2025		5195 · TRUCK REPAIR & MAINTENANCE	-90.16
				5195 · TRUCK REPAIR & MAINTENANCE	-62.46
Bill		06/30/2025		5195 · TRUCK REPAIR & MAINTENANCE	-37.02
TOTAL					-248.31
Bill Pmt -Check	38815	07/02/2025	POLYDYNE INC	1006a · UBB ENTERPRISE	
Bill		06/30/2025		5206 · PLANT - CHEMICALS	-7,450.08
TOTAL					-7,450.08
Bill Pmt -Check	38816	07/02/2025	SASQUATCH ALARMS & COMMUNICATIONS INC.	1006a · UBB ENTERPRISE	
Bill		06/30/2025		5050 · EQUIPMENT/MAINTENANCE AGREEM...	-190.12
				5169 · PLANT - REPAIRS & MAINTENANCE	-190.13

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THREE LAKES WATER & SANITATION DISTRICT
Check Detail - Enterprise Fund
 July 2025

Type	Num	Date	Name	Account	Paid Amount
TOTAL					-380.25
Bill Pmt -Check	38817	07/02/2025	SEAN WALSH CONSULTING	1006a · UBB ENTERPRISE	
TOTAL					0.00
Bill Pmt -Check	38818	07/02/2025	SHADOWCLIFF MTN LODGE	1006a · UBB ENTERPRISE	
Bill		06/30/2025		5037 · DIRECTOR WAGES and EXPENSES	-280.00
TOTAL					-280.00
Bill Pmt -Check	38819	07/02/2025	UNCC - UTILITY NOTIFICATION CENTER	1006a · UBB ENTERPRISE	
Bill		06/23/2025		5150 · LOCATES	-104.49
TOTAL					-104.49
Bill Pmt -Check	38820	07/02/2025	USA BLUE BOOK	1006a · UBB ENTERPRISE	
Bill		06/23/2025		5149 · PLANT - LAB	-431.91
TOTAL					-431.91
Bill Pmt -Check	38821	07/02/2025	WESTLOOK SALES LLC	1006a · UBB ENTERPRISE	
Bill		06/24/2025		5190 · SYSTEM REPAIR & MAINTENANCE	-17,795.50
TOTAL					-17,795.50
Bill Pmt -Check	38822	07/02/2025	COLLINS COLE FLYNN WINN & ULMER, PLLC	1006a · UBB ENTERPRISE	
Bill	4969	12/31/2023		5067 · LEGAL SERVICE & CONSULTING	-3,004.00
TOTAL					-3,004.00
Bill Pmt -Check	38823	07/02/2025	PVS DX, INC	1006a · UBB ENTERPRISE	
Bill		07/02/2025		5206 · PLANT - CHEMICALS	-1,749.00
TOTAL					-1,749.00
Bill Pmt -Check	38824	07/02/2025	SEAN WALSH CONSULTING	1006a · UBB ENTERPRISE	

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THREE LAKES WATER & SANITATION DISTRICT
Check Detail - Enterprise Fund
July 2025

Type	Num	Date	Name	Account	Paid Amount
Bill		06/24/2025		5068 · PUBLIC RELATIONS	-6,952.00
TOTAL					-6,952.00
Bill Pmt -Check	38825	07/02/2025	THE GRAND KNUT, LLC	1006a · UBB ENTERPRISE	
Bill		07/02/2025		5070 · REPAIRS & MAINTENANCE	-400.00
				5169 · PLANT - REPAIRS & MAINTENANCE	-400.00
TOTAL					-800.00
Bill Pmt -Check	38826	07/02/2025	USA BLUE BOOK	1006a · UBB ENTERPRISE	
Bill		06/25/2025		5149 · PLANT - LAB	-102.00
TOTAL					-102.00
Bill Pmt -Check	38827	07/02/2025	GRAND LAKE PLUMBING COMPANY	1006a · UBB ENTERPRISE	
Bill		07/02/2025		5190 · SYSTEM REPAIR & MAINTENANCE	-31.59
TOTAL					-31.59
Bill Pmt -Check	38828	07/02/2025	SGS NORTH AMERICA INC.	1006a · UBB ENTERPRISE	
Bill		07/02/2025		5149 · PLANT - LAB	-528.00
TOTAL					-528.00
Bill Pmt -Check	38836	07/10/2025	GRAND COUNTY CLERK & RECORDER	1006a · UBB ENTERPRISE	
Bill		07/10/2025		5063 · RECORDING FEES	-40.00
TOTAL					-40.00
Bill Pmt -Check	38837	07/15/2025	BLACKWELL OIL COMPANY	1006a · UBB ENTERPRISE	
Bill		07/15/2025		5147 · FUEL EXPENSE	-1,290.24
TOTAL					-1,290.24
Bill Pmt -Check	38838	07/15/2025	BROWNS HILL ENGINEERING & CONTROLS, LLC	1006a · UBB ENTERPRISE	

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THREE LAKES WATER & SANITATION DISTRICT
Check Detail - Enterprise Fund
July 2025

