

KREMMLING SANITATION DISTRICT

200 Eagle Avenue
PO Box 538
Kremmling, CO 80459

(970) 724-3249
<https://www.kremmlingsd.org>

SPECIAL BOARD MEETING

AGENDA

June 22, 2026

6:00 PM

Google Meet joining info

Video call link: <https://meet.google.com/fkr-qwye-kfo>

Or dial: (US) +1 435-774-1238 PIN: 409 811 303#

1. CALL TO ORDER
2. PUBLIC COMMENT
Comments limited to 5 minutes per person. Comments on non-agenda items will be received at this time. No board action will be taken on issues raised during public comment. Please state your name for the record when called upon.
3. PUBLIC HEARING
Resolution 2026-06-01, a Resolution Fixing Rates, Fees, And Charges for Use of the District's Septic Receiving Station
4. LEGAL MATTERS
 - a. Resolution 2026-06-02, a Resolution Approving a Reclaimed Water Connection Agreement with the West Grand School District No. 1-JT and the Town of Kremmling
 - b. Resolution 2026-06-03, a Resolution Adopting an Investment Policy
5. ADJOURNMENT

KREMMLING SANITATION DISTRICT

RESOLUTION 2026-06-01

RESOLUTION ADOPTING RULES AND REGULATIONS FOR THE SEPTIC RECEIVING STATION AND FIXING RATES, FEES, TOLLS, PENALTIES, AND CHARGES FOR THE USE THEREOF

WHEREAS, the Kremmling Sanitation District (the “District”) is a quasi-municipal corporation and political subdivision of the State of Colorado, located in Grand County, Colorado, and is a duly organized and existing special district pursuant to C.R.S. § 32-1-101 *et seq.*

WHEREAS, the Board of Directors (the “Board”) has the management, control, and supervision of all the business and affairs of the District, pursuant to C.R.S. § 32-1-1001(1)(h).

WHEREAS, pursuant to C.R.S. § 32-1-1001(1)(j)(I), the Board is authorized to fix and from time to time increase or decrease fees, rates, tolls, penalties, or charges for services, programs, or facilities furnished by the District.

WHEREAS, pursuant to C.R.S. § 32-1-1001(1)(m), the Board has the authority to adopt, amend, and enforce bylaws and rules and regulations for carrying on the business, objects, and affairs of the District;

WHEREAS, the District owns and operates a wastewater treatment system and septic receiving station for the protection of public health, safety, and welfare.

WHEREAS, the Board has determined that it is necessary and appropriate to adopt rules and regulations governing the use of the District’s septic receiving station in order to protect the integrity, operational capacity, and regulatory compliance of the District’s wastewater treatment facilities.

WHEREAS, notice of a public hearing regarding the adoption of these Rules and Regulations and the fixing of rates, fees, tolls, penalties, and charges for the use of the District’s septic receiving station was publicly posted not less than thirty (30) days prior to the hearing date in accordance with applicable law.

WHEREAS, the Board conducted a duly noticed public hearing on June 22, 2026, at which interested persons were afforded the opportunity to be heard regarding the proposed rates, fees, tolls, penalties, and charges and corresponding rules and regulations.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Kremmling Sanitation District as follows:

