DOCUMENTS INDEX - 1992:

Rev. 5/97

1992	Colorado Court of Appeals decided in favor of the City. The Court declared the districts' claims "frivolous" and awarded attorneys fees to the City. City and County task force meetings commenced. (City Newsletter, August, 1994).
1992	Undated Memo from Board of Commissioners to GJ City Council re 1992 Sewer Budget and Future Discussions of the Persigo 201 Area. [047]
01/16/92	Letter from Conner Shepherd, Mayor, to Mesa County Commissioners re OM Sanitation District request for expansion of 201 Sewer Planning Area. [047]
01/23/92	E-Mail from MARKA re preparing white paper on issue of County development approvals. [046]
01/31/92	Memo from Jim Shanks, Greg Trainor and Dan Wilson to Mark Achen, re Sewer System Ownership (re: ownership, system management, the October, 1979 Agreement, the May, 1980 Agreement, etc. gives history). [045 - attached to 5/7/92 Caldwell memo]
02/02/92	Daily Sentinel Article "City Retreats From Sewer Talks With County, Districts." Author: C. Patrick Cleary. City concerned with proposed transfer of all or part of the decision-making duties and powers to a single-purpose, limited-life government and further concerned with avoiding the proliferation and continuation of multiple layers of government. [CDOH Documents]
02/03/92	Meeting between City Council members and Commissioners - discussed how to rewrite the sewer system contract and Valle Vista problem. (See 2/4/92 Daily Sentinel Article.) [CDOH Documents]
02/04/92	Daily Sentinel Article - "Health Department Pledges to Stop Valley Vista Waste" - authored by C. Patrick Cleary - stand still exists because City and County cannot agree as to how to solve the problem - CDOH "going to push this off dead center." [CDOH Documents]
02/07/92	Letter (sample) from CGVSD to Jody Kole, summarizing recommendations of Board re Persigo Treatment Plant, addressing issues of management and ownership, backbone system, enterprise funds, flow monitoring and powers of attorney for annexation. [052]
02/07/92	Draft Response to 2/7/92 letter. [052]
02/07/92	Independent Auditor's Report - Audited Financial Statements for OMSD as of 12/31/91 and 1990.
02/09/92	Daily Sentinel Article "Lack of Fire, Sewer Lines, Halts Builder." Author: C. Patrick Cleary. Developer stymied by County's unwillingness to grant variance from existing sewer requirements. Commissioner Spehar spearheaded the effort to stop the development opposes "hodge podge growth in the rural areas without thought to coordinated fire-flow and sewer systems." "Should we be responsible to subsidize (development) and pass the costs on down the road?" [CDOH Documents]

- Memo from Shanks to the City Council amounting to a briefing of the Council members in preparation for the 2/12/92 meeting with the County Commissioners and the Special Districts. The memorandum summarizes history behind the 5/1/80 Agreement, the use of the powers of attorney for annexation as a condition for receiving City sewer service and its importance as a tool for the City to control growth, identifying the City and County as co-owners of the system with respect to the ownership issue, the City's offer to take over total ownership, management and maintenance of the joint sewer system, system management issues, the relative powers between the City and the County, and sewer rates. [Achen's files as of 4/11/95]
- Meeting between City and County (Spehar and Councilman Bothman, Bennett, McCurry) regarding the future of sewer service in the 201 Area. The meeting was followed by Spehar's 2/20/92 letter which was the beginning of the Sewer Task Force effort during 1992. Commissioners solicited suggestions on how to completely restructure the 201 sewer facilities and requested that all players put history behind them and come to the table with new creative ideas on how to restructure ownership operation and control of the facilities within the 201 boundary (see the Spehar's 2/20/92 letter and the 2/28/92 letter to Spehar from OMSD). [Achen's files as of 4/1/95]
- 02/20/92 Letter from Jim Spehar to City Councilmen and Utilities Subcommittee re resolving "important longstanding issues" and having a single policy maker from each board take part in discussions of alternatives to current sewer arrangements. (047 attached to 2/26/92 Shepherd letter). [047 attached to 6/24/92 Kaliszewski letter]
- Notes from meeting with Debra Davis (OMSD Manager) re: Valle Vista issues (pipe size, repaying, right-of-way acquisition, which route limits growth, opposition to a force main, availability of grant monies, time line, and extension of the 201 Boundary. [County documents Valle Vista Stack 4]
- 02/26/92 Letter from Conner Shepherd to Jim Spehar, Mesa County Commissioners, identifying City's long-term goals (i.e. avoidance of multiple layers of government through annexation, to explain City's position, stating issue is between City and County, not districts [047] [045 attached to 5/7/92 Caldwell memo] [047 attached to 6/24/92 Kaliszewski letter]
- 02/28/92 Letter from OMSD to County Commissioners re: OMSD's request for amendment to the 201 Planning and Service Area to include the Valle Vista subdivision. [050]
- D2/28/92 Letter from OMSD to Commissioner Spehar re: OMSD's proposal to solve the sewer issues by restructuring the ownership operation and control of the sewer facilities within the 201 boundary through the establishment of a new Title 32 Special District for the exclusive purpose of providing sewer collection and sewer treatment services divided into seven wards with an elected board member from each ward and allowing for the dissolution of the present Special Districts. Powers of attorney for annexation into the City would no longer be required.

 [Achen's files as of 4/11/95]
- 03/02/92 Sewer System Facts and Information City of Grand Junction (author not stated) describing relationship between City, County and Districts. [045 attached to 5/7/92 Caldwell memo]
- 03/02/92 Sewer Proposal to the Commissioners (5 pages).
- 03/02/92 City of Grand Junction Notice to All Local Media Sewer Proposal to the Commissioners (5 pages).