Type	Num	Date	Name	Account	Paid Amount
Bill		07/07/2025		5210 · ENGINEERING-Town of GL WW	-1,914.80
TOTAL					-1,914.80
Bill Pmt -Check	38839	07/15/2025	COLLINS COLE FLYNN WINN & ULMER, PLLC	1006a · UBB ENTERPRISE	
Bill		07/15/2025		5067 · LEGAL SERVICE & CONSULTING	-3,531.00
TOTAL					-3,531.00
Bill Pmt -Check	38840	07/15/2025	COLORADO ANALYTICAL LABORATORIES, INC.	1006a · UBB ENTERPRISE	
Bill		07/15/2025		5149 · PLANT - LAB	-238.00
TOTAL					-238.00
Bill Pmt -Check	38841	07/15/2025	DENALI WATER SOLUTIONS LLC	1006a · UBB ENTERPRISE	
Bill		07/07/2025		5185 · PLANT - SLUDGE HAULING	-4,285.79
TOTAL					-4,285.79
Bill Pmt -Check	38842	07/15/2025	FRONT RANGE WINWATER WORKS CO	1006a · UBB ENTERPRISE	
Bill		07/15/2025		5200 · VALVES	-954.77
				5200 · VALVES	-259.17
TOTAL					-1,213.94
Bill Pmt -Check	38843	07/15/2025	GRAND COUNTY CLERK & RECORDER	1006a · UBB ENTERPRISE	
Bill		07/15/2025		5167 · PERMITS & LICENSES	-1.36
TOTAL					-1.36
Bill Pmt -Check	38844	07/15/2025	MOSES, WITTEMYER, HARRISON, & WOODRUFF	1006a · UBB ENTERPRISE	
Bill		07/15/2025		5067 · LEGAL SERVICE & CONSULTING	-338.40
TOTAL					-338.40
Bill Pmt -Check	38845	07/15/2025	MOUNTAIN PARKS ELECTRIC INC	1006a · UBB ENTERPRISE	
Bill		07/15/2025		5208 · PLANT - UTILITIES	-12,583.91

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THREE LAKES WATER & SANITATION DISTRICT
Check Detail - Enterprise Fund
July 2025

Type	Num	Date	Name	Account	Paid Amount
				5198 · UTILITIES - GARAGES (2 EACH)	-52.28
				5090 · UTILITIES - ADMIN BLDG	-413.94
				5198 · UTILITIES - GARAGES (2 EACH)	-155.07
				5197 · UTILITIES - LIFT STATIONS	-7,713.27
TOTAL					-20,918.47
Bill Pmt -Check	38846	07/15/2025	MUNI-LINK	1006a · UBB ENTERPRISE	
Bill		07/15/2025		5061 · COMPUTERS / PRINTERS	-1,670.00
TOTAL					-1,670.00
Bill Pmt -Check	38847	07/15/2025	NAPA AUTO PARTS	1006a · UBB ENTERPRISE	
Bill		07/15/2025		5195 · TRUCK REPAIR & MAINTENANCE	-179.94
				5195 · TRUCK REPAIR & MAINTENANCE	-63.01
TOTAL					-242.95
Bill Pmt -Check	38848	07/15/2025	PVS DX, INC	1006a · UBB ENTERPRISE	
Bill		07/15/2025		5206 · PLANT - CHEMICALS	-699.60
TOTAL					-699.60
Bill Pmt -Check	38849	07/16/2025	DENALI WATER SOLUTIONS LLC	1006a · UBB ENTERPRISE	
Bill		07/15/2025		5185 · PLANT - SLUDGE HAULING	-4,120.35
TOTAL					-4,120.35
Bill Pmt -Check	38850	07/16/2025	GPRS	1006a · UBB ENTERPRISE	
Bill		07/15/2025		6440 · Mainline Interceptor Inspection	-121,000.00
TOTAL					-121,000.00
Bill Pmt -Check	38851	07/16/2025	PERIZZOLO EXCAVATING	1006a · UBB ENTERPRISE	
Bill		07/16/2025		6400 · Systems Improvements	-115,929.25
TOTAL					-115,929.25

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THREE LAKES WATER & SANITATION DISTRICT
Check Detail - Enterprise Fund
July 2025

Type	Num	Date	Name	Account	Paid Amount
Bill Pmt -Check	38852	07/16/2025	SEAN WALSH CONSULTING	1006a · UBB ENTERPRISE	
Bill		07/15/2025		5068 · PUBLIC RELATIONS	-6,352.00
TOTAL					-6,352.00
Bill Pmt -Check	38853	07/16/2025	SGS NORTH AMERICA INC.	1006a · UBB ENTERPRISE	
Bill		07/16/2025		5149 · PLANT - LAB	-528.00
TOTAL					-528.00
Bill Pmt -Check	38854	07/16/2025	GRAND COUNTY CLERK & RECORDER	1006a · UBB ENTERPRISE	
Bill		07/16/2025		5063 · RECORDING FEES	-40.00
TOTAL					-40.00
Bill Pmt -Check	38855	07/21/2025	GRAND COUNTY CLERK & RECORDER	1006a · UBB ENTERPRISE	
Bill		07/21/2025		5063 · RECORDING FEES	-3.00
TOTAL					-3.00
Bill Pmt -Check	38856	07/30/2025	GRAND COUNTY CLERK & RECORDER	1006a · UBB ENTERPRISE	
Bill		07/30/2025		5063 · RECORDING FEES	-3.00
TOTAL					-3.00
Bill Pmt -Check	38857	07/31/2025	BBA WATER CONSULTANTS	1006a · UBB ENTERPRISE	
Bill		07/30/2025		5067 · LEGAL SERVICE & CONSULTING	-1,743.75
TOTAL					-1,743.75
Bill Pmt -Check	38858	07/31/2025	COLORADO ANALYTICAL LABORATORIES, INC.	1006a · UBB ENTERPRISE	
Bill		07/29/2025		5149 · PLANT - LAB	-831.00
TOTAL					-831.00
Bill Pmt -Check	38859	07/31/2025	CULLUM & BROWN	1006a · UBB ENTERPRISE	