1. Purpose and Applicability. This Resolution Adopting Rules and Regulations for the Septic Receiving Station and Fixing Rates, Fees, Tolls, Penalties, and Charges for the Use Thereof (this “Resolution”) is adopted for the purpose of governing the use of the District’s septic receiving station and shall apply to all persons, entities, and waste haulers utilizing or seeking to utilize the station.
2. Permit Required.
 - a. No person or entity shall discharge or deposit wastewater into the District’s septic receiving station without first obtaining a permit issued by the District.
 - b. Any permit issued by the District shall constitute a revocable license only and shall not create any vested property right or entitlement to continued use of the septic receiving station.
 - c. The District may revoke, suspend, or deny any permit for violation of these Rules and Regulations or for any other reason deemed necessary by the District to protect the public health, safety, welfare, or operational integrity of the District’s wastewater system.
 - d. The District Superintendent shall have the authority to issue a maximum of four (4) permits at any given time. The District Superintendent may issue fewer permits in their discretion based upon treatment plant capacity, system volume, operational considerations, or other factors affecting the District’s wastewater facilities.
 - e. Applications for permits shall be submitted in such form and format as prescribed by the District and shall contain such information as the District may require, including but not limited to applicant identification information, vehicle information, proof of licensing, insurance information, and acknowledgment of these Rules and Regulations.
 - f. The District may deny any permit application based upon lack of available treatment or receiving capacity, operational limitations, prior violations of these Rules and Regulations, prior damage to District facilities, submission of false or misleading information, failure to provide required information, or any other reason reasonably related to the protection of the District’s wastewater system and facilities.

3. Permitted Waste.

- a. Only household septic waste originating from residential septic systems located within Grand County, Colorado, shall be permitted for discharge at the District's septic receiving station.
- b. All wastewater discharged into the septic receiving station must originate solely from residential septic tanks.
- c. No permit holder shall discharge more than 50,000 gallons of waste in any given month.

4. Prohibited Waste. The following substances and materials are strictly prohibited from discharge into the District's septic receiving station:

- a. Industrial waste.
- b. Commercial waste.
- c. Hazardous waste.
- d. Grease trap waste.
- e. Chemical waste.
- f. Petroleum products.
- g. Toxic substances.
- h. Medical or infectious waste.
- i. Any waste originating from any source other than a residential septic tank located within Grand County, Colorado.
- j. Any material which, in the judgment of the District, may damage, interfere with, disrupt, or adversely affect the District's wastewater treatment facilities or operations.

5. Manifest Requirement.

- a. All permitted waste haulers shall provide a manifest, in a form approved by the District, for each load discharged at the septic receiving station.

- b. The manifest shall identify the origin of the wastewater, including the physical address from which the waste was collected, and such additional information as may be required by the District.
- c. Failure to provide a complete and accurate manifest shall constitute grounds for denial of discharge privileges and suspension or revocation of the hauler's permit.

6. Rates, Fees, and Charges.

- a. The rate for discharge into the District's septic receiving station is hereby fixed at seventeen cents (\$0.17) per gallon discharged.
- b. The Board may, from time to time, increase, decrease, amend, or otherwise modify any rates, fees, tolls, penalties, or charges by subsequent resolution.
- c. All permit applications shall be accompanied by a non-refundable twenty-five-dollar (\$25) permit fee.

7. Station Operations and Closures.

- a. The septic receiving station shall operate on a seasonal basis as determined by the District in its sole discretion. The District reserves the right to establish periods of operation based upon weather conditions, operational considerations, maintenance needs, treatment capacity, regulatory requirements, or other District purposes.
- b. The septic receiving station shall be open to permit holders during the hours of 7:00 AM and 5:00 PM, Monday through Friday. The Superintendent may expand or reduce the operating hours in their discretion.
- c. When discharging into the septic receiving station, the permit holder must ensure that the flow is metered or controlled such that it runs directly into the flow channel and does not overflow the receiving point.
- d. The District reserves the right to close the septic receiving station at any time, with or without prior notice, as determined necessary by the District for operational, maintenance, emergency, regulatory, capacity, health, safety, or other District purposes.
- e. The District shall make reasonable efforts to communicate any closure of the septic receiving station to all permit holders by electronic mail; provided, however, failure to provide notice shall not create any liability on the part of the District or invalidate the closure.