03/04/92	Letter from O.M. Sanitation District Board of Directors to "Dear Orchard Mesa Sanitation District Customers", re Persigo Wastewater Treatment Plant being only option for treatment, addresses City's annexation authority through use of powers of attorney, City's proposal to County to get ownership of plant and trunk lines to City, advising of Board's proposal to form a new sewer district to encompass entire 201 service area, asking for input. [045]
03/05/92	Memo from Dan Wilson to City Council, Dept. Heads, Jody Kole, John Shaver, Mark Achen, Greg Trainor providing legal opinion re dissolution/exclusion of special districts. [050] [052]
03/09/92	Newsletter from City addressing questions about annexation. [052]
03/09/92	Mesa County/OMSD "Application for Issuance of Advance Payments for Treatment Works Planning and/or Design" made to the CDOH/WQCD re: Valle Vista. [City Utility Files]
03/10/92	Memo from City of Grand Junction Mesa County re 201 Sewer System Response to CGVSD 2/7/9 letter to its customers. (3 drafts) [052]
03/10/92	Letter (draft?) from Conner Shepherd to Colorado Dept. of Health requesting Mesa County not be granted application to be pass-through agency for grant funding to be spent by or on behalf of OM Sanitation District. [046]
03/11/92	OMSD application for financial assistance submitted to Colorado Water Pollution Control Revolving Fund re: Valle Vista extension. [County file -Valle Vista -Stack 4]
03/13/92	Daily Sentinel Article, <u>Letter to the Editor</u> "The City's Attitude Toward Persigo Stinks." Author: <u>Robert Elsberry. President of OMSD</u> . Complains of the City's hard line stance and the City's insistence that annexation be a prerequisite to obtaining sewer service. <u>City Council does not represent non-residents</u> . [CDOH Documents]
03/17/92	Handwritten notes from Spehar to Lyle Dechant re: sewer issues requesting completion of "the ownership review for Persigo and the review of feasibility of the proposal presented by O.M. Sam." Further identifies two long term questions: the ability of any new entity to control the City's collection system and the feasibility of a ballot issue to change the current operating scenario. [County file - Persigo - Stack 4]
03/17/92	Jim Spehar's handwritten notes - some dated and some undated - the dates include: 10/29/91, 10/15/91, 5/11/92, and 8/6/?. [County file - Persigo - Stack 4]
03/17/92	Letter (marked Exhibit 4) from Conner Shepherd to Mesa County Commissioners re need to find reasonable solution for problems facing residents of Valle Vista subdivision, proposal by OMSD to expand into 201 sewer service area unacceptable to City, lift station and force main most reasonable solution; Construction Costs. [050]
03/18/92	Daily Sentinel Article "Councilman Tells Subdivision to Fix Lagoon or Get Out." "City Offers to Build Sewer Line for Valle Vista Area." Author: C. Patrick Cleary. [CDOH Documents]
03/19/92	Order of Colorado Court of Appeals: Central Grand Valley Sanitation District, et al. vs. City of Grand Junction, 90 CA 2103. [046]
03/20/92	Memo from Linda Dannenberger, Planner to Don Van Wormer re: 201 Facility service area - "areas where anticipated sewer service may be over-appropriated because no building in those areas is anticipated. [County documents - Valle Vista - Stack 4]

03/20/92 Letter from OM Sanitation District to Jim Shanks re dry weather flows for OM Sanitation District. [046] Letter from Jim Spehar to City Councilmen, advising who will be single policy maker from each 03/20/92 board to discuss alternatives to current sewer arrangements. [045 - attached to 5/7/92 Caldwell memo] 03/25/92 Letter from Ron Lappi, to OMSD Board, advising February delinquency amount is 37% of total due 201 Sewer Fund and the District. [050] Letter from Ron Lappi, Admin. Services, to CGVSD Board of Directors re delinquent accounts 03/25/92 representing 33% of total due 201 Sewer Fund. [047] [052] Memo from Russ Caldwell, Dougherty Dawkins, to Sue Kaliszewski-Gormley and Ron Lappi re 03/26/92 Mesa County Sewer Bonds refunding; Mesa County, Colorado Proposed Sewer Refunding Revenue Bonds, Series 1992. [047] Letter from Shanks to Dillard Jenkins, President, Valle Vista Homeowner's Association re: 03/27/92 Valle Vista expansion - dispute with County (Don Van Wormer) statements concerning the options available to the subdivision. [Achen's files] 03/27/92 Letter from Commissioner Spehar to Mayor Shepherd re: sewer bond refinancing: potential savings, additional savings if the City's proposal to take over the sewer system, operations, and ownership, including the special districts were to occur. If there are economies to be gained through consolidated ownership and operation of the sewer system in the 201 service area, that consolidation needs to be considered. The City has, in the past, refused to participate in the ongoing meetings between the County and the districts which were intended "to design and optimally efficient system irrespective of any current geographic or political boundaries". The County invites the City, again, to attend. [Achen's files] Letter from Greg Trainor to CGVSD refunding \$180.00 improperly charged to the district for 03/30/92 television analysis work in the 201 system. [County documents - Valle Vista - Stack 03/30/92 Letter from County Administrative Analyst Don Van Wormer to Dillard Jenkins, Valle Vista Homeowner's Association President re: Valle Vista extension: the County will only act as facilitator in order to get Valle Vista hooked up to the system. It will not take the lead and make decisions as requested by the Homeowner's Association and OMSD. The County will make the decision concerning the proposed 201 amendment and will continue to exercise all relevant land use powers. [Achen's files] Letter from James Shanks to Mark Eckert, attaching quit claim deed for River Road interceptor 03/30/92 for County's signature, due to recent annexation of a portion of River Road, w/attached deed form. [045] [047] 04/01/92 Mesa County Contract #MCA 92-55 by and between the State of Colorado/CDOH and Mesa County for OMSD/Valle Vista with attached "Application for Issuance of Advance Payments for Treatment Works Planning and/or Design" and #MCA 92-24 "Valle Vista Grant Agreement" dated 3/3/92. [City Utility Files] Memo from Amy Kennedy, Sherman & Howard, attorneys to Ron Lappi (City) and Sue 04/01/92 Kaliszewski - Gormley re: the permitted uses for the operation and maintenance expense reserve fund if the 1980 bonds are refunded. Analysis of use of those funds in light of federal tax law. [Achen's files]

