

*Duane Jensen*

MINUTES

VALLEY WIDE SEWER COMMITTEE MEETING

January 24, 1978

7:30 P.M.

County Commissioners Meeting Room

Meeting called to order by Howard Roland.

Committee members present were Howard Roland, Jim Patterson, Ted Ford, William O'Dwyer, John Arcieri, Bob Strain, Ernest Potter, Jim Wysocki, and Suzie Young. Also present were Jack Sparks, Gerald Ashby, John Tasker, Duane Jensen, Jim Vancil, Jim Hill and Jack Pepper of Boettcher and Co., and Jim Franklin of HDR.

The minutes of the last meeting, September 15, 1977, were approved as mailed out.

Some names were suggested to fill the vacancy due to the death of Bob Jennings. Howard Roland will contact them and take some names to the meeting of the County Commissioners so that a new member can be appointed.

Duane Jensen presented a report on events which had occurred since the last Valley Wide Sewer Meeting on September 15, 1977.

Jim Patterson, Duane Jensen, H.D.R. went to Denver and met with the Water Quality Control Division on September 21 to prepare the way for approval at the meeting which was supposed to be on October 4, 1977. State staff said at that meeting they would be sending HDR a letter with specific questions which must be addressed. This letter was dated and sent on October 4. At the September 21 meeting we were informed that we would not be able to attend the October 4 meeting because we had not been placed on the agenda. There were questions coming from staff which would have to be addressed before coming to Commission. These questions were extensive and required detailed investigations, and it was not possible to have them prepared for the November 1 meeting.

A supplement to the pre-design report, which was submitted to the Commission at their executive meeting in September, was prepared by HDR with the help of Culp, Wesner, Culp, dated November 18, 1977. When the report was finished, we met with HDR and the staff of Water Quality Control Commission on November 23, 1977, and presented the report to them to answer their questions so that we could meet with the full Commission on December 6.

On December 1 Mayor Kozisek wrote a letter to the Commission telling them exactly what was desired at the December 6 meeting, which was the approval of the alternate which had been determined to be the most feasible by our consulting engineers.

On December 6, 1977, Mayor Kozisek, Howard Roland, and Jim Patterson attended the meeting along with HDR and Culp, Wesner, Culp. After a long discussion and consideration following a presentation to the Commission, it was voted to table any action until more data could be provided.

At the same time of that meeting, (Dec. 6, 1977), Duane Jensen, Jim Wysocki, Ted Ford, John Ballaugh, and Jim Spellman made a presentation of this project and other projects before the Joint Budget Committee of the State Legislature.

As a result of the December 6 meeting, the Water Quality Control Commission sent a letter, dated December 9, asking for the comments required by the Commission in the December 6 meeting. The report was put out by HDR and Culp, Wesner, Culp, dated December 21, 1977.

On December 21, 1977, Jim Patterson and Duane Jensen went back to Denver and met with the Executive Committee of the Water Quality Control Commission along with representatives of our consulting engineers. As a result of that meeting the report of December 21, 1977, was revised slightly with the revision date shown on report being December 28, 1977.

On January 3, 1978, Jim Patterson and Duane Jensen went back to Denver again to meet with the full Commission. Representatives of our consulting engineers were there. After about an hour of debate and a lunch break (where they had time to make a decision), the Water Quality Control Commission unanimously passed a resolution with an O.K. for the City of Grand Junction and Mesa County to proceed with the design of the treatment plant. They did say that if we changed our minds we could return to them for another decision. A letter will be forthcoming from the Commission stating their concerns in making their motion. To date we haven't received that letter.

We have approval of the Water Quality Control Commission in the State; the next move is to meet with the representatives of the EPA in Denver. We plan to do that within the next week to week and half. We will be submitting our formal grant amendments and formal application for go ahead on the design to EPA through the State Health Department within the next week to week and half. It appears that with one more O.K. - being EPA which we expect to receive in the next two weeks - we will be on the road to actually getting something designed regarding the new plant.

Mr. Jack Pepper of Boettcher and Co. made a presentation of some of the different forms of financing which could be used to finance this project.

1. Formation of a metropolitan sewage disposal district. This is not difficult to do and can be formed by a resolution of the entities that wish to be included. Metro Districts have power to issue debts. Revenue would be fees from the contracts for which they are treating the sewage from other districts.
2. General obligation bond by City of Grand Junction. This has to have electoral approval. Counties do not have the power to issue general obligation bonds for the construction or operation of sewage facility.
3. City of Grand Junction could issue Revenue Bonds. This type of bond secured solely from the revenue of the sewer system. Revenues would be from rate charges, tap fees, or contracts which City would enter into. Counties would have the same authority.

4. Another form (not recommended at this time) is the formation of a non-profit corporation which would be established by the City and the County. Bonds would be issued to construct the facility, and the facility leased back type of operation where revenue would pay for that lease and any debts incurred. This is a very complex type of operation.
5. Cities have the power of a general improvement district within the City. This is not a feasible form at this time as the City of Grand Junction does have a sewer system that is in place and is in operation.

Before going into any particular form of financing, it will be necessary to decide who is going to own and operate the treatment facility and who will handle actual operation, billing, and maintenance of these facilities.

Ted Ford asked if there would be a difference in the percent of interest on bonds. Mr. Pepper said no, as there was one basic source of revenue.

In regard to time frame, Mr. Pepper said a metro district could be formed quite rapidly - probably looking at 120 to 180 days. Revenue bonds on the part of the County or City would take less time.

Jack Sparks said future funding has to come from a designated management agency. The management agency must have the capacity to carry out applications according to the Water Quality Management Plan which is primarily 208. The County could be the management agency and delegate various authority to various agencies.

Jim Patterson asked that if they were talking about revenue bonds issued by the City and/or County, by the time that was done and we had contractual agreements for operation and maintenance of the system and agreements with other districts, weren't we pretty well along the same lines of a metro district. Metro district meets all needs, allows for other districts to get in; is way of bringing together all municipal entities, has central control; doesn't have to be all continuous areas.

Mr. Ashby said that we would look at metro district again now that counties can participate. No election required-done by resolution. City of Grand Junction and other districts can petition to be in district. Board is governed by population with representation by all different entities. A general ad valorem tax could be levied for a five year period not to exceed an aggregate total of 3/4 of one mill.

The Board shall consist of one member from each municipality included within the district for each 25,000 population or fraction thereof plus one member for each additional 25,000 of population or fraction thereof in any such municipality, except that no municipality shall be entitled to more than one-half of the total membership of representation on the Board of Directors, further excepted that any municipality that has 50% or more of the total population shall have one-half of the total membership for representation on the board. Members to direct the municipality are appointed by the executive of each said municipality with the approval of the governing body.

It was suggested that members that were present go back to the people they represent and recap this meeting. All representatives should talk to their respective boards and determine what interest they have towards a metropolitan district or any of the others that have been suggested. Mr. Ashby will have analysis of law and get information out to every member of the Valley Wide Sewer. Another meeting will be held soon and all members need to be present and participate.

A letter was read from Ken Henry concerning the desire of C E W Development to form a sewer district in the vicinity of the Tiara Rado area for the express purpose of connecting to the West Side sewer plant for sewer treatment . Mr Henry was not present.

Jack Sparks passed out excerpts from the Clean Water Act signed by the President the first of January.

Ted Ford suggested holding a general information meeting and getting all the different boards together if it was felt to be necessary.

Meeting adjourned