8. Enforcement.

- a. The District Superintendent and such other persons designated by the District shall have authority to enforce this Resolution.
- b. The District may conduct random point-in-time sampling of any permit holder's waste prior to discharge to monitor for compliance with the District's regulatory obligations.
- c. The District Superintendent may summarily suspend any permit issued pursuant to this Resolution pending adjudication by the Board, any permit that the District Superintendent has objective and reasonable cause to believe has violated this Resolution
- d. The Board, after a full investigation and a hearing, where the permit holder has an opportunity to be heard and refute any allegations and finds by a preponderance of the evidence that a violation of this Resolution has occurred, may revoke or suspend a permit and may impose a civil penalty in an amount not to exceed one hundred dollars (\$100.00) for each violation. Each separate discharge, occurrence, day of noncompliance, or violation of a distinct provision of this Resolution may constitute a separate violation.

9. Severability. If any provision of this Resolution is determined to be invalid or unenforceable, such determination shall not affect the validity or enforceability of the remaining provisions.

10. Effective Date. This Resolution shall take effect immediately upon adoption.

APPROVED AND ADOPTED by the Board this 22nd day of June 2026.

KREMMLING SANITATION DISTRICT

By: _____
Noble Underbrink
President

ATTEST:

Alan N. Hassler
Secretary

KREMMLING SANITATION DISTRICT

RESOLUTION 2026-06-02

**A RESOLUTION APPROVING A RECLAIMED WATER CONNECTION AGREEMENT
WITH WEST GRAND SCHOOL DISTRICT NO. 1-JT AND THE TOWN OF
KREMMLING**

WHEREAS, the Kremmling Sanitation District (the "District") is a quasi-municipal corporation and political subdivision of the State of Colorado, located in Grand County, Colorado, and is a duly organized and existing special district pursuant to C.R.S. § 32-1-101 *et seq.*

WHEREAS, the Board of Directors (the "Board") has the management, control, and supervision of all the business and affairs of the District, pursuant to C.R.S. § 32-1-1001(1)(h).

WHEREAS, pursuant to C.R.S. § 32-1-1001(1)(d)(I), the Board may enter into contracts and agreements affecting the affairs of the District.

WHEREAS, the District and the Town of Kremmling have established a reclaimed water system and have or will enter into a Reclaimed Water System Agreement governing the operation and use of such system.

WHEREAS, the West Grand School District No. 1-JT has requested temporary access to reclaimed water for irrigation of its athletic fields during anticipated drought conditions in 2026.

WHEREAS, the District, the Town of Kremmling, and the West Grand School District No. 1-JT have negotiated a Reclaimed Water Connection Agreement establishing the terms and conditions under which reclaimed water may be delivered and used for irrigation of the School District's athletic fields.

WHEREAS, the Board has reviewed the proposed Reclaimed Water Connection Agreement and finds that approval of the Agreement is in the best interests of the District and its users and will promote the efficient and beneficial use of reclaimed water resources within the community.

WHEREAS, the Board further finds that execution of the Agreement serves a public purpose and promotes the health, safety, welfare, and conservation interests of the District and the residents it serves.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Kremmling Sanitation District as follows:

1. Approval of Agreement. The Reclaimed Water Connection Agreement among the Kremmling Sanitation District, the Town of Kremmling, and West Grand School District No. 1-JT, in substantially the form attached hereto as Exhibit A, is hereby approved.
2. Authorization to Execute. The President of the Board of Directors is hereby authorized and directed to execute the Reclaimed Water Connection Agreement on behalf of the District, and the Secretary is authorized to attest such execution.
3. Minor Modifications. The President, District Manager, and District legal counsel are authorized to approve and execute minor and non-material revisions, corrections, or modifications to the Agreement as may be necessary or desirable to carry out the intent of this Resolution, provided such changes do not materially alter the obligations of the District.
4. Effective Date. This Resolution shall take effect immediately upon its adoption.

APPROVED AND ADOPTED by the Board this 22nd day of June 2026.