- 04/08/92 Sewer Task Force Minutes (no City representation), presentation of options under Title 32 by Lyle Dechant. [047]
- 04/08/92 Letter from CGVSD to Ron Lappi re delinquent accounts, explaining action being taken to collect. [052]
- Draft letter from Mayor Shepherd to Commissioner Spehar and OMSD concerning the amendment of the Persigo Wastewater Management Plan to include Valle Vista subdivision (fax by the Daily Sentinel to the County on 4/16/92 by Pat Cleary). (Final 4/15/92). [County file 2100 Waste Disposal Sewer Valle Vista Sanitation Box 3]
- 04/15/92 Draft remarks for presentation by Jim Spehar at City Council meeting re: trunkline extension policy (Independence Valley). [County file Persigo Stack 4]
- O4/15/92 Presentation by Jim Spehar at 4/15/92 City Council Meeting, re: trunkline extension policy (Independence Valley was the impetus for the later developed trunkline extension policy) City proposal to use Persigo Sewer Fund as a loan fund to finance sewer services to Independence Valley, requesting City come up with proposed long range policy for use of sewer fund as a revolving fund if City sees it as appropriate, request that City present proposal for implementation of the recommendations per sewer rate study, advising County's intention not to continue past end of 1992 under present operating contract. (2 copies) [047]
- Letter from Mayor Shepherd to County Commissioners and OMSD Board re: Valle Vista subdivision extension: City strenuously objects to any amendment to the 201 and demands that the County and OMSD comply with the terms of the 5/1/80 Agreement with requires City concurrence with any desired expansions. The City is willing to initiate such action as is necessary to enforce and protect its rights as provided for in the agreements (WAIVER?). Additional issues: system management, violation of the 5/1/80 Agreement, unauthorized expansion and its affect on plant capacity, land use control, asserted damages caused to the City and the need to withdraw areas from the 201 with densities similar to Valle Vista (apparently in accordance with the 1981 County Resolution). [See 4/13/92 draft found in Commissioners files]. [Achen's files]
- Handwritten notes "brainstorm on ideas for Persigo". Author unknown. The author does not appear to be Mark Eckert since he is referred to in the notes. The analysis includes have an attorney study the existing contracts, having an accountant review the books determining the commitment and degree of commitment of the Commissioners, determining the legality of the POAs considering the political ideas associated with the County taking over the system, asking why the City is confident that they have control. A section entitled "Take Over Decision" lists "find a source of technical advice, find legal advice, have a financial audit to determine what amount of money the City should put into the pot. It appears that a lawsuit was possibly contemplated because there is an estimate of legal fees of \$100,000.00 and a notation "if you lose, sell the plant to the City and get your money back". Reference is made to "expansion of group" legal, Lyle; Sue to audit costs, technical advisor cost; Don to list technicals and third parties WWTP operators; and BCC (Board of County Commissioners?) to flush out budget on administration. [County file "Sewer Re-financing" Stack 4]
- 04/21/92 Letter from OMSD to County Commissioners notifying the County intends to terminate its contract with the City and desires to enter into a contract with the County for sewer treatment services with the charges based on flow monitoring as recommended by the CH2M Hill Study.

 [County file Sewer Negotiations Stack 3]

04/21/92

Commissioners discuss the necessity of establishing with the City, a long-range policy for sewer truck extensions and payment for such extensions. The issue arose after the Commissioners, upon request from the City, approved the use of Persigo sewer fund monies as a loan fund to extend a main line to Independence Valley, a new development on the Redlands. [Commissioners' Minutes]

Appearing before the Commissioners was Bob Ward (615 33 3/4 Road, Clifton) on behalf of the Concerned Citizens Coalition. The Commissioners were notified that the Coalition is concerned primarily about two issues: annexation and Persigo wash. The Coalition is "firmly in favor of the maintenance at the Persigo wastewater treatment plant being transferred from the control of the City of Grand Junction to any other group or designee as meets the approval of the Mesa County Commissioners". Over 100 interested people met at Wingate Elementary School on the evening of April 20, 1992 in support of the Coalition's activities.

Commissioner Spehar's response: the Commissioners have begun an orderly process to review the various options for the continued operation of the Persigo plant (i.e. through the task force between the Commissioners and the special districts). The City was invited to participate but declined to do so. Several meetings have already occurred. Options discussed are: formation of a district of some sort to operate the plant encompassing the whole area; the County totally operating the plant or the City taking over the plant. The Commissioners wrote the City a letter in December stating the Commissioners "had no intention of operating past the end of this year under the current agreement that was drawn up in 1980". Spehar admitted the timetable is "a pretty ambitious one".

Also appearing and expressing concerns over the use of powers of attorney by the City "that the people want removed" were: Dave Dearborn (3093 Walnut Place), Ila May Keithley (2211 Broadway), and Louise Poland (2449 Broadway). [Commissioners Minutes]

04/28/92

Letter from CGVSD to County Commissioners with Jim Spehar's handwritten notes notifying the County intends to terminate its contract with the City and desires to enter into a contract with the County for sewer treatment services with the charges based on flow monitoring as recommended by the CH2M Hill Study. [County file - Sewer Negotiations - Stack 3]

04/28/92

Ila May Keithley appears on behalf of "U.S. Group-Unity Stands" following a citizen's meeting the night before in Clifton concerning the issues of annexation and POAs. With respect to POAs, claims that they are "still hostages between the Health Department and the Grand Junction City Council". Commissioner Spehar responds "nothing has occurred with respect to POAs since April 21st. The sewer task force is to meet on May 12th to continue discussions concerning the County's future direction with Persigo plant". Spehar suggests that the Persigo plant issues are "independent of the power of attorney question and the annexation question". He is attempting to move forward with the sewer task force towards some form of resolution concerning "the operation of the sewer plant and the future of that". [Commissioners Minutes]

04/29/92

City newsletter re: "the City of Grand Junction is a co-owner and manager/operator of the sewer system". Addresses the following issues: ownership, special district contracts, sewer rates, and annexation. (Achen's files)

04/30/92

City/County 201 sewer system historical and summary information re: contract dates, order by date, tap and plant investment fees, rates and mill levy, and number of accounts (as of Feb. 1992). This document was prepared by Greg Trainor for the use of Mayor Reford Theobold in his debate with OMSD to occur on May 7, 1992 at the Homebuilder's Association Dinner. [Achen's files as of 4/11/95]

