

**City Council/Board of County Commissioners**  
**Annual Persigo Meeting**  
Monday, October 14, 2002  
Two Rivers Convention Center

The Annual Persigo Meeting with the City Council and the Mesa County Commissioners was called to order by Chair Kathy Hall and President of the Council Cindy Enos-Martinez on October 14, 2002 at 7:13 p.m. at Two Rivers Convention Center. Grand Junction City Councilmembers present were Dennis Kirtland, Harry Butler, Bill McCurry, Reford Theobald, Janet Terry, Jim Spehar and President of the Council Cindy Enos-Martinez. Mesa County Commissioners present were Doralyn Genova, Jim Baughman and Chair Kathy Hall.

City staff members present were City Manager Kelly Arnold, City Attorney Dan Wilson, Public Works & Utilities Director Mark Relph, Community Development Director Bob Blanchard, Assistant City Attorney John Shaver, Police Chief Greg Morrison, Principal Planner Dave Thornton, Wastewater Treatment Plant Manager Mike Robertson, Utilities Manager Greg Trainor, Environmental Coordinator Eileen List, Utility Engineer Trent Prall, Planning Manager Kathy Portner and City Clerk Stephanie Tuin.

County staff members present were County Administrator Bob Jasper, Planning Director Kurt Larson, Director of Land Use Planning Linda Dannenberger, Public Works Director Pete Baier, Assistant County Administrator Jon Peacock, County Attorney Lyle Deschant, and Clerk to the Board Roberta Raley.

Also present: Larry Beckner, Special District Attorney.

**Introduction of New Wastewater Director**

Utilities Manager Greg Trainor introduced the new Wastewater Treatment Plant Director Mike Robertson.

**Requested 201 Sewer System Boundary Changes**

Public Works & Utilities Director Mark Relph identified the two areas that are to be considered for addition to the 201 district.

**Doyle and Sandra Files Request**

Mr. Relph deferred to Utilities Manager Greg Trainor and Community Development Director Bob Blanchard regarding the inclusion of Doyle and Sandra Files property. The Files are asking for de-annexation. They are south of Monument Road and would probably never be sewerred. There is a tiny piece of the property north of the 201 boundary line. Mr. Blanchard stated the entire property is 35 Acres with two acres in the 201 Sewer Service Area. City Code

requires any property developed in the 201 needs to be sewerred. That would include any lot splits. Variances within the 201 boundary were discussed briefly with a variance based on both the availability and practicability. The regulations do address the "practicability in the opinion of the manager."

Councilmember Jim Spehar asked about the 33 acres, whether it matters since it is outside the 201 boundary. Mr. Trainor said since there is only a small portion outside of the draw that can be developed, probably not. Assistant City Attorney Shaver stated that the Persigo Agreement contemplates that it would not matter, if it is developed it must be sewerred. He suggested the Council consider allowing unique exceptions for residential development as there is currently for non-residential development.

Councilmember Terry asked that she be provided a copy of the letter from the Files as it was not attached to the report.

Councilmember Theobald suggested that they not remove just the one two-acre site, but instead consider removing the whole drainage basin. Commissioner Genova asked how many other properties are in that area currently in the 201 boundary. Mr. Trainor identified one area just below the golf course. Councilmembers asked for a more specific analysis of other affected properties at another meeting with Councilmember Spehar noting he would like to restrict that property from any urban development. The general consensus was to leave it as status quo but it will be considered further at another meeting with additional information being provided.

#### Gay Johnson Request

Kurt Larson, Director of Planning for Mesa County, addressed the Gay Johnson addition in the area of 794 22 Road, north of H Road. Some of the areas are already developed as commercial (PUD) He reviewed the zoning, the land use classifications and the actual build out. He recommended that they be included in the 201 and ultimately annexed into the City. The areas to be considered are on 21 ½ Road, identified in red with some being north of H Road, some are south. Commissioner Genova suggested a site visit before any decision is made. Commissioner Baughman asked if the zoning occurred in the late 70's. Mr. Larson responded yes, the majority of the zoning occurred then. Council President Enos-Martinez suggested another meeting date to discuss the Files and Gay Johnson properties. Councilmember Spehar suggested that property owners be approached first and their input be solicited. Mr. Larson added that the property owners should also be invited to the meeting where it is discussed.