KREMMLING SANITATION DISTRICT

By: _____
Noble Underbrink
President

ATTEST:

Alan N. Hassler
Secretary

Exhibit A

Reclaimed Water Connection Agreement

**RECLAIMED WATER
CONNECTION AGREEMENT
(WEST GRAND SCHOOL DISTRICT)**

This **RECLAIMED WATER CONNECTION AGREEMENT** (the “Connection Agreement”) is made and entered into on _____, by and between the **WEST GRAND SCHOOL DISTRICT #1-JT**, a body politic and political subdivision of the State of Colorado (the “School District”), the **TOWN OF KREMMLING**, a Colorado municipal corporation (the “Town”), and the **KREMMLING SANITATION DISTRICT**, a quasi-municipal corporation and political subdivision of the State of Colorado (the “District”). The School District, Town, and District are referred to together as the “Parties” or individually as a “Party.”

RECITALS

WHEREAS, concurrently herewith, the Town and District enter into a Reclaimed Water System Agreement (the “Reclaimed Water System Agreement”), which provides for the terms and conditions under which the Town and District will provide Reclaimed Water for irrigation of parks, open spaces and is fully incorporated herein by this reference.

WHEREAS, the School District owns and maintains three (3) irrigated turfgrass athletic fields, as identified in Exhibit A attached hereto, located in Grand County, Colorado (the “Fields”).

WHEREAS, the School District desires to connect to and use the Reclaimed Water System, as said term is defined in the Reclaimed Water System Agreement, for irrigation of the Fields on a temporary basis to maintain the fields during the drought conditions anticipated in 2026.

WHEREAS, Paragraph 2(a) of the Reclaimed Water System Agreement contemplates connection of the School District to the Reclaimed Water System, pursuant to approval of a Reclaimed Water Connection Agreement executed by the Town, the District, and the School District.

WHEREAS, the Parties have determined that the execution and performance of this Connection Agreement will serve a public purpose and promote the health, safety, prosperity, and general welfare of the Parties’ residents, customers, and general public by providing for the planned and orderly delivery and use of Reclaimed Water for irrigation of the Fields.

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties acknowledge and agree as follows:

1. Incorporation of Recitals; Definitions. The Recitals are incorporated herein as though fully set forth in the body of this Connection Agreement, including the Agreement by and between the Town and District. Capitalized terms used in this Connection Agreement have the definitions included in the Reclaimed Water System Agreement.

2. No Modification of Agreement. The Parties' execution of this Connection Agreement does not change, alter, or amend any portion of the Reclaimed Water System Agreement. This Connection Agreement shall be interpreted in order to comply with all terms, conditions, limitations, and restrictions contained in the Reclaimed Water System Agreement; provided, however, that, to the extent of any inconsistency between the terms and conditions of the Reclaimed Water System Agreement and this Connection Agreement, the terms and conditions of the Reclaimed Water System Agreement shall control and govern the Parties.

3. Use of Reclaimed Water. Subject to the terms and conditions of this Connection Agreement and the Reclaimed Water System Agreement, the Town and the District agree to provide Reclaimed Water for the irrigation of the Fields. The intention of this Connection Agreement is to provide the School District with continued irrigation of the Fields through the entire 2026 irrigation season. The Parties acknowledge that in normal years the turf grass irrigation season runs from mid-May to mid-October, but agree to be flexible and continue to allow the use of Reclaimed Water on the Fields after October 1 if and to the extent that it would be beneficial for the turf to receive additional water. In no event shall Reclaimed Water be used on the Fields under this Agreement after December 31, 2026.

(a) All Reclaimed Water delivered to the Fields will be separately metered. Meter readings will be taken monthly by District personnel and provided to the Town. The Town will charge the School District for all Reclaimed Water that is delivered pursuant to this Connection Agreement at the rate applicable for potable water, with payment due in full within 30 days of the end of each monthly billing cycle.