- OMSD Newsletter to residents of Orchard Mesa Sanitation District response to City's recent letter suggesting that the OMSD residents dissolve the district and permit the City to take over sewer collection functions on Orchard Mesa (UNDATED) We believe this newsletter was written by OMSD during the 1992 Task Force timeframe.
- 05/04/92 Letter from Dee Wisor to Russ Caldwell re: refunding of the 1980 Bonds analysis is that the refunding through a proposed City bond issue would probably be a refunding for tax purposes. The only way to be sure would be to obtain an internal revenue service ruling. [County file Persigo Stack 4]
- Memo from Jim Shanks to Reford Theobold, responding to questions posed in Pat Teck's letter (ownership issue: reasons why City would want to own Persigo Plant). [045 attached to 5/7/92 Caldwell memo]
- Utter from Dee Wisor of Sherman & Howard, to Russ Cladwell; Persigo Ownership Transfer Outline, outlining City's proposal for transfer of ownership of sewer system in 201 planning area and reviewing wastewater water systems operation, compliance, financial management and planning. [045]
- Uetter from Mayor Shepherd to County Commissioners re: Monument Valley filing no. 4, City writing to object to the County's approval of an outlined development plan for Monument Valley filing no. 4 which allowed the developer to install a dry line sewer collection system, allowed the development to use septic systems and did not require the developer to contribute his fair share to a trunk sewer line to serve the development. The County Planning Commission and the County Planning staff both recommended that the developer pay his share of the trunk sewer needed to serve the development but the Commissioners allowed him not to do so. [Achen's files]
- Letter from OMSD to Greg Trainor re: OMSD agrees to provide copies of its minutes from all of its board of director meetings if the City will submit a proper written request under the Open Records Act (C.R.S.§24-72-201 et seq.) and pay \$1.00 per page for photo copies. [Achen's files]
- Memo from Russ Caldwell, Dougherty, Dawkins, Strand & Bigelow, Inc. to Sue Kaliszewski-Gormley re: sewer revenue bonds (attaching an opinion letter from Dee. P. Wisor, Sherman & Howard clarifying what intergovernmental arrangements might be made within the sewer bond structures in addition to the savings proposed in the refunding. Caldwell expresses the opinion "the City and County are former, legal partners in the debt and operations and neither is master or slave to the other". [County file Persigo Stack 4]
- 05/07/92 Mayor Theobold debates OMSD re: sewer issues at the Homebuilder's Association Dinner.
- Memo from Russ Caldwell of Dougherty Dawkins, to Sue Kaliszewski-Gormley, attaching letter from Sherman and Howard re what intergovernmental arrangements may be made within the sewer bond structure (if County were to transfer system and debt to City) (w/handwritten notation to Council that this may be only opportunity for bonds to be issued in City's name.) (2 copies w/no attachment). [045]
- Memo from Greg Trainor to Reford Theobold, City Council, re Wastewater Homebuilder's Meeting re rate study, meeting with County to formally discuss proposal to acquire sewer system, 1992 budget process, sewer fund bonds. [045 attached to 5/7/92 Caldwell memo]

05/11/92 Handwritten notes "files in Lyle's possession" listing various County files. [County file -Box 3] 05/12/92 Sewer Task Force Minutes. The County presents its "conceptual plan for the privatization of the Persigo Wastewater Treatment Plant and the establishment of Mesa County's operational oversight (copy attached). [Achen's files as of 4/1/95] 05/12/92 Commissioner Report by Mesa County of "A Conceptual Plan for the Privatization of the Persigo Wastewater Treatment Plant and the Establishment of Mesa County's Operational Oversight"; organizational chart. [045 - attached to 10/15/91 Trainor letter] Letter from Greg Trainor to Deborah Davis, requesting copies of minutes and attachments; 05/13/92 5/6/92 letter from Deborah Davis to Greg Trainor, advising request for minutes needs to be in writing. [050] 05/17/92 Summary of all annexations to the City of Grand Junction from 1882 until 5/17/92 (prepared as an Exhibit in the Ute Water Case-Plaintiff's Exhibit 70. 05/18/92 Letter from Deborah Davis to Greg Trainor declining City's request to address Board, advising information will be handled by District staff and District engineer. [050] 05/19/92 Minutes of OM Sanitation District Board of Directors Meeting, references meetings attended by Board representatives re Persigo Wash Treatment Facility, limiting unrestricted growth within proposed "201" boundary expansion, Larry Beckner presented draft copy of contract for legal services. [045] 05/19/92 Letter from State Representative Tim Foster to City Council re: Valle Vista subdivision line extension urging the City to drop its requirement that the extension be an undersized line which will result in a prohibition against anyone else from hooking onto the extension - the dispute is not helping the Valle Vista homeowner's who need help in view of their failing system. [Achen's files] 05/20/92 Letter from OMSD to Commissioners re: Valle Vista extension and amendment of 201 planning service area discussing alternate routes and recognizing "the legitimate concerns of the City and County of installing a main sewer line in a lightly populated area", and acknowledging that "generally, growth follows utilities and there is a potential for growth along the proposed sewer line. Until such time as the County finalizes its development policy for Orchard Mesa, such growth should be limited to allow for proper planning." The letter contains the District's offer to enact the resolution prohibiting the issuance of more than one tap for each existing partial for a period of one year beginning 6/1/92. [County file -Valle Vista -Stack 41 05/20/92 Letter from Ron Lappi, City Administrative services and Finance Director to Pat Teck, Executive Officer of Homebuilder's Association of Northwestern Colorado re: PIF fees. References Section 25-70 of the City Code establishing the PIF fees, the intent of which is to recover the cost of construction of main interceptor lines and sewage treatment works. Attachment: "summary of backbone system capital revenues and expenses 1985 - 1991 all sewer customers" and the same for "201 Area excluding Special District customers not contracting for collection capital services". (2 pages) [Greg Trainor's files]

Letter to Mesa County Commissioners from Reford C. Theobold, Mayor of Grand Junction,

enclosing proposed quit claim deed for transfer to City of River Road Interceptor.