Councilmember Theobald asked what issues will be considered for the decision. Mr. Larson suggested such things as roads, drainage, and capacity.

Commissioner Baughman asked if there is any reason to include the area between 22 and 23 Road, north of H Road. Mr. Larson said no, three of the areas are on 21 ½ Road and two of the areas are south of H Road, one area is at 22 Road and one is at 23 Road.

The governing bodies discussed a joint site visit prior to the next meeting.

### Sewer Variance Requests

As this is related to boundary changes, variance requests were discussed. Public Works & Utilities Director Relph expressed concern over a decision that was made regarding a sewer variance. A large residential piece of property (Statler) requested a lot split. It was in the 201 Sewer Service Area and the petitioner requested a variance to hooking up to the sewer system. The Zoning and Development Code did allow a variance procedure and a variance was granted to split and use septic. However, the sewer regulations provides that new residential development must be sewerred, only non-residential can be excepted yet the Persigo Agreement conflicts with the regulations. Therefore, Staff is suggesting a change to the City sewer regulations to make this clear and allowable for residential. Mr. Relph suggested the insertion of the word “residential” into the regulations or else provide that such requests be brought up for review at a joint meeting of the two governing boards. According to Mr. Shaver, the Persigo Agreement is administered by the regulations and therefore it would not be necessary to make a change to the Persigo Agreement to make the two documents correspond.

Bob Jasper, County Administrator, stated that a possible error does not necessarily mean the change should be made to the policy (regulations). He thought the City should just let it go. Councilmember Terry felt the regulations need to be consistent and it is a simple fix. Councilmember Kirtland thought the decision for the variance on the Statler property was a practical decision based the sewer being over 400 feet away (400 foot rule).

However, both governing boards were generally agreeable to adding the two words “and residential” to the City sewer regulations.

### Septic System Elimination Project (SSEP) Update

Utilities Manager Trainor updated the two bodies on the septic system elimination project. So far 13 districts have been formed; the program has been an enormous success. The program has assisted 7 districts with funding. Through a loan from the Colorado Water Resources and Power Development Authority, funding to benefit 589 properties has been acquired, allowing acceleration of the program.

**Combined Sewer Elimination Program Update**

The project to eliminate the combined storm and sewer system is being designed and loan funds are in place. Construction is scheduled for early 2003.

Council President Enos-Martinez asked if any of the new lines will be affected by the Riverside Bypass. Utility Engineer Prall said the project engineers are coordinating with the Riverside Parkway group. One small area might be affected depending on the final alignment of the roadway.

**Temporary Modification to the Persigo Wash Water Quality Standards**

Stream standards have a potential impact on Persigo Wash and may require modification to the system that will be very expensive. The City is making an argument over the new stream standards. The Colorado Water Quality Control Commission is taking the argument into consideration and meanwhile the Grand Valley Selenium Task Force is evaluating the situation. The temporary modification work will allow time for the development of appropriate and attainable stream standards for the Wastewater Treatment Plant.

Environmental Coordinator Eileen List has developed a plan and the City will have until 2008 to collect data and file a standard suggestion. Staff wants to make sure that any requests for additional funds to meet these standards in the future are justified.

Councilmember Theobald inquired as to the daily discharge of the plant. Ms. List replied 8 million gallons per day.

**Clifton Sanitation Districts #1 & #2**

New regulations will require treatment of the effluent from Clifton Sanitation District's lagoons. Therefore, the District is desiring to either construct a treatment plant or hook up to Persigo Wastewater Treatment Plant. Clifton's engineers have to study and decide the best plan. They are aware that the Clifton area is not within the 201 boundary. Staff stated that hooking up to Persigo will probably be more expensive than Clifton building their own plant.