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THREE LAKES WATER & SANITATION DISTRICT
Check Detail - Enterprise Fund
July 2025

Type	Num	Date	Name	Account	Paid Amount
Bill		07/29/2025		5169 · PLANT - REPAIRS & MAINTENANCE	-2,134.77
TOTAL					-2,134.77
Bill Pmt -Check	38860	07/31/2025	DENALI WATER SOLUTIONS LLC	1006a · UBB ENTERPRISE	
Bill		07/29/2025		5185 · PLANT - SLUDGE HAULING	-4,343.99
				5185 · PLANT - SLUDGE HAULING	-2,015.77
				5185 · PLANT - SLUDGE HAULING	-2,029.45
TOTAL					-8,389.21
Bill Pmt -Check	38861	07/31/2025	MOUNTAIN PARKS ELECTRIC INC	1006a · UBB ENTERPRISE	
Bill		07/21/2025		5208 · PLANT - UTILITIES	-12,715.27
				5198 · UTILITIES - GARAGES (2 EACH)	-63.06
				5090 · UTILITIES - ADMIN BLDG	-330.15
				5198 · UTILITIES - GARAGES (2 EACH)	-167.40
				5197 · UTILITIES - LIFT STATIONS	-10,720.30
TOTAL					-23,996.18
Bill Pmt -Check	38862	07/31/2025	NAPA AUTO PARTS	1006a · UBB ENTERPRISE	
Bill		07/29/2025		5195 · TRUCK REPAIR & MAINTENANCE	-109.18
Bill		07/29/2025		5195 · TRUCK REPAIR & MAINTENANCE	-63.01
TOTAL					-172.19
Bill Pmt -Check	38863	07/31/2025	POLYDYNE INC	1006a · UBB ENTERPRISE	
Bill		07/29/2025		5206 · PLANT - CHEMICALS	-6,228.00
TOTAL					-6,228.00
Bill Pmt -Check	38864	07/31/2025	SDA-SPECIAL DISTRICT ASSN OF COLORADO	1006a · UBB ENTERPRISE	
Bill		07/29/2025		5040 · DUES / SEMINARS / TRAINING	-415.00
				5037 · DIRECTOR WAGES and EXPENSES	-415.00
				5037 · DIRECTOR WAGES and EXPENSES	-207.50
			NORTH SHORE WATER DISTRICT	1170 · DUE FROM NORTH SHORE WATER	-207.50
TOTAL					-1,245.00
Bill Pmt -Check	38865	07/31/2025	SGS NORTH AMERICA INC.	1006a · UBB ENTERPRISE	

THREE LAKES WATER & SANITATION DISTRICT
Check Detail - Enterprise Fund
July 2025

Type	Num	Date	Name	Account	Paid Amount
Bill		07/29/2025		5149 · PLANT - LAB	-160.00
TOTAL					-160.00
Bill Pmt -Check	38866	07/31/2025	USA BLUE BOOK	1006a · UBB ENTERPRISE	
Bill		07/30/2025		5149 · PLANT - LAB	-366.59
TOTAL					-366.59

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Accrual Basis

THREE LAKES WATER & SANITATION DISTRICT
Account QuickReport
As of July 31, 2025

Type	Date	Num	Split	Amount
1006 · UNITED BUSINESS BANK				
1006a · UBB ENTERPRISE				
Paycheck	07/01/2025	DD	-SPLIT-	-3,682.18
Paycheck	07/01/2025	DD	-SPLIT-	-3,277.00
Paycheck	07/01/2025	DD	-SPLIT-	-2,431.47
Paycheck	07/01/2025	DD	-SPLIT-	-2,401.75
Paycheck	07/01/2025	DD	-SPLIT-	-2,716.59
Paycheck	07/15/2025	DD	-SPLIT-	-3,628.19
Paycheck	07/15/2025	DD	-SPLIT-	-3,164.11
Paycheck	07/15/2025	DD	-SPLIT-	-2,213.44
Paycheck	07/15/2025	DD	-SPLIT-	-2,327.74
Paycheck	07/15/2025	DD	-SPLIT-	-3,129.76
Paycheck	07/29/2025	DD	-SPLIT-	-3,682.19
Paycheck	07/29/2025	DD	-SPLIT-	-3,884.35
Paycheck	07/29/2025	DD	-SPLIT-	-2,281.51
Paycheck	07/29/2025	DD	-SPLIT-	-2,409.79
Paycheck	07/29/2025	DD	-SPLIT-	-3,116.06
Total 1006a · UBB ENTERPRISE				-44,346.13
1006b · UBB GOVERNMENT				
Paycheck	07/01/2025	DD	-SPLIT-	-2,547.76
Paycheck	07/01/2025	DD	-SPLIT-	-3,920.92
Paycheck	07/15/2025	DD	-SPLIT-	-2,720.47
Paycheck	07/15/2025	DD	-SPLIT-	-3,846.92
Paycheck	07/29/2025	DD	-SPLIT-	-2,586.04
Paycheck	07/29/2025	DD	-SPLIT-	-3,920.93
Total 1006b · UBB GOVERNMENT				-19,543.04
Total 1006 · UNITED BUSINESS BANK				-63,889.17
TOTAL				-63,889.17