(b) The Town will set the watering schedule for all Town parks, open space, and the School District's Fields. The Parties acknowledge that due to pressure and volume constraints, not all lands may be irrigated simultaneously. The Parties will coordinate and cooperate in proposing watering schedules for all use of the Reclaimed Water System, but the Parties agree that the Town will have the authority and sole discretion to determine the schedule for use of Reclaimed Water

(c) The total volume of Reclaimed Water collectively used by the Parties under this Connection Agreement is not intended to exceed the volume of Reclaimed Water used in prior years. To accomplish this, the Parties acknowledge that the Town intends to reduce its watering of public parks and open spaces in order to accommodate irrigation of the Fields.

(d) On and after the effective date of this Connection Agreement, the School District's use and connection to the Reclaimed Water System shall be subject to all of the Rules and Regulations, Ordinances, Code, or other legislative regulations of the Town and of the District, as they may be amended from time to time, including payment to the Town of assessed rates, fees, or charges in existence at the time such amounts are due. The School District expressly agrees to comply with all public health parameters required for the Reclaimed Water System, including but not limited to permit conditions and rules or regulations of the Colorado Department of Public Health and Environment, irrespective of whether such terms are contained in the Town or District's Rules and Regulations. The School District acknowledges that health restrictions prohibit the use of reclaimed water for a splash pad or other direct contact and will require the installation of specific signage providing public notice of the use of reclaimed water.

The District agrees to supply the School District with appropriate and sufficient signs at no additional charge.

(e) The School District acknowledges and agrees that either the Town or the District may, in its sole and absolute discretion, limit the delivery of potable water or Reclaimed Water, which may impact the water available for use by the School District.

4. Connection To and Disconnection From Reclaimed Water System. The School District shall be responsible for all costs associated with the construction and installation of facilities necessary to connect to the Reclaimed Water System and the use of Reclaimed Water. Upon termination of this Connection Agreement, the School District shall be responsible for all costs associated with disconnection from the Reclaimed Water System as deemed necessary by the Town or the District in its sole and absolute discretion. The Town and District may assist the School District where possible, to provide equipment, manpower, or other assistance to connect to or disconnect from the system, as applicable, and the School District will be responsible for reimbursement to the Town or District for all costs incurred in rendering such assistance. The School District's connection to the Reclaimed Water System must be consistent with the District's and the Town's standards and specifications, and require inspection and approval by the District and Town prior to the connection being activated.

5. Term; Termination. This Connection Agreement will become effective upon the date first above written and will continue in full force and effect until December 31, 2026, unless earlier terminated in accordance with this Section 5. This Connection Agreement will terminate automatically upon any termination of the Reclaimed Water System Agreement. The School District recognizes that the Reclaimed Water System is subject to the jurisdiction of the Colorado Department of Public Health and Environment ("CDPHE") and administration by the Colorado Division of Water Resources ("DWR") and may be shut down at any time or subject to permit restrictions or limitations. In the event of such an action by CDPHE or DWR, this Connection Agreement may be terminated by the Town or District upon notice to the School District; provided, however, that in the event that permit restrictions or limitations would still allow some Reclaimed Water to be applied to the Fields, the Parties shall work together in good faith to continue to make such water available in sufficient amounts to prevent permanent turf damage, to the extent practicable.

6. Governmental Immunity. Nothing herein shall be construed as a waiver of the rights and privileges of any Party pursuant to the Colorado Governmental Immunity Act, C.R.S. § 24-10-101, *et seq.*, as amended.

7. Annual Appropriation. No provision of this Connection Agreement shall be construed or interpreted as a delegation of governmental powers by any Party, or as creating a multiple-fiscal-year direct or indirect debt or other financial obligation whatsoever.

8. No Waiver. No Party shall waive its rights hereunder by failing to exercise its rights; any such failure shall not affect the right of such Party to exercise at some future time the rights not previously exercised.

9. Entire Agreement. This Connection Agreement constitutes the entire agreement between the Parties relating to the rights, duties, and obligations of each to the other. Any prior agreements, promises, negotiations, or representations not expressly set forth in this Connection Agreement are of no force and effect.

