

M E M O R A N D U M

TO: Honorable Mayor Karl M. Johnson
FROM: *J.P.* James Patterson, Public Works and Utilities Director
DATED: October 10, 1978

In response to your memo of October 2, 1978, regarding the Valley Wide Sewer ownership and operation, I would like to substantiate and expand your viewpoints with some additional comments. The intent of this memo is not to be negative, but rather out of concern that the County must fully realize and understand the impact of "taking over" the ownership and operation of a valley-wide sewer system.

Personnel

County Engineer - Manager. The City would retain its Utility Engineer to administer water supply, water treatment, water distribution, sanitation collection and landfill. The County would need to acquire an Engineer-Manager who would be responsible for the design of sewer extensions and improvements; review subdivision systems; and assist in the design of the new plant. The County Engineer-Manager would also assist in value-engineering; establish ordinances, fees, and regulations; make budget preparations; administer grants; personnel administration; and monitor and control plant and system loads.

Billing and Records Personnel. The County would need to employ billing and records personnel plus the necessary number of supervisory personnel.

Operating Personnel. "A" certified shift operators, quality control technicians, plant supervisors and related personnel would be needed to operate and maintain the package plants and lift stations.

The County would need to acquire, at the minimum, the above additional personnel to maintain and operate the sewage collection system and, to operate the billing and records systems. The City would retain its existing personnel to continue the operation and maintenance of its water distribution system. At the present time, the City utilizes the same personnel for the operation and maintenance of both its water system and sewer system. If the County were to assume the sewer system, it would result in the County's duplicating the existing City personnel.

Equipment

Vehicles. The County would need to acquire specialized sewer cleaning equipment. Three units would be needed, two of which could be acquired by the City. This is the minimum requirement for proper operation and maintenance of the sewer system. Each of these machines costs approximately \$65,000.00.

Inventories. An inventory of specialized equipment and supplies would have to be maintained such as pumps, pipe, manhole covers, etc.

The County would need to acquire specialized equipment. The City would retain much of its equipment to maintain and operate its water distribution system. The equipment that the County would have to obtain would be items such as backhoes, dump trucks, pick-up trucks, air compressors, power plants and lights, to name a few.

Financial Responsibilities

The County would assume the existing City bond indebtedness of \$1,506,528.62 (as of November 16, 1978). The County would also be totally responsible for the local matching funds needed for the new plant and interceptors which would amount to approximately \$5 million dollars. In addition, operation and maintenance cost of the sewer system approximates one-half million dollars annually (1979) plus any expenditures for capital improvements to the system.

Duplicate Records

The County would be required to duplicate records and plans of the entire sewer system. The City would retain its records in order to have the information available for street and water systems construction and improvements. Few original documents exist which would require new originals being made. Additional County personnel would also be necessary to assist the public with sewer tap information.

Other Responsibilities

Assume Existing Contracts:

- Central Grand Valley - system maintenance
- Fruitvale Sanitation District - treatment only
- Orchard Mesa Sanitation District - system maintenance
- Ridges - system maintenance and eventual ownership
- Tiara Rado - operation and maintenance
- Bluffs West - operation, eventual ownership
- Paradise Hills - system maintenance
- Sunset Terrace, Fairway, Galaxy and other systems to the north of the City - system maintenance and rebate agreements.

(Other Responsibilities - continued)

Operation and Maintenance of Eleven Lift Stations. The County would be required to set up a remote alarm system to monitor the operation of eleven lift stations. In addition, the County would be responsible for the maintenance of the pumps and equipment and, when necessary, equipment replacement.

Adherence to EPA Standards. In order to be eligible for EPA grant funds, the County must fully satisfy the Federal EPA and the State of Colorado of its expertise and capability to operate and maintain a sewer system.

Existing Deficiencies and Necessary Improvements. Certain deficiencies and needed improvements have been identified in the existing sewer system. The County would assume the responsibility of rectifying those inadequacies.

Amendment II

Lastly, but more importantly, with Amendment II being considered this November, we are faced with the inevitable and ominous consequences of its "passing". The County, as well as the City, will be drastically impacted by this measure.

Amendment II provides a formula for deriving "per capita expenditure level" for each municipality. One important factor of that formula is population growth. Future population growth for this city will be predicated upon its ability to annex. This Council, and future Councils, should maintain that ability and option.

If the ownership and operation of the Valley Wide Sewer System is relinquished to the County, the City will be jeopardizing its existing powers of attorney. Most assuredly, future annexations premised upon the availability of sewer service would then be thwarted.

As you, I also believe, that the determination of who should own and operate the plant must be premised upon who can do it most economically and efficiently and, in the best interest of all present and future users. Based upon the above, I too am convinced that these objectives can be best met if the City continues to be the provider of this important service.

JP:jc