THREE LAKES WATER & SANITATION DISTRICT
Profit & Loss Budget Performance - Enterprise Fund
July 2025

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Accrual Basis

	<u>Jul 25</u>	<u>Jan - Jul 25</u>	<u>% of Budget</u>	<u>Annual Budget</u>
Ordinary Income/Expense				
Income				
IGA-INTERGOVERNMENTAL AGREEMENTS				
4040 · COLUMBINE LAKE WATER IGA	6,373.00	44,611.00	55.23%	80,776.00
4047 · NORTH SHORE WATER IGA	4,010.00	27,997.00	54.77%	51,120.00
4050 · GRAND LAKE METRO DISTRICT IGA	107.00	749.00	54.75%	1,368.00
Total IGA-INTERGOVERNMENTAL AGREEMENTS	10,490.00	73,357.00	55.05%	133,264.00
4005 · SEWER USER FEES & PENALTIES	625,111.60	1,891,830.46	76.82%	2,462,840.00
4010 · CONNECTION / INSPECTION PERMITS	50.00	400.00	53.33%	750.00
4030 · LAB REVENUE	735.00	12,515.00	54.41%	23,000.00
4200 · SEWER TAP FEES	21,000.00	204,846.52	97.55%	210,000.00
4201 · Valves income	206.52	1,445.64	42.83%	3,375.00
4300 · INTEREST EARNED	30,863.91	206,252.25	53.67%	384,300.00
4900 · MISCELLANEOUS REVENUE	900.00	9,570.00	95.7%	10,000.00
4910 · Returned Check Charges	0.00	-315.00	-63.0%	500.00
Total Income	689,357.03	2,399,901.87	74.35%	3,228,029.00
Gross Profit	689,357.03	2,399,901.87	74.35%	3,228,029.00
Expense				
ADMINISTRATIVE EXPENSES				
BOARD OF DIRECTOR FEES/EXPENSES				
5037 · DIRECTOR WAGES and EXPENSES	1,563.45	5,583.45	34.33%	16,265.00
5038 · DIRECTOR TAXES - SOC SEC/MEDICA	0.00	229.40	49.33%	465.00
Total BOARD OF DIRECTOR FEES/EXPENSES	1,563.45	5,812.85	34.75%	16,730.00
OFFICE EXPENSES				
5025 · BANK SERVICE CHARGES	0.00	155.00	51.67%	300.00
5040 · DUES / SEMINARS / TRAINING	500.00	1,962.50	65.42%	3,000.00
5050 · EQUIPMENT/MAINTENANCE AGREEMENT	424.26	1,551.68	35.03%	4,430.00
5060 · POSTAGE & BOX RENT	5.00	5,920.99	84.59%	7,000.00
5061 · COMPUTERS / PRINTERS	6,151.98	27,239.31	49.01%	55,582.00

	Jul 25	Jan - Jul 25	% of Budget	Annual Budget
5062 · PRINTING & PUBLICATIONS	30.48	453.17	22.66%	2,000.00
5063 · RECORDING FEES	86.00	152.00	76.0%	200.00
5070 · REPAIRS & MAINTENANCE	400.00	3,000.00	50.85%	5,900.00
5075 · TELEPHONE/INTERNET	114.18	3,344.63	77.69%	4,305.00
5090 · UTILITIES - ADMIN BLDG	834.36	4,957.05	65.2%	7,603.00
5170 · PROPERTY REPAIR & MAINTENANCE	25.98	2,302.91	5.12%	45,000.00
Total OFFICE EXPENSES	8,572.24	51,039.24	37.72%	135,320.00
5023 · ACCOUNTANT SERVICES	0.00	900.00	11.25%	8,000.00
5047 · INSURANCE EXPENSE	0.00	0.00	0.0%	75,093.00
5065 · AUDIT & CONSULTING	0.00	7,100.00	51.52%	13,781.00
5067 · LEGAL SERVICE & CONSULTING	5,613.15	46,981.09	78.3%	60,000.00
5202 · WATER RIGHTS	0.00	2,000.00	100.0%	2,000.00
Total ADMINISTRATIVE EXPENSES	15,748.84	113,833.18	36.61%	310,924.00
OPERATING EXPENSES				
5148 · LAB - DRINKING WATER	0.00	4,925.96	35.19%	14,000.00
5149 · PLANT - LAB	2,675.44	18,712.25	46.78%	40,000.00
5185 · PLANT - SLUDGE HAULING	16,795.35	29,550.70	45.46%	65,000.00
Total OPERATING EXPENSES	19,470.79	53,188.91	44.7%	119,000.00
OPERATIONS EXPENSES				
FIELD EXPENSES				
5140 · EQUIPMENT REPAIR & MAINTENANCE	0.00	0.00	0.0%	5,000.00
5147 · FUEL EXPENSE	1,290.24	7,358.69	29.44%	25,000.00
5150 · LOCATES	0.00	619.96	31.0%	2,000.00
5195 · TRUCK REPAIR & MAINTENANCE	1,199.76	4,025.87	57.51%	7,000.00
5197 · UTILITIES - LIFT STATIONS	18,433.57	51,284.27	50.78%	101,000.00
Total FIELD EXPENSES	20,923.57	63,288.79	45.21%	140,000.00
OFFICE/SHOP EXPENSES				
5076 · CELL PHONE	98.90	763.97	50.93%	1,500.00
5136 · DUES / TRAINING /PUBLICATIONS	180.00	2,661.48	53.23%	5,000.00
5160 · OFFICE SUPPLIES	0.00	83.87	8.39%	1,000.00
5161 · COMPUTERS / PRINTERS	2,967.00	17,958.70	131.46%	13,661.00
5167 · PERMITS & LICENSES	1.36	1.36	0.01%	10,000.00