10. Third-Party Beneficiaries. It is not the intent of the Parties, nor shall it be the effect of this Connection Agreement, to vest rights of any nature or form in individuals or entities not executing this Agreement as a Party.

11. Modification. This Connection Agreement shall only be amended or modified by a mutually executed written document. No oral modification or change of this Connection Agreement will be recognized.

12. Severability. In the event any provision of this Connection Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision of this Connection Agreement.

13. Assignment. This Connection Agreement may not be assigned by the School District without the prior express written consent of the other Parties which shall not be unreasonably withheld.

14. Law; Venue. The laws of the State of Colorado shall govern the construction, interpretation, execution and enforcement of this Connection Agreement. Venue for any dispute between the Parties arising out of or relating to this Connection Agreement shall be in the District Court in and for Grand County, Colorado, unless any such issues are defined as water matters as defined by Section 37-92-203 of the Colorado Revised Statutes, for which the Parties agree the venue for any dispute shall be the District Court, Water Division No. 5.

15. No Presumption. The Parties acknowledge that this Connection Agreement and all the terms and conditions contained herein have been fully reviewed and negotiated by the Parties and will be construed without regard to any presumption or other rule requiring construction against the Party causing the drafting hereof.

16. Counterparts and Facsimile Signatures. This Connection Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the Parties hereto have affixed their hands on the date and year first above written.

