

**CORTEZ SANITATION DISTRICT  
REGULAR BOARD MEETING  
2908 SOUTH BROADWAY  
December 12, 2016  
6:00 p.m.**

**1. CALL TO ORDER / OPENING PLEDGE OF ALLEGIANCE**

The meeting was called to order at 6:02 p.m. at the District Administrative Office by Board President Ryan Griglak. The Board members present were Jim Candelaria, Ryan Griglak, Jim Fisher, Micah Mobley and Ernest Maness. Also present were Office Manager Debbie Cuckie and Secretary Kelly Jackson. In the audience was:

<u>Name</u>	<u>Company or Topic Represented</u>
Stephanie Alderton	The Journal
Lana Waters	D & L Construction
Brian Edwards	Superior Interiors, 1010 N. Broadway
Ralph Wegner	Montezuma County Hospital District
Jan Grogan	New Cortez Sanitation District Manager

**2. PUBLIC HEARINGS**

**a. Plant Investment Fees: Proposed Rate Changes**

No one came forward to speak.

**b. Service Fees: Proposed Rate Increase for 2017**

No one came forward to speak.

**c. 2016 Proposed Amended Budget**

No one came forward to speak.

**d. 2017 Proposed Budget**

No one came forward to speak.

**3. CONSIDERATION OF THE MINUTES**

**a. Regular Meeting November 14, 2016**

**b. Special Meetings November 30, 2016 and December 2, 2016**

The minutes of the Regular Board Meeting held November 14, 2016 and the Special Board Meetings held November 30, 2016 and December 2, 2016 were presented to the Board. Mr. Candelaria made a motion to approve the minutes as presented. Mr. Mobley seconded the motion. The vote was as follows:

Griglak	Candelaria	Fisher	Maness	Mobley
yes	yes	yes	yes	yes

**4. CONSIDERATION OF THE EXPENSE VOUCHERS**

The list of bills and accounts was presented to the Board for approval. A list of additional bills was also submitted. Mr. Mobley made a motion to approve the bills as presented for a total of \$87,141.51. Mr. Fisher seconded the motion. The vote was as follows:

Griglak	Candelaria	Fisher	Maness	Mobley
yes	yes	yes	yes	yes

**5. AUDIENCE PARTICIPATION AND COMMUNICATION**

No one came forward to speak.

**6. BUSINESS OF THE BOARD**

**a. D & L pay request #5 for the Ash Area Project**

D & L Construction has submitted pay request #5 in the amount of \$113,248.08 for work completed in November on the Ash Area Project. The project is nearing completion with only a few small items left to be done.

Mr. Candelaria made a motion to approve D & L pay request #5 in the amount of \$113,248.08 for the Ash Area Project. Mr. Mobley seconded the motion. The vote was as follows:

Griglak	Candelaria	Fisher	Maness	Mobley
yes	yes	yes	yes	yes

**b. Ralph Wegner of Montezuma County Hospital District regarding Line Extension**

Ralph Wegner, representing the Montezuma County Hospital District, addressed the Board regarding the private sewer line, approximately 400-500 feet, that the Hospital District is requesting that the Sanitation District take over ownership. Staff has inspected the private line and communicated with Mr. Candelaria on the condition of the lines and any possible problems that may arise in the future due to the condition.

Also, the Hospital District is anticipating a line extension, approximately 1100-1200 feet, during the construction of the hospital expansion project. With the Cortez Sanitation District's approval the Hospital District's Board of Directors will review the necessary documents and Mr. Wegner will submit the signed documents to the Sanitation District.

Mr. Candelaria made a motion to approve the ownership of the Montezuma County Hospital District's private sewer line with the upgrade of a manhole that needs to have a cone/barrel section added, invert placed and coated with Xypex or epoxy to bring it up to the District's standards.

Mr. Fisher seconded the motion. The vote was as follows:

Griglak	Candelaria	Fisher	Maness	Mobley
yes	yes	yes	yes	yes

**c. Owner of 1010 N. Broadway request for flat rate on his business**

Brian Edwards, owner of 1010 N. Broadway states he negotiated a flat monthly rate with the previous District Manager in 2013 on his granite counter top business, Superior Interiors. In January 2016 the District changed over from flat rate billing to consumption based billing for commercial properties. Mr. Edwards feels the District should continue to honor the negotiated flat rate.