Councilmember Terry expressed that annexation is the biggest and most important issue and said City staff should do no more than answer questions from the Clifton Sanitation District. She voiced concern that the City is should not be characterized as trying to force the area into annexation. She had grave reservations about the City being able to provide services to that area. She asked that Council be kept apprised of any additional meetings with the District.

A brief discussion took place on capacity gain with the elimination of the Clifton area versus loss with their re-inclusion.

**Backbone System Capital Improvements and Volume Based Flow Rates Relative to Central Grand Valley and Orchard Mesa Sanitation Districts**

The issue of infiltration within the Special District Sewer Systems was discussed and what role the Joint Sewer System should play in solving the problems with those systems. Much of the problem stems from the different definition of what constitutes the "backbone system" of the Joint Sewer System. Inclusion of more area that lies within the special district boundaries would have a great financial impact on the Persigo budget.

Larry Beckner, attorney for the Special Districts (Orchard Mesa Sanitation and Central Grand Valley Sanitation), stated the districts were opposed to the City using the backbone funds to cure infiltration within the City and they also objected to any increase in the City tap fee. Their argument is that both districts have paid into the joint backbone fund yet have not be granted any funding for their use on the backbone system within their district. Through discussions an agreement was developed to use the fees and also raise tap fees however, the districts wanted a chance to participate in the budget process and that has not happened. There are number of financial and contractual issues to be resolved. The districts want some funds but were not invited to the budget process discussions. Persigo bills districts for flow but then does not let the districts use some of the funds to solve their infiltration problems. He asked the two boards to give him and Mr. Relph a six month deadline to solve the problem.

Mr. Beckner noted that the districts have been working on their problem and have spent over \$2 million in repairs and system improvements.

County Administrator Jasper advised that the County supports the recommendation and asked the Mayor participate in the problem solving efforts. Councilmember Theobold noted that he wants to be fair about how the system is administered, but cautioned that the special districts are customers just like citizens and other governments, they are not plant owners.

Mr. Beckner said the districts simply want to submit a request for funds during the budget review process. Commissioner Genova said infiltration is a problem and all need to work together to solve the problem.

City Manager Arnold concurred with the recommendation but noted the governing bodies need to consider the life expectancy of the districts. County Administrator Jasper echoed the City Manager's comments, adding that it is in the plant's best interest not to have to take over a bankrupt, leaky system. He said they need to start talking to Fruitvale Sanitation District, which is the worst off and almost all in the city limits.

**Biosolids Issue**

Staff advised the County has monitored for methane when effluent is disposed of at the landfill and has reported to the County Commissioners that the effluent is problematic due to the methane production. The City was unaware that it was a problem prior to the report. The effluent that comes from Persigo is gel-like and has to be managed with the equipment built for true solids. The City acknowledges the effluent is a contributor to the methane problem as is the rendering plant closure because of the animal waste coming to the landfill. Staff wants to come back with recommendations in around six months (April 15<sup>th</sup>) that will settle the issue of disposal for the long-term which may include alternative disposal sites.

**Interest Rate for SSEP Improvement Districts**

Bob Jasper, County Administrator, advised that the standard interest rate has been 8%. However, with the current interest rates, it is suggested that the rate being charged to property owners in improvement districts be lowered to 6%, apply to anything in process, not retroactive. The County Assessor was charging a premium for assessing these districts but won't be in the future.

**Grease and Septage Receiving Facility**

Utilities Manager Greg Trainor advised that the treatment plant is rapidly reaching maximums on receiving grease. Staff has been looking at other ways of disposing of grease. One possibility is privatizing the collection and disposal of the grease.

Utility Engineer Prall stated that there is currently only one private site, the Goodwin site in Delta, that accepts grease but there is a possibility of a new site coming on-line in the Grand Junction area.

