

CHRONOLOGY OF COUNTY-CITY SEWER RELATIONSHIPS

Jack M.

- 1) December, 1976 Resolution of Valley Wide Sewer Committee, the County Commissioners of the County of Mesa, and the City Council of the City of Grand Junction - establishes the Building Department as the agency that will make sure a tap fee has been purchased before a building permit is issued; discusses moratoria provisions for building and sewer taps based upon the old City plant and identifies the Valley Wide Sewer Committee as the coordinating agency for a new sewer plant.
- 2) August, 1978 Valley Wide Sewer Committee Resolution - recommending that the proposed, new wastewater treatment plant and interceptors be constructed and operated by the County.
- 3) March, 1980 Joint Ordinance and Resolution of City of Grand Junction and County of Mesa, Colorado (MCM 80-49) - Repealing Chapter 25, Sections 14 to 61 of the City's Code of Ordinances and establishing MCM 80-49 of the County for regulating the use of public and private sewers and drains, private sewage disposal, installation and connection to the sewer system and the discharge of waste into the system (fees and penalties also).
- 4) May, 1980 Joint Sewerage Service Agreement (City-County Resolution MCA 80-10) - defining the operational area of the system, system operations, facilities' ownership, financing, bonding and construction.
- 5) October, 1980 Amendment to Joint Sewerage Service Agreement (MCM 80-154) whereby the means by which the City as system operator shall inform the Board of Commissioners and Council on matters of budget (by October 1 of each year). Further states: "The Board (of Commissioners) shall adopt and Council shall affirm such fees and charges."
- 6) January, 1981 Successor in Interest Agreement (MCA 81-8) - defines the Mesa County Board of Commissioners as the body that "assumes all the duties, obligations, and liabilities" under the EPA grants that had before been the role of the City Council.
- 7) March, 1984 Memo from Steve Johnson, Staff Attorney to Mark Eckert, Assistant County Administrator stating that the City has not been acquiring right of way on behalf of Mesa County.
- 8) April, 1984 Supplemental to Joint Sewerage Agreement (MCA 84-35) and reaffirms Industrial Pretreatment Ordinance of City of Grand Junction (January, 1984) - delegates to the City Pretreatment powers and the City holds harmless the County for actions that may be taken under the program.
- 9) January, 1985 Patterson Status Report on Persigo Wastewater Treatment Plan, Associated Infrastructure and Programs.
- 10) May, 1987 Quarterly Report from City (Trainor) to County (Cianko)

Joint Sewerage Service Agreement of 5/1/80

- T 1) 10/1 submittal of sewer budget to MCC
Would allow for County to charge a fee to support County staff to oversee facility?
- 2) How much have we reimbursed the City for its operation of the sewer plant?
- 3) System expansion not under manager but elected boards?
- 4) City sets sewer construction standards.
 - a) Do these standards take into account roads?
(Ignored County input on Goat Wash Interceptor)
 - b) Potential interference with County land use(?)
- 5) Is assurance sufficient??

Does this the City know the County's road standards, backfilling requirements, etc.

- 6) Interference with actual MCC decisionmaking.

- II 1 c) are these all of the special districts served?
- 2 b) does the County have a Resolution and Operational Procedure as per this paragraph??

garbled reference to connection in County will require adherence to the City's annexation policies. What policies and does this include power of attorney??

- c) City's contracts with special districts should be reviewed.

- III 1 a) County owns plant, River Road and Redlands interceptors
- b) City owns Paradise Hills and others owned at that time (5/1/80) and inherit facilities (lines) as areas annexed.
- c) County owns all other lines not held as in II 1 b) or by special districts.

- IV 2 Bought out City's existing bonds (Did Air Quality controls fall under this, \$800,000?)
- 3 Independent Avenue Interceptor in?
Status of Scenic Interceptor?

- V 1 Incomprehensible!

2. 1/1/81 commenced Joint Operations Fund

RESOLUTION #MCM 80-154

clarifying original paragraph #1

On user charges, tap fees and plant investment fees

Board of Commissioners adopt and Council affirms.

Establishes the County as the final recipient of the EPA grants and subject to all "duties, obligations, and liabilities..." and "...successor party to the <EPA> grants." and "<County> is in a position to fully perform said grants..."