	Jul 25	Jan - Jul 25	% of Budget	Annual Budget
5183 · SHOP SUPPLIES	16.98	793.48	19.84%	4,000.00
5192 · TOOLS	35.94	245.28	4.91%	5,000.00
5196 · UNIFORM EXPENSES	135.37	271.83	10.87%	2,500.00
5198 · UTILITIES - GARAGES (2 EACH)	437.81	2,321.31	82.9%	2,800.00
Total OFFICE/SHOP EXPENSES	3,873.36	25,101.28	55.22%	45,461.00
PAYROLL EXPENSES - OPERATIONS				
5120 · PAYROLL WAGES	58,024.24	283,089.89	53.66%	527,574.00
5121 · ICMA 401 - EMPLOYEE PENSION	4,072.26	19,930.58	53.97%	36,930.00
5122 · ICMA 457 - EMPLOYEE RETIREMENT	4,450.43	21,781.40	53.97%	40,359.00
5123 · MEDICARE TAX	1,297.44	6,440.52	84.19%	7,650.00
5125 · STATE UNEMPLOYMENT TAX	0.00	399.76	25.25%	1,583.00
5134 · DENTAL INSURANCE	479.00	2,780.82	50.71%	5,484.00
5135 · DISABILITY INSURANCE	392.40	2,341.48	43.22%	5,418.00
5145 · HEALTH & LIFE INSURANCE	11,432.98	63,328.05	58.7%	107,882.00
5146 · FAMLI OPERATIONS	0.00	0.00	0.0%	2,374.00
Total PAYROLL EXPENSES - OPERATIONS	80,148.75	400,092.50	54.42%	735,254.00
TREATMENT PLANT				
5169 · PLANT - REPAIRS & MAINTENANCE	2,562.31	37,375.50	31.15%	120,000.00
5206 · PLANT - CHEMICALS	8,676.60	36,390.00	40.43%	90,000.00
5207 · PLANT - TELEPHONE	0.00	503.67	100.73%	500.00
5208 · PLANT - UTILITIES	26,447.37	95,580.98	42.48%	225,000.00
Total TREATMENT PLANT	37,686.28	169,850.15	39.0%	435,500.00
5138 · ENGINEERING - GENERAL	0.00	1,274.00	6.37%	20,000.00
5152 · MISCELLANEOUS EXPENSE	0.00	0.00	0.0%	1,000.00
5162 · SCADA SOFTWARE/EQUIPMENT LEASE	73.57	12,580.87	50.32%	25,000.00
5190 · SYSTEM REPAIR & MAINTENANCE	31.59	43,405.76	36.17%	120,000.00
5200 · VALVES	1,213.94	1,213.94	20.23%	6,000.00
5210 · ENGINEERING-Town of GL WW	1,914.80	40,425.30	12.77%	316,489.00
Total OPERATIONS EXPENSES	145,865.86	757,232.59	41.05%	1,844,704.00
Total Expense	181,085.49	924,254.68	40.63%	2,274,628.00
Net Ordinary Income	508,271.54	1,475,647.19	154.78%	953,401.00
Other Income/Expense				

	Jul 25	Jan - Jul 25	% of Budget	Annual Budget
Other Expense				
6400 · Systems Improvements	115,929.25	115,929.25	46.37%	250,000.00
6420 · VEHICLE PURCHASE	0.00	0.00	0.0%	150,000.00
6430 · COPPER LOAN PRINCIPAL	0.00	0.00	0.0%	144,098.00
6440 · Mainline Interceptor Inspection	121,000.00	121,000.00	83.45%	145,000.00
6450 · Septic-to-Sewer Conversion Proj	0.00	0.00	0.0%	1,000,000.00
Total Other Expense	236,929.25	236,929.25	14.03%	1,689,098.00
Net Other Income	-236,929.25	-236,929.25	14.03%	-1,689,098.00
Net Income	271,342.29	1,238,717.94	-168.37%	-735,697.00

