

RECORD OF PROCEEDINGS

MINUTES OF SPECIAL MEETING OF THE BOARD OF DIRECTORS THREE LAKES WATER AND SANITATION DISTRICT

HELD

Monday, November 6, 2017
9:00 a.m. at the Administration Building
1111 County Road 48
Grand Lake, CO 80447

A special meeting of the Board of Directors of the Three Lakes Water and Sanitation District was held in accordance with the applicable Statutes of the State of Colorado.

The following Directors were present and acting:

Julie Gasner
Pat Farmer
Dan Knox
Les Shankland
Matt Reed

Others present: Attorney Carolyn Steffi, Emily Allen, Dan Phipps
Staff: Sally Blea, Katie Nicholls, Mike Gibboni
Public present: 9:30 am Will O'Donnell, 10:30 am Jo Cowgill, 12:50 am Jed Dindinger

CALL TO ORDER

Chairman Knox called the meeting to order and announced that the special meeting was called for the purpose of discussing an updated asset management plan and 30-year capital improvement for strategic planning purposes, septic systems, and subdivisions not serviced.

REVIEW OF UPDATED ASSET MANAGEMENT PLAN

Emily Allen and Dan Phipps from Kennedy/Jenks presented a current condition assessment of existing facilities. The probability of failure and consequence of failure, and a priority list for repairs, were discussed regarding the District's 116 lift stations. Full facility replacement of development lift stations are projected at \$700,000 a station, while individual lift stations could go up to \$250,000 per station depending upon station specifics. Replacement of pumps and interior piping are projected at \$50,000 per station for development lift stations and \$20,000 for individual lift stations. The anticipated life for lift stations and the components associated thereof were also discussed. As many of the lift stations were installed at the same time, and are older than 30 years old, capital Improvement expenditures could significantly spike in the years 2037 and 2044.

The Board discussed the cost of replacement, ownership, and if benefits would come from having dual pumping systems for individual lift stations. They also discussed the SCADA system and the likelihood of getting every station on board.

Emily also elaborated on the current state of the collection system and the associated maintenance. The majority of the collection system was installed in the early 1980's with the Town of Grand Lake predating those dates. District staff cleans and videos the sewer mains on a regularly scheduled plan. If a defect is detected, replacement or rehabilitation is performed by a contractor. The highest risk sewer lines are those with heat tracer wire (994 linear feet), shallow sanitary lines (1,661 linear feet), and creek crossings (6,856 linear feet.) Replacement and/or repair of gravity systems pipes are projected at \$50 per linear foot or \$150 per linear foot

for removal and replacement. Cost projections for manhole lining replacement is \$6,000 and \$15,000 manhole replacement. The anticipated service life of pipelines and manholes and the components associated thereof for gravity systems were also discussed. Capital improvement expenditures are projected to spike in the years 2029 and 2039.

The Board discussed the depth of lines, usefulness of lining CIPP pipes, washout potential on creek crossings and solutions in those circumstances. The state of the Reserve account and the funding necessary in anticipation of the repairs and replacements of the lift stations and collection system was discussed.

Emily stated that the wastewater treatment plant is expected to function at current capacity beyond the 30-year Capital Improvement Plan. However, she did note that the new regulations could affect the life expectancy of the plant. New copper compliance regulations have applied lower limits on the allowed amount of potentially dissolved copper which will require the District to make changes in order to comply. She then reviewed the various options that their company has been pursuing on the District's behalf, which include building onto the wastewater treatment plant for treatment, working with Northern Water Conservancy during their nutrient removal efforts at Windy Gap, and relocating the discharge location of the plant.

The Board discussed the design capacity of the plant, and if the SFE capacity originally listed at the time of the plant's construction is still accurate, with Mike noting that he did not believe that the sewer plant could operate at the full capacity applied to it. They also discussed the various options for compliance with the potentially dissolved copper regulations, noting the costs and timelines that must be met with each option. The Board directed Kennedy/Jenks to provide cost estimates for the compliance so that an engineering estimated cost could be budgeted in the upcoming budget.

SEPTIC VS SANITATION SYSTEM

After a lunch break the Board reconvened. Chairman Knox introduced Jed Dindinger with High Country Soils. Jed presented on the current county regulations on septic systems, referred to as on-site waste water systems. New regulations went into effect in 2014 due to new technology in the form of pressurized and advanced treatment systems. He reviewed the current county setback requirements. In some subdivisions within the county the amount of wells and septic systems installed within the minimum setbacks of each other has created a problem to the point that some wells have tested positive for e-coli. On smaller lots, setback requirements have the potential of rendering a neighbor's lot unbuildable. Costs for a septic system range from \$16,000 to \$30,000 depending upon the system type installed. The most expensive system available is the advanced treatment system, which requires the owners to be more active, as well as annual inspections which are reported to the county. Some manufacturers estimate the life of septic systems to be 30 to 35 years, however chemistry, medications and soaps used, inconsistent use, and biologic life can greatly affect the life of a septic system.

Jed discussed the importance of proper installation of septic systems to avoid potential failure. Holding tanks are no longer allowed, but do exist within the county. Replacement of existing septic systems can be difficult on some lots, particularly in relation to setbacks. He noted that he has found cases of failed septic systems in the county and Grand Lake. Tanks are available in various materials, but concrete is the best choice in most scenarios as it holds up best in the local terrain and soil. He noted that his company's inspection standards exceed the county inspection requirements which he considers lenient.

The Board discussed current variances and the District's inspection requirements. The county, who it was noted is ultimately responsible for septic systems, does not require someone certified to inspect. Inspections are only required from systems installed in 1996 or newer, in new subdivisions; most systems are older than 1996. It was noted that failure of septic systems often occurs upon improper installation. Methods of detection of failure, including using a camera on the line were discussed.

CURRENT TEMPORARY VARIANCES – AGE ANALYSIS

After a brief break the Board reconvened. Sally stated that in order to complete an age analysis, the current temporary variance list will have to be cross-referenced with the county assessor's site. The actual date that the septic system was installed cannot easily be determined, but can be estimated based upon the year the structure was built.

The Board discussed the different requirements of temporary variances based upon issue date. Older variances have no expiration date or expire at sale. All variances expire upon failure, however notification of the failure is the responsibility of the owner. The county does not notify the District of repair permits, nor do they have the staff to do so. Inspection requirements and standardizing an inspection form for use by the inspector, were discussed. The Board directed staff to provide a report in December.

REVIEW OF SUBDIVISIONS NOT SERVICED

Sally stated that in light of the information provided by Jed Dindinger earlier, the Board will have to consider future service to those areas not serviced, differently than anticipated, including exclusion. A 2010 study estimated the cost of connecting Sunset Point, Schultz, Busse Hill and Scanloch subdivisions at \$4,300,000. The Board discussed updating the study with current costs, options such as creating a community septic system, and grant possibilities.

The Board discussed inspection requirements and if the District should contract for the inspections with repayment by the owner. They also discussed the potential of allowing variances for new advanced septic systems in the instance of line extensions.

With no further business before the Board, the meeting was adjourned at 3:00 p.m.



Sally J Blea, Reporting Secretary



Julie Gasner, Secretary/Treasurer