05/26/92

05/29/92 Memo to Mark Eckert from Don Van Wormer re: City quit claim deed for sewer lines. Attached to the memo is a copy of the City's 5/26/92 letter requesting the County to sign the enclosed quit claim deed for the River Road interceptor. County's position concerning the interpretation of the 5/80 Agreement and the proposed quit claim deeds set forth and discussed. [County documents - Valle Vista - Stack 4] 05/29/92 Letter from Greg Trainor to Melanie Pallman, State Program Manager EPA re: compliance evaluation inspection NPDES Permit No. CO-004-0053. One of the primary issues was the I & I problem - the EPA wanted to know what the City intended to do concerning the I & I problem in the collection system. Summarizes the City's efforts since 1987 to identify interceptors with I & I problems. [Achen's files] 06/04/92 Letter from City of Grand Junction (Author?) to attorney Tim Foster re: Valle Vista extension and the City's position (this letter is incomplete - we do not have the signature page). [Achen's files] 06/04/92 Sewer Task Force Minutes (unofficial minutes taken by Don Van Wormer, Mesa County staff). With attached City proposal of the same date. Shanks summarizes by identifying seven issues that have discussed: proportional representation, line ownership, voter control, mutual consent for contract termination, budget authority and control, POA's and general fund dollars to finance conversion from ISDS. [Spehar's Files] City of Grand Junction Proposal Sewer Task Force (City's proposal). [045] [050] [047 -06/04/92 attached to 6/24/92 Kallszewski letter) [045 - attached to 7/27/92 Summary] [050 - attached to 7/31/92 Trainor letter] 06/10/92 Letter from Jim Shanks to Al Freeman, Panorama Metro District with the terms pursuant to which the City would allow Panorama to connect to the Persigo Sewer System: \$750.00 PIF per residents, and annexation agreement (including the subset provision after a specific length of time and payment of current sewer service fees). [CDOH Documents] 06/15/92 CDOH, Donna Davis, Project Administrator - Grants/Revolving Funds Assistance Program, WQCD to Commissioner Spehar enclosing a pay request for \$6,974.00 on the Valle Vista Project. [City Utility Files] 06/15/92 Notes of action by Commissioners pursuant to Agenda item - "second request for River Road interceptor quit claim deed to City". Present were Commissioners Genova, Leane and

Spehar, Mr. Eckert, Mr. Dechant, and Mr. Ausmus. Board decision: the board does not immediately wish to have the Commissioners sign the quit claim deed. The County attorney

CGVSD's response to Commissioner Spehar's request for comments-"re summary of proposals and official comments from OMSD". The response by CGVSD relates to the District's position concerning proposals arising out of the Sewer Task Force and sets forth CGVSD's position concerning: creation of a new 201 Special District, privatization of the

Memo from Mesa County Planning Division to Interested Parties, re Proposed Sewer

Connection Policy for New Developments, requesting input, enclosing copy of Section 4.1.5

has directed not to draft a response to the City Council. [County - Stack 2]

operation of the Persigo Plant, and the District's response to the "City proposal"

of the Mesa County Land Development Code.

06/18/92

06/19/92

06/22/92 Letter from Reford Theobold, Mayor, to Mesa County Commissioners, responding to request for additional input re ownership, financing and operation of the sewer system, advising City willing to discuss terms but will not relinquish a strong voice in determining rates methods of charges, expansion and operation, City will defend its right to use sewer service as a tool for City growth, etc. [045] [047 - attached to 6/24/92 Kaliszewski letter] [045 attached to 7/27/92 Summary] [050 - attached to 7/31/92 Trainor letter] 06/23/92 Letter from Gregory Trainor to CGVSD Board of Directors, following up on 6/22/92 meeting. [047] E-Mail from Mark Achen to Greg Trainor re Petition for Dissolution, recommending citizen 06/23/92 approach. (3 copies). [052] 06/24/92 Memo from OMSD and CGVSD Sewer Task Force to Commissioner Spehar re: summary of proposals and official comments re: three alternatives for the ownership and operation of the joint sewer system: creation of a new 201 special district, privatization of the operation of the Persigo Plant, and the "City proposal". [County file - City Sewer [201] - Stack 4] 06/24/92 Letter from Sue A. Kaliszewski-Gormley, Acting County Administrator, to Mark, re agenda for Monday evening's meeting, advising cannot discuss #1 until Board resolution due to current process re request for expansion of 201 boundaries (no copy of agenda). [047] 07/01/92 Notes to file re 6/25/92 visit from Larry Beckner, indicating OM and CGVSD desire to do own billing. [047] 07/09/92 Letter from Clifton Sanitation District #2 to City of Grand Junction, indicating statement of history and implied goals of City/County Sewer System don't mention Clifton and imply intent to absorb Special Districts including Clifton into City/County system, asking where they fit in planning, requesting meeting. [045] 07/15/92 Letter from James Shanks to Mike Joyce, Mesa County Director of Planning re Proposed County Sewer Policy; Mesa County Sewer Connection Policy for New Development Located in Grand Junction 201 Sewer Planning Area. (reworded as indicated in letter?) [045] [047] 07/20/92 Letter to Grand Junction City Council Members from Jim Spehar, Chairman County Commissioners, refusal to sign quit claim deed for River Road Interceptor. Summary of Grand Junction Sewer Proposal to Mesa County How it Affects Taxpayers in 07/27/92 Orchard Mesa Sanitation District. Attached is the 6/4/92 City proposal. [045] [050] attached to 7/31/92 Trainor letter] [Achen's files] Letter from OM Sanitation District to City of Grand Junction, re billing of customers, advising 07/28/92 District intends to assume all billing responsibilities for its customers. [045] Letter from CGVSD to City of Grand Junction re CGVSD/City Agreement, advising District 07/29/92 intends to honor termination date of 11/4/91, requesting City meet with District to negotiate a new contract. [045] [052] Letter from Greg Trainor to Tim Woodmansee re dissolution of OMSD (Enclosures: 6/4/92 07/31/92 Proposal, 7/2/92 Summary and 6/22/92 Letter to Commissioners). [050] 08/92 Task force meetings ended when the County revealed its desire to go to court over the matter. The City refused to go to Court. (City Newsletter, August, 1994).