THREE LAKES WATER & SANITATION DISTRICT
Profit & Loss Budget Performance - Government Fund
July 2025

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Accrual Basis

	<u>Jul 25</u>	<u>Jan - Jul 25</u>	<u>% of Budget</u>	<u>Annual Budget</u>
Ordinary Income/Expense				
Income				
MILL LEVY				
4110 · PROPERTY TAX - ADMINISTRATION	59,768.03	278,475.55	100.15%	278,063.00
4120 · SPECIFIC OWNERSHIP TAX	1,664.32	8,015.91	50.1%	16,000.00
4130 · DELINQUENT TAX	0.00	5,811.81	415.13%	1,400.00
4310 · INTEREST EARNED - COUNTY	66.58	110.21	22.04%	500.00
Total MILL LEVY	<u>61,498.93</u>	<u>292,413.48</u>	<u>98.8%</u>	<u>295,963.00</u>
Total Income	<u>61,498.93</u>	<u>292,413.48</u>	<u>98.8%</u>	<u>295,963.00</u>
Gross Profit	61,498.93	292,413.48	98.8%	295,963.00
Expense				
ADMINISTRATIVE EXPENSES				
PAYROLL EXPENSES - ADMIN				
5015 · PAYROLL WAGES	24,944.63	125,663.27	58.15%	216,098.00
5016 · ICMA 457 - EMPLOYEE RETIREMENT	1,908.26	9,520.37	57.59%	16,532.00
5017 · MEDICARE TAX	0.00	0.00	0.0%	3,133.00
5019 · STATE UNEMPLOYMENT TAX	0.00	0.00	0.0%	648.00
5021 · ICMA 401 - EMPLOYEE PENSION	1,746.12	8,711.43	54.02%	16,127.00
5045 · HEALTH & LIFE INSURANCE	4,491.66	30,908.62	57.34%	53,900.00
5048 · DENTAL INSURANCE - ADMIN	200.00	1,392.00	46.4%	3,000.00
5049 · DISABILITY INSURANCE	132.98	930.86	41.95%	2,219.00
5056 · FAMLI ADMIN	748.10	2,941.36	302.61%	972.00
PAYROLL EXPENSES - ADMIN - Other	<u>0.00</u>	<u>2.40</u>		
Total PAYROLL EXPENSES - ADMIN	<u>34,171.75</u>	<u>180,070.31</u>	<u>57.6%</u>	<u>312,629.00</u>
5018 · CAR ALLOWANCE / MILEAGE - ADMIN	0.00	363.80	36.38%	1,000.00
5030 · CNTY TREASURER FEES - MILL LEVY				
5030a · Cty Treas Fees Mill Levy (Ent)	0.00	14.70		
5030b · Cty Treas Fee Mill Levy (Govt)	<u>2,710.42</u>	<u>13,144.44</u>	<u>93.89%</u>	<u>14,000.00</u>

	Jul 25	Jan - Jul 25	% of Budget	Annual Budget
Total 5030 · CNTY TREASURER FEES - MILL LEVY	2,710.42	13,159.14	93.99%	14,000.00
5042 · ELECTION EXPENSE	0.00	3,556.93	118.56%	3,000.00
5055 · MISCELLANEOUS EXPENSE	0.00	1,801.01	60.03%	3,000.00
5057 · OFFICE SUPPLIES	0.00	852.80	28.43%	3,000.00
Total ADMINISTRATIVE EXPENSES	36,882.17	199,803.99	59.35%	336,629.00
Total Expense	36,882.17	199,803.99	59.35%	336,629.00
Net Ordinary Income	24,616.76	92,609.49	-227.73%	-40,666.00
Net Income	24,616.76	92,609.49	-227.73%	-40,666.00