1 The <County> hereby assumes responsibility for, be bound by and agrees to comply with the terms and conditions of said grants, applicable laws and regulations of the EPA.

MCA 84-85 4/24/85

Supplement to Joint Sewerage Agreement

1. County delegates Pretreatment Powers

"...joint administrative, managerial and enforcement authority concerning the County industrial pretreatment program..."

2. Intent of the County

"...authorize the City to act as the County's agent in pretreatment matters...to enable...compliance...with all federal and state grant and discharge permits applicable..."

3. Intent of the City

"...to exercise this authority (See #2 above) on behalf of the County, the connector districts, and all users of the joint regional wastewater system..."

4. Indemnify

"The City...agrees to hold the County harmless from, and to indemnify the County for, any and all liability whatsoever for damages which may result either directly or indirectly from the City's acts or omissions..."

5. Term

30 year agreement

1. Article II, Sections 2 through 9, seems to reinforce the goals (statutory and policy) of the County Health Board. Has Environmental Health enforced these diligently since the start up of the Persigo Plant? If no, why not? What steps will be taken to correct this?
2. Does Article VII, Section 28, imply the Environmental Health personnel should be present if there is a concern for industrial processes on a site?
3. In Article VIII, Section 31,C. - a connection fee of \$5.00 is referenced which is to be collected by the Building Department? Is this in effect through the City/County Building Inspection contract?
4. In Article VIII, Section 31, G. - reference is made to a surcharge for non-residential waste generators with certain waste quality characteristics. Has this surcharge for treating higher strength wastes ever been used?
5. Section 32 requires, as a matter of policy, that units within two (2) miles of the City limits be annexed. One of the manners by which annexation can be accomplished in this section is through power of attorney. Inasmuch as three different (and consecutive) Boards of Commissioners oppose this means of annexation, a policy decision is required.
6. Section 34 references a fairly standard means of late collection of sewer bills. How is this accomplished when the unit does not receive water service from the City? Since the beginning of the Persigo operation, what has been the history of collection -eq- % late, % failed to pay, etc.? Has the County Treasurer been used for collection as per Section 35?
7. Section 37 references the "Sewer Fund" and its uses. The term extension (of the sytem) is used. Does this mean that the Sewer Fund can be used to connect new users? Does the term improvements (to the system) in this clause mean capital improvements?
8. Section 39 appears to be an Engineering/Plumbing specification. Does it belong in this type of agreement? Is there a written set of Engineering and Plumbing Stadards used for connections? If yes, when was the last time these were updated?
9. Is Section 41 adhered to -eq- how, when and by whom are the terms "user class" and "proportionate share" defined? Given that the Director is a City employee reporting to the Council, the proportion of wastewater treatment charged to a user class may be more a matter of real time, City politics. What is (has been) the role of the Board in these decisions?
10. Section 46 - from an oversight perspective, is it sufficient to have the City Clerk sign the annual audit? What has been the role of County financial staff in the selection of auditors and approval of previous audit reports? What has been the nature of the management letter for this set of books? What, if any, problems are outstanding at this time from

previous management letters?