After discussion the Board decided to table the issue until further research could be done.

**d. Mill Levy Certification**

In 2015 the Board determined that the District had received excess property tax revenues and that a temporary property tax credit was the most reasonable method to refund the excess property taxes previously collected to the District's taxpayers. Per Resolution 3 Series 2015 adopted by the Board of Directors on June 8, 2015, for the purpose of effecting a refund of excess property tax, there is hereby established a temporary property tax credit and mill levy rate reduction from 9.225 to 4.387 in 2017.

Mr. Candelaria made a motion to accept the Certification of Mill Levy at 9.225 mills with a temporary property tax credit and mill levy rate reduction to 4.387 for 2017. Mr. Mobley seconded the motion. The vote was as follows:

Griglak	Candelaria	Fisher	Maness	Mobley
yes	yes	yes	yes	yes

**e. Resolution #9, Series 2016 Certification of account to Montezuma County Treasurer for collection**

Resolution #9, Series 2016 was presented to the Board. The Resolution certifies to the Montezuma County Treasurer the District's request to collect delinquent accounts with the 2016 property taxes.

Mr. Fisher made a motion to approve Resolution #9, Series 2016 certifying delinquent accounts to the Montezuma County Treasurer for collection with the property taxes. Mr. Candelaria seconded the motion. The vote was as follows:

Griglak	Candelaria	Fisher	Maness	Mobley
yes	yes	yes	yes	yes

**f. Resolution #10, Series 2016 Adopting the 2016 Amended Budget**

Resolution #10, Series 2016 proposing to adopt the 2016 Amended Budget was presented to the Board.

Mr. Candelaria made a motion approve Resolution #10, Series 2016 adopting the 2016 Amended Budget. Mr. Mobley seconded the motion. The vote was as follows:

Griglak	Candelaria	Fisher	Maness	Mobley
yes	yes	yes	yes	yes

**g. Resolution #11, Series 2016 Appropriation of 2016 Amended Budget**

Resolution #11, Series 2016 was presented to the Board. The Resolution requests to appropriate sums of money to various funds and accounts for the 2016 Amended Budget.

Mr. Mobley made a motion to approve Resolution #11, Series 2016 appropriating sums of money to various funds and accounts for the 2016 Amended Budget. Mr. Candelaria seconded the motion. The vote was as follows:

Griglak	Candelaria	Fisher	Maness	Mobley
yes	yes	yes	yes	yes

**h. Resolution #12, Series 2016 Adopting 2017 Budget**

Resolution #12, Series 2016 proposing to adopt the 2017 Budget was presented to the Board.

Mr. Mobley made a motion approve Resolution #12, Series 2016 adopting the 2017 Budget. Mr. Fisher seconded the motion. The vote was as follows:

Griglak	Candelaria	Fisher	Maness	Mobley
yes	yes	yes	yes	yes

**i. Resolution #13, Series 2016 Appropriation of 2017 Budget**

Resolution #13, Series 2016 was presented to the Board. The Resolution requests to appropriate sums of money to various funds and accounts for the 2017 Budget.

Mr. Candelaria made a motion to approve Resolution #13, Series 2016 appropriating sums of money to various funds and accounts for the 2017 Budget. Mr. Fisher seconded the motion. The vote was taken as follows:

Griglak	Candelaria	Fisher	Maness	Mobley
yes	yes	yes	yes	yes

**j. Resolution #14, Series 2016 Changes to the District Rules and Regulations**

Resolution #14, Series 2016, Changes to the District Rules and Regulations; Appendices A & B. Appendix A changes the Plant Investment Fee Schedule and Appendix B increases the sewer rate minimum by \$1 per month.

Mr. Fisher made a motion to approve Resolution 14, Series 2016, Changes in Rules and Regulations. Mr. Mobley seconded the motion. The vote was as follows:

Griglak	Candelaria	Fisher	Maness	Mobley
yes	yes	yes	yes	yes

**k. Video or Jet Rodder work for outside agencies discussion**

In the past the District has received requests from other agencies or local businesses to assist with a plugged sewer or video inspection of pipe. Clarification needs to be made on how the District should respond to this situation.