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Accrual Basis

THREE LAKES WATER & SANITATION DISTRICT

Balance Sheet Prev Year Comparison

As of July 31, 2025

	Jul 31, 25	Jul 31, 24	\$ Change	% Change
ASSETS				
Current Assets				
Checking/Savings				
1004 - PETTY CASH	400.00	400.00	0.00	0.0%
1005 - CASH WITH TREASURER	1,183.82	0.00	1,183.82	100.0%
1006 - UNITED BUSINESS BANK				
1006a - UBB ENTERPRISE	401,043.20	623,824.46	-222,781.26	-35.7%
1006b - UBB GOVERNMENT	-32,414.96	0.00	-32,414.96	-100.0%
1006 - UNITED BUSINESS BANK - Other	-838.88	0.00	-838.88	-100.0%
Total 1006 - UNITED BUSINESS BANK	367,789.36	623,824.46	-256,035.10	-41.0%
1009 - COLO TRUST				
1009a - COLOTRUST - CASH AVAILABLE	5,228,185.67	4,714,772.83	513,412.84	10.9%
1009b - COLO TRUST - GOVT RESERVE	10,000.00	10,000.00	0.00	0.0%
1009c - COLO TRUST - OPERATING RESERVE	1,708,605.00	1,708,605.00	0.00	0.0%
1009d - COLO TRUST - CWRPDA RESTRICTED	380,000.00	380,000.00	0.00	0.0%
1009e - COLO TRUST - CWRPDA RESTRICTED2	370,000.00	370,000.00	0.00	0.0%
1009f - COLO TRUST - GOVT FUND	188,453.45	188,453.45	0.00	0.0%
1009 - COLO TRUST - Other	398,049.89	0.00	398,049.89	100.0%
Total 1009 - COLO TRUST	8,283,294.01	7,371,831.28	911,462.73	12.4%
1010 - CSAFE				
1010a - C-SAFE - CASH AVAILABLE	36,251.17	35,247.19	1,003.98	2.9%
1010 - CSAFE - Other	665.08	0.00	665.08	100.0%
Total 1010 - CSAFE	36,916.25	35,247.19	1,669.06	4.7%
1028 - GRAND COUNTY IGA ESCROW FUND				
1028a - UBB- ESCROW	10,030.76	10,040.31	-9.55	-0.1%
1028 - GRAND COUNTY IGA ESCROW FUND - Other	35.23	0.00	35.23	100.0%
Total 1028 - GRAND COUNTY IGA ESCROW FUND	10,065.99	10,040.31	25.68	0.3%
Total Checking/Savings	8,699,649.43	8,041,343.24	658,306.19	8.2%
Accounts Receivable				
ACCOUNTS RECEIVABLE - OTHER	10,500.00	0.00	10,500.00	100.0%
1040 - A/R - CERTIFIED TO COUNTY	40,879.14	1,840.17	39,038.97	2,121.5%
1045 - A/R - OTHER	92,919.76	13,494.27	79,425.49	588.6%
1060 - PROPERTY TAXES RECEIVABLE	278,063.00	274,638.00	3,425.00	1.3%
Total Accounts Receivable	422,361.90	289,972.44	132,389.46	45.7%
Other Current Assets				
1030 - A/R - USER FEES	287,345.03	129,310.29	158,034.74	122.2%
1070 - PREPAID INSURANCE	81,952.00	68,338.00	13,614.00	19.9%
1160 - INVENTORY - SHOP SUPPLIES	31,697.59	28,697.59	3,000.00	10.5%
1165 - INVENTORY - LAB SUPPLIES	9,595.75	6,595.75	3,000.00	45.5%
1170 - DUE FROM NORTH SHORE WATER	-1,076.82	-772.36	-304.46	-39.4%
1180 - DUE FROM COLUMBINE LAKE WATER	-48.49	-952.99	904.50	94.9%
Total Other Current Assets	409,465.06	231,216.28	178,248.78	77.1%
Total Current Assets	9,531,476.39	8,562,531.96	968,944.43	11.3%
Fixed Assets				
FIXED ASSETS				
1300 - Assets Not Depreciated	234,127.13	234,127.13	0.00	0.0%
1340 - UTILITY PLANT IN SERVICE	32,596,473.02	32,490,290.84	106,182.18	0.3%
1380 - OFFICE FUNITURE & EQUIPMENT	30,607.67	30,607.67	0.00	0.0%
1400 - PROPERTY IMPROVEMENTS	967,709.00	967,709.00	0.00	0.0%