08/92(?) "Request for Proposals 201 Wastewater Facilities Plan Amendment Orchard Mesa Sanitation District Grand Junction, Colorado." OMSD is seeking sanitary engineering consultants for preparation of an amendment to the 201 Wastewater Facilities Plan which will include an evaluation of the alternative methods of providing wastewater services to Valle Vista and assess the impacts of that service on the regional wastewater treatment facility. Proposals due to be submitted by 8/18/92. [County file - CDH Grants - Stack 4] 08/05/92 Letter from James Shanks to CGVSD re Sewer Service Agreement, advising 3/24/80 Supplemental Agreement extended term to 3/24/2010, and 12-month written notice required to terminate; Supplemental Agreement between City and CGVSD adopted 9/3/80, referenced 3/24/80 resolution. [045] [052] 08/05/92 Letter from James Shanks to OM Sanitation District re Customer Billing, advising no contractual provision to push notice period back to November 15, advising City will continue to bill 201 fees to all customers even if District gives notice, advising City's proposal to Mesa County Commissioners stands. [045] [047] [050] 08/06/92 Letter from Jim Spehar to City Council, transmitting a series of position statements and questions re issues surrounding Joint Sewer System, asking City to respond, expressing hope City will join with County in seeking solutions in a cooperative and expeditious manner, including seeking declaratory judgment of rights and obligations; Mesa County Positions Regarding the Joint Sewerage System (takes position County owns the sewerage system). [047] [047 - attached to 6/24/92 Kaliszewski letter] 08/07/92 News Release by County - Statement on Sewer Issues by Mesa County Commissioners, suggesting City and County collaborate in asking Mesa County District Court to issue a declaratory judgment of rights and obligations under the existing agreements. [047 attached to 6/24/92 Kallszewski letter] Certified Letter to Reford C. Theobold, Grand Junction Mayor and to Mark Eckert, Mesa 08/12/92 County Administrator, from Robert J. Shukle, Chief, Permits and Enforcement Section, Water Quality Control Division, CDOH, re In the Matter of Mesa County and City of Grand Junction CDPS Permit No. CO-0040053, Mesa County, Colorado. 08/18/92 Minutes of OM Sanitation District Board of Directors Meeting, includes discussion re Persigo Wash issues. [045] 08/20/92 Letter from OM Sanitation District to James Shanks, expressing disappointment over the City's 8/5/92 letter, urging City to move forward to implement flow monitoring recommended by CH2M Hill and City to send one monthly bill to the Board and District will then bill its customers. [045] 08/24/92 Memo from Greg Trainor to Jim Shanks re: Persigo Plant's spill, the memo concerns two spills: one occurring on May 15, 1992 due to human error and equipment failure and a second on June 28, 1992 due to human error. Notification to the State occurred. [Achen's flies] E-mail from Ron Lappi to Mark Achen, Dan Wilson, Greg Trainor re Orchard Mesa financials; 08/27/92 7/27/92 Summary of City of Grand Junction Sewer Proposal to Mesa County as it Affects

Taxpayers in OMSD; Financial Statements and Auditor's Report Orchard Mesa Sanitation

Minutes of OM Sanitation District Board of Directors Meeting, includes discussion of current

District December 31, 1991 and 1990. [050]

developments between District and City. [045] [050]

08/27/92

Letter from Commissioner Leane to Mayor Theobold regarding 8/12/92 notice of violation from CDOH Water Quality Control Division. The letter expresses the County's extreme concern, as "owner of the plant" regarding the violations and demands prompt action by the City's staff and that the Commissioners be advised and briefed of events and the City's plan for its response to the notice of violation. [Achen's files as of 4/11/95] Letter to David Holm, Director, Water Quality Control Division, CDOH, from Jim Shanks, Grand 09/03/92 Junction Public Works and Utilities Director, re In the Matter of the City of Grand Junction and Mesa County CDPS Permit No. CO-0040053, Mesa County, Colorado. Memo from Shanks to Achen attaching list of 66 customers of OMSD to whom the City sent 09/04/92 letters and packets of information (see the 7/27/92 memo and the 6/4/92 memo summarizing the City's proposal to the County and how it affects taxpayers in OMSD. [Achen's files] 09/10/92 Letter from Mayor Theobold to Commissioners in response to the Commissioners 8/6/92 letter. The City declines the County's request that the City cooperate in suing itself. The City sees nothing to be gained by litigating the partnership in the system. The City is available to negotiate as it has been in the past. [County file - Persigo - Stack 4] Letter from Reford Theobold to Board of Commissioners, advising willing to renegotiate terms 09/10/92 of partnership with County, but sees no reason to cooperate in suing itself. Refusal to respond to County's 8/6/92 letter and "interrogatories". County must state its "objectives" re the system. [047] [047 - attached to 6/24/92 Kaliszewski letter] 09/11/92 Letter to Mayor Theobold from Robert J. Shukle, Chief Permits and Enforcement Section, CDOH Water Quality Control Division re: enclosing copy of Permit 0040053 - City of Grand Junction and Mesa County (two pages attached indicating "obsolete" pages from the Permit). [EPA Documents - Permit Section] Daily Sentinel Article "Fines Might Be On Tap For Sewage Spill - Commissioners Want City Explanation Before Public." Author: C. Patrick Cleary. Two spills occurring on May 14 and 09/13/92 June 28, 1992 are the first such spills since the Persigo Plant opened. Spills due to human error. No health threat posed according to State Water Quality Control Commission. [CDOH Documents] Objection of the City of Grand Junction to the Proposed Inclusion of Valle Vista Subdivision 09/15/92 within the Service Area of Orchard Mesa Sanitation District. [047] Letter from Commissioner Spehar to Jerry O'Brien, Facilities Superintendent, Persigo Plant, 09/21/92 re: a thank you for the tour of the plant on September 9 and Mr. O'Brien's "willingness to identify the violation in the question by the Colorado Board of Health and the City's response to the notice as a matter of public record". [Achen's files as of 4/11/95] 09/23/92 E-mail from Mark Achen to Andrew S. re OMSD, discuss at 10/13 study session. [050] (050 - attached to 10/13/92 handwritten notes] Memo from Andrew Schmidt to City Council, Dept. Heads, Growth & Annexation Committee, 09/28/92 re Committee Meeting 9/14/92 re status of annexations and proposed annexation schedule, annexation and dissolution of OMSD. (2 copies) [050] [050 - attached to 10/13/92 handwritten]