During discussion Ms. Grogan asked if the District's insurance covered this work. Debbie said she would look into the matter.

Mr. Candelaria made a motion to table the issue until further information was available. Mr. Mobley seconded the motion. The vote was as follows:

Griglak	Candelaria	Fisher	Maness	Mobley
yes	yes	yes	yes	yes

**l. Bio solids removal / screw press operations discussion**

The District has been using a commercial service to haul bio solids to the landfill. There are issues with this service from equipment being too small, not emptying the bin completely and returning with bio solids, not having a reliable schedule and the total cost of this service. Mr. Candelaria requested that the District's maintenance employee, Rick Collin, research other options for the bio solid disposal.

Rick's research was presented to the Board. After discussion the Board tabled the issue until the District's new manager, Jan Grogan and new superintendent, Kyle Schreckenbach were both in attendance.

Mr. Candelaria made a motion to table the bio solids issue until a later date. Mr. Mobley seconded the motion. The vote was as follows:

Griglak	Candelaria	Fisher	Maness	Mobley
yes	yes	yes	yes	yes

**7. OLD BUSINESS OF THE BOARD**

**a. Employee Step Pay Scale Discussion**

The Board previously requested that Phil Starks, previous superintendent, create an Employee Step Pay Scale and present it formally to the Board. Since there are three new Board members since the original request, the Board requested Mr. Starks email the Employee Step Pay Scale that he created to the new Board members for their review prior to the December Board meeting.

After a review, Mr. Mobley made a motion to approve the Employee Step Pay Scale. Mr. Candelaria seconded the motion. The vote was as follows:

Griglak	Candelaria	Fisher	Maness	Mobley
yes	yes	yes	yes	yes

**b. Vacuum Testing of Manholes Discussion**

There has been an ongoing discussion on whether there should be vacuum testing of manholes prior to or after backfill. Currently the District has adopted the standard set by ASTM C1244 to vacuum test the manholes prior to backfill but it is not being followed.

Mr. Candelaria made a motion to table the issue until Ms. Grogan can have time to review the issue. Mr. Mobley seconded the motion. The vote was as follows:

Griglak	Candelaria	Fisher	Maness	Mobley
yes	yes	yes	yes	yes

**8. BOARD INFORMATION**

**a. Letter of Engagement for 2016 Audit from Osborne, Parsons & Rosacker**

Osborne, Parsons & Rosacker conducted the District's 2015 audit and will be conducting the 2016 audit beginning in January.

**9. EXECUTIVE SESSION § 24-6-402(4)(f) C.R.S. Personnel matters regarding the District Manager and the District Superintendent vacant positions**

Mr. Mobley made a motion to enter Executive Session § 24-6-402(4)(f) C.R.S. Personnel matters regarding the District Manager and the District Superintendent vacant positions. Mr. Fisher seconded the motion. The vote was as follows:

Griglak	Candelaria	Fisher	Maness	Mobley
yes	yes	yes	yes	yes

The Board entered Executive Session at 7:10 pm.

The Board returned to regular session at 7:40 pm.

Mr. Mobley made a motion to authorize Mr. Griglak to sign the contracts for the new District Manager and District Superintendent. Mr. Fisher seconded the motion. The vote was as follows:

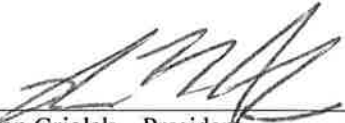
Griglak	Candelaria	Mobley	Fisher	Maness
yes	yes	yes	yes	yes

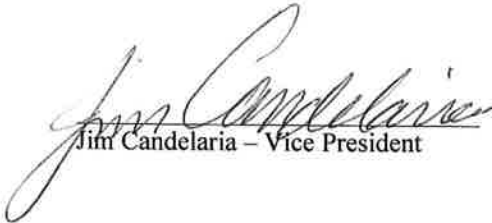
#### 10. ADJOURNMENT

Having no further business to come before the Board, Mr. Maness made a motion to adjourn. Mr. Candelaria seconded the motion. The vote was as follows:

Griglak	Candelaria	Mobley	Fisher	Maness
yes	yes	yes	yes	yes

The meeting adjourned at 7:42 p.m.

  
Ryan Griglak – President

  
Jim Candelaria – Vice President