Commissioner Baughman asked if there is a requirement for Persigo to accept and treat septic clean-out waste (septage). Mr. Prall answered that while not a requirement, Persigo is the closest plant. Septage is some cause for concern as it is a concentrated load, but the grease loads are the real issue.

Public Works & Utilities Director Relph advised that Staff has looked at what others do and most treatment plants won't take grease and septic waste. It is really a policy issue. A change in policy will affect local restaurants as a private disposal site will be more expensive. However, once a "sheen" is on the Persigo discharge, that constitutes a violation and Persigo is getting close. Private haulers want both grease and septic waste so if a policy change were to be made, it should include both types of waste.

The Commissioners and Councilmembers directed Staff to bring back information as to what other communities are doing and what the private costs are for disposal of grease and septage. Once that information is provided to the elected officials, then restaurant owners should be brought into the discussion.

### **City Managers and County Administrator's Update**

City Manager Arnold and County Administrator Jasper have agreed to a fee to be charged for overhead costs of running Persigo, that is, costs associated with the enterprise fund. The City had proposed a flat 5% fee whereas the County preferred a formula based on a federal program for O & B (A-87 cost overhead allocation plan). Because the sewer fund is so stable, that formula works well and only varies from the 5 % overhead charge slightly.

Councilmember Theobold voiced concern over the staff time necessary to develop and calculate the A-87 formula. City Manager Arnold advised that the formula is in a spreadsheet so it is just a matter of dropping in the numbers to calculate the dollar amount.

### **Other Business**

Commission Chair Kathy Hall distributed a letter from the Associated Governments of Northwest Colorado (Jim Evans) as to the results of the NW Colorado Oil and Gas Forum efforts to improve the reporting to the State that results in severance tax payments. The oil and gas companies had not been reporting the total number of employees due to a misunderstanding of the definition of an employee versus a contractor. The result of the improved reporting was an additional \$1 million in severance tax distributions in 2002 to both counties and municipalities in northwest Colorado.

### **Drought Update**

Chairwoman Hall, who serves on the Colorado River Water Conservation District board, reported the ways they have tried to best manage water with the drought situation this year. They bought the energy from Redlands Water & Power and made a lot of exchanges, in an effort to keep water in the ditches. The District is 280,000 acre feet in the hole at Green Mountain, and there are problems with the surrounding development. The District was asking the Bureau of Reclamation to participate in the filing of a lawsuit against the Northern River District but now the District needs to negotiate with them to address those development problems.

The District has a question on the ballot for an additional mill levy to pay for additional water storage to protect the water sources in future years in the case of drought. The monies from the mill levy will be used to reinforce the banks of existing reservoirs so their storage capacity can be increased, buy some existing government water and have it in storage and to comply with water quality issues.

The monies will not going for additional staff. She encouraged everyone to vote for in favor of it. She added that the additional mill levy can also be used for leverage for other funding such as grants.

Utilities Manager Greg Trainor advised that the municipal water supply for drinking, which is different from irrigation, is in good shape this year. They are monitoring the snow pack and have been talking about different levels of drought response. Due to the City's water supplies and rights, even two more years of dry conditions would not be a crisis. Clifton and Ute Water systems are also in good shape. He stated he will report more later as different drought scenarios are developed but advised that in his opinion if the City were ever in a situation where restrictions were needed it would be a conservation rate applied only for outside uses.

Commissioner Baughman inquired how much of the City supplies are going toward outside uses. Mr. Trainor said exact numbers can be generated through the metering systems but in general the summer peak demand is 12 million gallons versus 3 million gallons in the winter.

### **Next Meeting**

The date for the next meeting was determined to be November 14 at 6:00 p.m. to discuss the 201 boundary changes relative to the Files and Gay Johnson properties and to discuss variance criteria.

### **Introduction of Assistant County Administrator**

County Administrator Jasper introduced the new Assistant County Administrator Jon Peacock.

### **Adjourn**

The meeting adjourned at 9:47 p.m.

Stephanie Tuin, CMC  
City Clerk