JOINT SEWERAGE SERVICE AGREEMENT

1. In the stipulations, an implication that the City only treats sewage within the City, within special districts served by agreement and other areas if covered by powers of attorney agreements. A policy point that must be resolved.
2. Paragraph 1 references "...the designation of facility capacities to serve specific drainage basins." Does this clause reference this layout of interceptors, or does it have a broader meaning -eq- the Nichols Study - that has meaning for system-wide forecasting?
3. Part I, Paragraph 1 - the whole notion of the Board being asked to approve the Sewer Budget by October 1st must be rethought. This has been proven to be insufficient when significant rate increases required special district, Council and Board input. Further, the Board (and staff) typically has not received the depth of information necessary to make informed decisions. There is significant evidence from previous years that the recommended budget for the sewer has been a reflection of Council needs, wants or demands even though Resolution MCM 80-154, paragraph 1 (amended) states that: "The Board shall adopt and the Council shall affirm such charges and fees."
4. Paragraph 2 specifies that the City's departments will be reimbursed for "expenses incurred by the Manager and other Departments of the City indirectly involved in the Sewerage System..." via a line item. What was the amount of this line item for '85, '86 and '87? Shouldn't the County have similar compensation under this clause to support a Contract Administrator and to compensate other indirect County staff involvement?
5. Paragraph 3 might be expanded to include reporting requirements (to the Board, Council and special districts), system monitoring and forecasting plans and implementation requirements. The last line of this paragraph is untenable and administratively bankrupt in that it suggests that the City and/or County reserves the right to set rates, construct new facilities or expand the system. A decision is needed to close this loophole because it violates any concept of equal partnership.
6. Paragraph 5 provides for various public insurance limits. These must be reviewed by the Risk Manager and his insurance advisor to assure full coverage for the County.
7. Paragraph 7 may be contrary to Board views on a "flexible" 201 Boundary. Although not a present problem, this issue has been raised several times in the past, and has yet to be resolved. (At the time of the '85 ARIX Rate Study, a policy and cost-benefit model was discussed by City and County staff to be contracted out under the Sewer Fund. This effort died.)
8. Part II, paragraph 2, B. - Area II, an area extending two (2) miles beyond the County's perimeter, is to be governed by the County's Operational Procedures for the provision of sewer service. Does the County have such Operational Procedures? If so, when were they last updated? By Whom? Ditto section D of this Part II. There is also a veiled reference to compliance with the use of the City's powers of

attorney agreement for future annexation - again, this Board needs to make a clear policy decision on this.

9. Part II, paragraph 2, C. - Area III is comprised by more than the original four special districts?
10. Part III, paragraph 1, B. - suggests that the County "owns lines and other facilities" not held by the City or special districts. What are these facilities and where are they?
11. Part III, paragraph 3 - states that ownership of facilities should this resolution be terminated shall be governed by an Agreement which covers the termination of this resolution. There is no such agreement that we are aware of.

MCA 81-8 Successor in Interest Agreement

1. Paragraphs 1 through 3 clearly places the County in the roles of responsibility and liability for the grants made on behalf of the Joint Sewer system, and binds the County to operate the facilities under all applicable state and federal rules, regulations and laws.

MCA 84-45 Supplemental Joint Sewerage Agreement

1. Paragraph 1 and 2 makes the City the County's agent in pretreatment matters so that the Joint Sewer system will operate in conformance with "state and federal grant and discharge requirements applicable to the City, County, the 201 Area and Persigo Wastewater Treatment Plant." To our knowledge, there are no reporting requirements in place on this vital area whereby the County could evaluate program effectiveness. Further, we are aware of no measureable and scheduled anticipated outcomes to this program, nor overall plan of how the plan is to be implemented.
2. Paragraph 4 provides that the City agrees to hold harmless the County and indemnify the County for "any and all liability whatsoever for damages which may result directly or indirectly from the City's acts or omissions" as agents operating this program. This clause needs to be defined in quantifiable terms by the Risk Manager and his insurance advisors because environmental damages often incur astronomical liabilities (governmental fines or private damages) that could outstrip the City's coverages. It is not clear that the City's home rule status provides a ceiling for liabilities such as this, nor to what extent County liability would be incurred should the City's coverage be used. Does this insurance exist in a policy form? Does the County receive updated copies of these policies as we do under any ongoing contract?

Memo from Steve Johnson, Assistant County Attorney, to Mark Eckert, Assistant County Administrator concerning Acquisition of Sewer Rights of Way on Behalf of Mesa County (3/28/84)

Johnson had made inquiry as to why the City's ROW Agent acquired sewer easements in the name of the City for areas that were neither in the City nor within a special district. The ROW Agent stated that these easements probably should be in the County's name, but that he would continue the traditional practice until the County made a formal request to the contrary.

Johnson maintains that sewer facilities within Areas II and IV as defined in the May 1, 1980 Joint Sewerage Resolution should have easements acquired on behalf of the County.

Johnson's memo indirectly raises several other issues:

a) Does the County have a "Resolution and Operational Procedure" as referenced in the Joint City-County Sewer Resolution (May 1, 1980) Part II, paragraph 2, B & D?

b) Paragraph 2, B. of the above referenced resolution states that the County Resolution and Operational Procedure" will govern Area II, the area within two miles of the City's perimeter, but further suggests that this is the case only to the extent the Operational Procedures do not run counter to the City's use of powers of attorney in sewer connections. Again, the powers of attorney issue requires a policy decision.

c) The County does not know what facilities it may own in Areas II and IV or where they are. There must be a contractual clarification on this matter preceded by policy decision as to what maintenance or operational roles the County is to have with regard to these facilities.