08/28/92

10/06/92 Daily Sentinel Article "The County Gets Ready to File Sewer Suit." Author: Bob Silbernagle. County instructed County Attorney to prepare lawsuit - City refused to respond to County's "interrogatories" - County believes issues need to be resolved before refinancing can be accomplished. [CDOH Documents] County attorney Dechant reported that following the sewer task force meetings, the County 10/06/92 sent a letter to the City suggesting 10 issues in areas in which the County wanted a response from the City. The City reviewed the questions and indicated it would not answer them because the County was asking the City to be involved in a process "opposing themselves". The City made alternative suggestions. No further action has occurred and staff needs guidance from the Commissioners as to what to do. The Commissioners agreed to allow Mr. Dechant's office "to move forward and start looking at documents and doing research". The County attorney's office was authorized to go ahead and begin the preparation of a lawsuit against the City but to come back to the Commissioners "for final authorization before filing any action". The Commissioners obviously are uncertain as to how to answer the ownership question. [Commissioners Minutes] 10/06/92 Letter from OMSD to Mayor Theobold re: Valle Vista subdivision/OMSD sewer line extension OMSD's response to the City's written objection addressing issues of: Valle Vista, 201 expansion, relative powers of City and County issues (who has authority under the 5/80 Agreement to approve 201 amendments). [Achen's files] 10/07/92 Daily Sentinel Article "Mayor Baffled by County Stance on Sewer Plant." Author: Dana Nunn. Multiple quotes by Theobold and Dan Wilson (e.g., why does it matter who owns it?) additional quotes by Spehar and Genova - denied politically motivated. [CDOH Documents] 10/07/92 Letter from Brian T. Friel, State Program Officer, Municipal Facilities Branch, EPA to Debra Davis, District Manager, OMSD re: the ownership plant. [County file - Persigo - Stack Memo from Greg Trainor to Jim Shanks re: OMSD, Valle Vista 10/6/92 meeting: Valle Vista, 10/07/92 201 expansion and sewer revenues issues discussed (see 10/14/92 letter from OMSD). [Trainor's files] 10/07/92 Letter to Deborah D. Davis, District Manager, Orchard Mesa Sanitation District, from Brian T. Friel, State Program Officer, Municipal Facilities Branch, US EPA, re Ref: 8WM-MF (request for clarification of 208 Area and owner of Persigo). 10/13/92 Handwritten notes (Greg Trainor's notes) of City Council Meeting "dissolution /annexation." [050] City of Grand Junction Press Release re City Believes Strongly that the Current Sewer 10/14/92 Dispute with Mesa County Can and Should be Resolved Responsibly. [047] 10/14/92 Letter from OMSD to Trainor re: Valle Vista extension joint sewer fund request - funding availability for expansion of the 201 and definition of the sewer system (i.e. backbone capital construction). Also addresses ownership issues with respect to OMSD and the Valle Vista extension line and collection lines. [Achen's files]

Memo from Shanks to Achen re: Valle Vista and OMSD's request to use joint sewer system

Commissioners adopt a resolution indicating their intent to issue sewer revenue refunding

bonds in cooperation with the City of Grand Junction. [Commissioners Minutes]

funds - Trainor was misquoted. [Achen's files]

10/19/92

10/20/92

Letter from Greg Trainor to Edith Kinder, CGVSD, advising proposed budget does not have 10/21/92 recommended rate increase for 1993. [047 10/21/92 1992 Mesa County Revenue Bond Documents. 10/22/92 Memo from P.J. Whitmore to Wayne Schroeder re: "potential sewer lawsuit by Mesa County" legal memo prepared by Schroeder's office addressing among other things: the ownership issue, the issue of justiciability, the role of the federal government in seeing that the system management remains in the City, termination of the 5/1/80 City/County Agreement (is it a perpetual contract?), and whether the City could bring an action for the specific performance of the 1980 Bond Resolution issued by Mesa County? [Dan Wilson] 10/27/92 OMSD and CGVSD purchases a half page ad in the Daily Sentinel under the heading "Who owns the Persigo Wastewater Treatment Plant" and asserts the County's ownership pursuant to the 5/1/80 Agreement and publishes a copy of a letter from Brian T. Friel. State Program Officer, Municipal Facilities Branch EPA, expressing the opinions that: "Mesa County was the designated 208 management agency", and the 5/1/80 Agreement clearly provides that "the County will own the wastewater treatment plant and River Road and Redlands interceptors. The City shall own the Paradise Hills interceptors in addition to all lines and other facilities currently owned", the Agreement further explained that the County would be the owner and the City would be the manager of the Plant. The source of Mr. Friel's information is a review of the EPA grant documents and conversations with Harvey Hormberg and Jim Brooks, former branch and section Chiefs of the Construction Grant Program during the grants inception. [County file - Persigo - Stack 4] 11/05/92 Letter from Dan Wilson to Lyle Dechant requesting cooperation from Mr. Dechant regarding establishing a procedure for placing of record the ownership of sewer lines in areas annexed into the City under the terms of the 5/1/80 Agreement. 11/06/92 E-Mail from Shanks re "Valle Vista Alterative". 11/10/92 Draft Proposed Sewer Extension Policy. [047] 11/12/92 Revision - Draft Proposed Sewer Extension Policy and "Outline of Proposed Sewer Extension Policy". 11/12/92 "Confidential for City Council Only" citing overall City goals, specific objectives re provision of sewer service to Valle Vista Area; 11/10/92 E-Mail dated 11/02/92 re Valle Vista alternative; 11/10/92, revised 11/12/92 Proposed Sewer Extension Policy; 11/3/92, revised 11/12/92 draft Outline of Proposed Sewer Extension Policy. [047] 11/17/92 Letter from Mesa County Administrative Services (author?) to Greg Trainor containing a list of questions identified relating the Persigo budget. (The second or latter pages of this letter are not here). [Achen's files] 11/18/92 City Ordinance No. 2626. An ordinance ratifying, confirming and approving County Resolution MCM 92-160 (1992 Bond Resolution). [NOTE: Later amended 12/16/92.] 11/19/92 Letter from OMSD to Brian Friel, State Program Officer, Municipal Facilities Branch EPA re: sewer rates and cost allocation for the Persigo Wash Wastewater Treatment Facility. The

district seeks EPA's involvement in a system of the district forcing the City and County to adopt the rate structure recommended by CH2M Hill (flow monitoring). [County

documents - Valle Vista - Stack 4]