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Accrual Basis

THREE LAKES WATER & SANITATION DISTRICT

Balance Sheet Prev Year Comparison

As of July 31, 2025

	Jul 31, 25	Jul 31, 24	\$ Change	% Change
1430 - CAD MAPS	194,759.33	194,759.33	0.00	0.0%
1450 - Plant Expansion	10,008,589.00	10,008,589.00	0.00	0.0%
1550 - Vehicles & Equipment	1,562,929.17	1,562,929.17	0.00	0.0%
Total FIXED ASSETS	45,595,194.32	45,489,012.14	106,182.18	0.2%
1691 - LESS ACCUMULATED DEPRECIATION	-29,997,831.87	-29,158,636.30	-839,195.57	-2.9%
Total Fixed Assets	15,597,362.45	16,330,375.84	-733,013.39	-4.5%
Other Assets				
1870 - SECURITY DEPOSITS	177,753.00	177,753.00	0.00	0.0%
Total Other Assets	177,753.00	177,753.00	0.00	0.0%
TOTAL ASSETS	25,306,591.84	25,070,660.80	235,931.04	0.9%
LIABILITIES & EQUITY				
Liabilities				
Current Liabilities				
Accounts Payable				
2005 - ACCOUNTS PAYABLE	5,419.74	48,718.29	-43,298.55	-88.9%
Total Accounts Payable	5,419.74	48,718.29	-43,298.55	-88.9%
Other Current Liabilities				
CURRENT LIABILITIES				
PAYROLL LIABILITIES				
2011 - MEDICARE TAX PAYABLE	882.42	2,496.74	-1,614.32	-64.7%
2020 - FEDERAL WITHHOLDING TAX PAYABLE	3,694.00	9,311.00	-5,617.00	-60.3%
2030 - STATE WITHHOLDING TAX PAYABLE	6,396.00	10,916.00	-4,520.00	-41.4%
2040 - STATE UNEMPLOYMENT TAX PAYABLE	70.33	798.56	-728.23	-91.2%
2050 - ICMA 457 PAYABLE	2,502.47	5,214.49	-2,712.02	-52.0%
2055 - ICMA 401 PAYABLE	3,099.44	3,724.91	-625.47	-16.8%
2056 - ROTH PAYABLE	270.00	500.00	-230.00	-46.0%
2065 - EMPLOYEE SEWER PAYMENTS PAYABLE	3,980.00	0.00	3,980.00	100.0%
2070 - HEALTH, ETC INSURANCE PAYABLE	-298.37	116.43	-414.80	-356.3%
2080 - PAID FAMILY LEAVE	2,200.14	0.00	2,200.14	100.0%
2100 - WAGES PAYABLE - ACCRUED	135.00	0.00	135.00	100.0%
2110 - VACATION PAYABLE - ACCRUED	45,457.02	0.00	45,457.02	100.0%
2150 - SICK PAY PAYABLE	6,793.44	-19,360.16	26,153.60	135.1%
PAYROLL LIABILITIES - Other	2.40	42.00	-39.60	-94.3%
Total PAYROLL LIABILITIES	75,184.29	13,759.97	61,424.32	446.4%
2200 - DEFERRED PROPERTY TAXES	278,063.00	274,638.00	3,425.00	1.3%
2210 - UNEARNED USER FEES	21,293.42	17,269.48	4,023.94	23.3%
Total CURRENT LIABILITIES	374,540.71	305,667.45	68,873.26	22.5%
Total Other Current Liabilities	374,540.71	305,667.45	68,873.26	22.5%
Total Current Liabilities	379,960.45	354,385.74	25,574.71	7.2%
Long Term Liabilities				
LONG TERM LIABILITIES				
2190 - CWRPDA INTEREST PAYABLE	14,424.19	0.00	14,424.19	100.0%
2505A - CWRPDA LOAN PAYABLE	1,079,589.68	1,218,377.14	-138,787.46	-11.4%
2505B - CWRPDA LOAN PAYABLE-COPPER	2,666,737.91	2,704,974.65	-38,236.74	-1.4%
Total LONG TERM LIABILITIES	3,760,751.78	3,923,351.79	-162,600.01	-4.1%
Total Long Term Liabilities	3,760,751.78	3,923,351.79	-162,600.01	-4.1%
Total Liabilities	4,140,712.23	4,277,737.53	-137,025.30	-3.2%
Equity				

THREE LAKES WATER & SANITATION DISTRICT
Balance Sheet Prev Year Comparison
As of July 31, 2025

	Jul 31, 25	Jul 31, 24	\$ Change	% Change
FUND BALANCE				
3103 - INVESTMENT IN CAPITAL ASSETS	11,762,034.87	12,319,964.90	-557,930.03	-4.5%
3105 - UNRESERVED UNDESIG FUND BALANCE	7,408,474.13	6,342,983.13	1,065,491.00	16.8%
3115 - DESIGNATED FUND BALANCE	10,000.00	10,000.00	0.00	0.0%
Total FUND BALANCE	19,180,509.00	18,672,948.03	507,560.97	2.7%
32000 - RETAINED EARNINGS	736,331.14	507,560.97	228,770.17	45.1%
Net Income	1,249,039.47	1,612,414.27	-363,374.80	-22.5%
Total Equity	21,165,879.61	20,792,923.27	372,956.34	1.8%
TOTAL LIABILITIES & EQUITY	25,306,591.84	25,070,660.80	235,931.04	0.9%

August 2025

Superintendent Report

Lift Stations /Call Outs:

All lift stations are operating normally with regular checks and maintenance.

Treatment Plant:

Operating normally.

The digester blower has been repaired and is operational.

I am still working on the permit renewal which includes some updates to the original 2019 renewal application. I am expecting to have a new permit sometime this summer.

Water Systems:

North Shore: Operating normally.

Columbine: Operating normally.

Other

Perizzolo Excavating has completed the line replacement behind Kirk's Fly Shop.

Mike



August 5, 2025

To: Board of Directors
From: Katie Nicholls, District Manager
RE: District Manager Update

EPA

I had a call with the EPA on July 31st and received some updates that look positive. Environmental review is looking straightforward and easy. They expect to be able to get it wrapped up next week with the Categorical Exclusion approved, signed off and published as required. Our legal procurement flexibility remains under review. Engineering procurement flexibility will not be officially reviewed until the engineering has been approved by the Board. This is a change of previous discussions with the EPA, but it has been added to the agenda to speed along the process. Once these items have been completed, we will be able to update the workplan and budget and officially put in our application.

SRF Loan – Heat Trace Replacement Project

The Project Needs Assessment (PNA) process was officially submitted on Tuesday. The review process typically takes two months to complete.

Budgeting – Legal Costs 2026

As part of the budgeting process, I reach out wherever possible to get more accurate information. I have started this endeavor with many inquiries already sent out. Legal has informed me that with the SRF loan for the heat tape replacement, septic to sewer project hopefully starting next year, a possible de-brucing election, and the ongoing lawsuit the high end would be \$80-\$90k. While hopefully it doesn't get that high in reality, I always budget for the high end and I wanted to make the Board aware.

Office Drainage

Cold Creek Excavation is anticipating starting construction on the drainage project in early September. The project is expected to take about 2 weeks to complete.