Johnson concludes his memo with a recommendation that any right of way acquired on behalf of the sewer system should have title insurance and releases from the holders of Deeds of Trust of the affected properties. It is not clear that this wise recommendation has been acted upon.

Memo from Jim Patterson to Steve Johnson (March, 1985) "A Report to Mesa County on the Pesigo Wastewater Treatment Plant and Collection Service Area"

1. On page 6, Mr. Patterson suggests that a report was to be made to EPA in June, 1985 describing the pre-treatment program, any violations and the results of the program. It is not clear that the County received this report or subsequent such reports. Emphasizes the lack of formal reporting requirements by the County.
2. A "Sludge Management Plan" is referenced on Page 7 of this report and attached an appendix (letter from Jerry O'Brien, Pesigo Wastewater Facility Supervisor September 13, 1984). The report is quite extensive and appears to meet or surpass industry standards and practices. The questions here are ones of result. At the time of plant start up nine (9) tons per day (dry weight equivalent) was to be generated by the plant. It is designed for twenty (20) tons per day. An analysis of alternative means of disposal (landfilling, land application, storage, subsurface injection, and complete land application) suggests all are costly. We hypothesized that landfilling is presently the least cost alternative; however, the report suggests a complete land application program consisting of land application, storage and injection is most efficient and effective. The report develops economic, legal and other considerations necessary to implement such a program. Our question is: Have the necessary steps been taken to move on implementation? What is the status of this program? Are there other state of the art

alternatives -eg- forest spraying of sludge on BLM or Forest Service lands as practiced in the State of Washington? Why is sludge still landfilled?

3. As per Page 9 of the report, is the ARIX rate model being used presently to project, analyze and create the rate structure? If not, why not? If yes, has the model been found to be sufficient?
4. Mr. Patterson notes the Infiltration and Inflow Study by Nichols and Associates (p.10) which was required as an EPA grant condition and as part of the discharge permit conditions. The goal of this study was to determine the amount of infiltration the City of Grand Junction's sewer system experiences and to define the steps necessary to seal the system against this infiltration. EPA felt that this was necessary for several reasons:

- a) The City sewer sytem carries both sewer and stormwater to the new plant. To the extent that the stormwater is being treated at the plant, plant capacity is being used for non-sewer wastes.

Notes

JOINT SEWERAGE SERVICE AGREEMENT of 5/1/80

- I
- 1) 10/1 submittal of sewer budget to MCC
Would allow for County to choose a 1. 1. of County staff to oversee facility. *Because*
 - 2) How much have we reimbursed *pp 2, 3* of the sewer plant? *of type*
 - 3) System expansion not under *analysis* *needs??*
 - 4) City sets sewer construction standards
Do these standards take into account
B) potential interference with *WV's*
Ignored County input on the *WV's*
WV's
 - 5) Is insurance sufficient??
Does this the City know the County's road standards, *<*
backfilling requirements, etc.
 - 6) Interference w/ actual MCC decisionmaking

- II
1. C. Are these all of the special districts served?
 2. B. Does the County have a Resolution and Operational Procedure as per this paragraph??

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C. City's contracts with special districts should be reviewed.

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 - B. City owns Paradise Hills + others owned at that time (5/1/80) and inherit facilities (lines) as areas annexed.
 - C. County owns all other lines not held as in III 1 B or by special districts.

Any of this on current maps? (And lines I to IV)

2
JOINT Sewer Service Agreement (CWS)

- IV 2. Bought out City's existing bonds (Did Air quality controls fall under this, \$800K?)
3. Independent Ave. Interceptor in?
Status of Seismic Interceptor?
- V 1. ~~Answer~~ Incomprehensible!
2. 1/1/81 commenced Joint Operations Fund
-

RESOLUTION # MCM 80-154

CLEARIFYING ORIGINAL PARAGRAPH #1

On user charges, tap fees and plant investment fees →
Board of Commissioners adopt + Council affirms.

MCA 81-8 1/22/81

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MCA 84-85 4/24/84/11

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2. Intent of the County

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30 year agreement.

Sufficient
insurance
??