- 11/24/92 Memo from Tim Sarmo, State Department of Local Affairs, to elected officials of the City, County, OMSD and Valle Vista Homeowner's Association re: resolution of Valle Vista sewer conflict a summary of the 11/19/92 meeting. The document sets forth his understanding of the status of the dispute, the parties' respective positions and his suggestions for resolution. [County file Stack 4]
- Ron Lappi, Director of Administrative Services and Finance for the City presented information to the Commissioners concerning the process he and Sue Kaliszewski-Gormley went through to select an underwriter for the sewer bond refunding issue. By unanimous decision, the Commissioners accepted the judgment and recommendation that the firm of Dougherty, Dawkins, Strand & Bigelow, Inc. and the firm of A.G. Edwards be engaged jointly as the firms to prepare the underwriter proposal for the sewer bond refunding. [Commissioners Minutes]
- 12/14/92 Outline for City argument urging modification of §509 of the 1992 Bond Resolution prior to the City's approval of same. [Achen? Shanks? Trainor?]
- 12/15/92 Commissioners adopt a resolution authorizing a sale and issuance of Mesa County Colorado sewer revenue refunding bonds, series 1992. Present and making argument were: Russ Caldwell (Dougherty and Dawkins and A.G. Edwards), Amy Kennedy (Sherman and Howard-Bond and Disclosure Counsel), Lyle Dechant, Reford Theobold (Mayor), Dan Wilson, Ron Lappi and Commissioners Spehar, Leane and Genova. At issue was the City's proposal to delete or modify Section 509 of the Bond Resolution which the City requested in order to "prevent a misuse of sewer funds". The Commissioners adopted the resolution as written.

The Commissioners also met and approved the 1993 budget for the joint sewer system. Commissioners attempted to specify that additional audits would be necessary which were not called for under the agreement. The City objected and refused to perform the audits. City attorney Wilson accused the Commissioners of attempting to bootstrap themselves into a position where they have some management decision making authority. [Commissioners Minutes]

- "Sewer Tap and Use Agreement Application for Sewer Service OMSD." Sample of Sewer Tap and Use Agreement Application used by OMSD prior to 7/1/94(?). [Dan Wilson]
- 12/16/92 Amended City Resolution No. 2626 including contingent provisions at ¶6(a). [Contingency acknowledgement by the County that it cannot use sewer monies for general fund purposes.]
- 12/16/92 City Resolution 98-92 a resolution designating certain Fund Balances for Reserves in the Joint Sewer Fund and For Future Capital Improvements in keeping with the 10-year Capital Improvements Program and Budget for 1993.
- 12/16/92 City Resolution 98-92 "designating certain Fund Balances for RESERVES in the Joint Sewer Fund and FOR FUTURE CAPITAL IMPROVEMENTS in keeping with the 10-year Capital Improvements Program and Budget for 1993." [All fund balances reserved for future capital improvements/replacements within the Joint Sewer System even though such improvements are not yet specifically identified thereafter, any funds or resources not needed for capital improvements are to be used for "fee rate reductions for all users of the Joint System."]
- 12/18/92 Certificate of City Manager acknowledges satisfaction by the County of amended City Ordinance No. 2626 §6(a) contingency.
- 12/18/92 Letter from Dechant to Amy Kennedy re" County does not control §509 Funds so long as bonds are outstanding.

- Letter from Lyle Dechant to Amy Kennedy, Sherman & Howard re: Mesa County Sewer Refunding Revenue Bonds Series 1992 concerning the interpretation of Section 509 of the 1992 Bond Resolution "use of remaining revenues". It is the County attorney's opinion that "during the term of the bonds approved by the resolution, revenues remaining in the Joint Sewer Fund may only be used for sewer purposes [meaning they are not available for the Commissioners to divert to the County General Fund for other than sewer purposes]. Written to alleviate the City's concern with the language in Section 509 which suggests that the Commissioners could spend any excess revenues as they "may determine" [1992 County Refunding Bond Documents].
- Letter from Commissioner Spehar to the editor The Daily Sentinel re: Spehar's objection to recent editorials about the motives of the Commissioners regarding sewer issues. Spehar asserts that the editorials are based purely on speculation and are both inaccurate and unnecessary. Spehar complains that the Sentinel, in spite of Spehar's efforts to the contrary, has not made any effort to be in contact with the Commissioners on a regular basis to determine factually the Commissioner's motives dealing with sewer issues or any other County activity. [Achen's files as of 4/11/95]
- 12/21/92 Handwritten note from "Dave" to Dan providing Mesa County Resolution No. MCM 81-126 establishing Persigo Wastewater Treatment Plant Service Area. [047]
- Letter from George Orbanek, editor and publisher of The Daily Sentinel to Commissioner Spehar, written in response to Spehar's 12/20/92 letter accusing Mr. Spehar of dissembling and being guilty of laying "buncombe" on the Sentinel's editorial staff. Mr. Orbanek notes several recent conversations with the Commissioners concerning "the County's new aggressive posture with respect to ownership of Persigo Wash". Orbanek concludes that until the County advises the Public as to what its intentions is, the Sentinel will be left to speculate as to those intentions. [Achen's files as of 4/11/95]
- 12/27/92 OMSD and CGVSD publish Ad in the Daily Sentinel "Who owns the Persigo Wastewater Treatment Plant?" with copy of EPA letter of 10/19/92
- 12/29/92 Official Statement issued by Dougherty, Dawkins, Strand & Bigelow, Inc. for A.G. Edwards and Sons, Inc. for the Mesa County, Colorado Sewer Refunding Revenue Bonds Series 1992. [Documents by Category Volume IV]
- Daily Sentinel Editorial "Sewer Gas From Orchard Mesa." Identifies self-serving nature of OMSD inquiry to EPA concerning ownership of the Persigo Plant (see, 12/27/92 Ad published in the Sentinel and paid for by OMSD and CGVSD with 10/19/92 EPA letter). From personal experience, author [George Orbanek] explains intent behind the Joint System including ownership (for whatever it is worth) but more importantly complete operational authority invested in the City. Further, illustrates original intent for eventual dissolution of the Special Sewer Districts. [CDOH Documents]