WEST GRAND SCHOOL DISTRICT #1-JT

By: _____
Lee Bruchez
President

ATTEST

Christine Travis
Secretary

TOWN OF KREMMLING

By: _____
Wes Howell
Mayor

ATTEST

Teagan Serres
Town Clerk

KREMMLING SANITATION DISTRICT

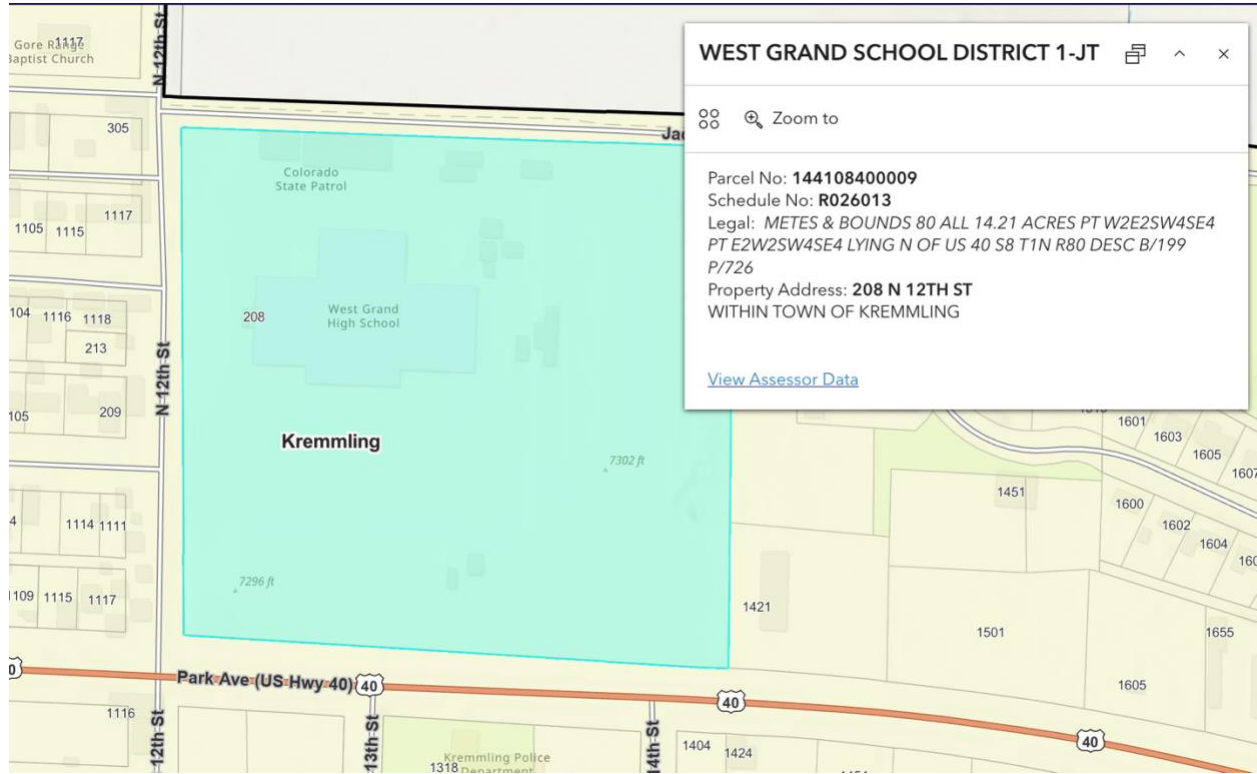
By: _____
Noble Underbrink
President

ATTEST

Alan Hassler
Secretary

EXHIBIT A

DESCRIPTION OF SCHOOL DISTRICT FIELDS



KREMMLING SANITATION DISTRICT

RESOLUTION 2026-02-02

A RESOLUTION ADOPTING AN INVESTMENT POLICY

WHEREAS, the Kremmling Sanitation District (the “District”) is a quasi-municipal corporation and political subdivision of the State of Colorado, located in the County of Grand, Colorado, and is a duly organized and existing special district pursuant to C.R.S. § 32-1-101 *et seq.*

WHEREAS, the Board of Directors (the “Board”) has the management, control, and supervision of all the business and affairs of the District, pursuant to C.R.S. § 32-1-1001(1)(h).

WHEREAS, the Board may appoint, exercise all rights and powers necessary or incidental to or implied from the specific powers granted to special districts pursuant to C.R.S. § 32-1-1001(1)(n).

WHEREAS, the Board recognizes its fiduciary responsibility to safeguard public funds, maintain adequate liquidity for District operations, and ensure that District investments are managed in a prudent and lawful manner; and

WHEREAS, Colorado law authorizes local governments to invest public funds in certain authorized investments and requires that such funds be managed in accordance with applicable statutory requirements.

WHEREAS, the Board desires to establish uniform standards and procedures governing the investment of District funds, including investment objectives, authorized investments, collateralization requirements, reporting obligations, and delegation of administrative authority.

WHEREAS, the Board finds that adoption of a Policy on Investments is in the best interests of the District and will promote sound financial management, protection of public funds, and compliance with Colorado law.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Kremmling Sanitation District as follows:

1. Adoption of Policy. The Policy on Investments, attached hereto as Exhibit A and incorporated herein by this reference, is hereby approved and adopted as an official policy of the District.
2. Implementation. The District Manager, acting as Investment Officer, and such other District personnel, consultants, financial institutions, and advisors as may be

authorized by the Board, are directed to implement and administer the Policy in accordance with its terms and applicable Colorado law.

3. Prior Practices. To the extent any prior District policies, resolutions, practices, or directives concerning the investment of District funds are inconsistent with the Policy on Investments adopted herein, such prior policies, resolutions, practices, or directives are hereby superseded.
4. Amendment. The Board reserves the right to amend, modify, or repeal the Policy on Investments at any time by subsequent resolution adopted at a duly noticed meeting of the Board.
5. Severability. If any part, section, subsection, sentence, clause or phrase of this Resolution is for any reason held to be invalid, such invalidity shall not affect the validity of the remaining provisions.
6. Effective Date. This Resolution shall take effect immediately upon adoption.

APPROVED AND ADOPTED by the Board this 22nd day of June 2026.

KREMMLING SANITATION DISTRICT

By: _____
Noble Underbrink
President

ATTEST:

Alan N. Hassler
Secretary

Exhibit A
Policy on Investments

KREMMLING SANITATION DISTRICT

Policy on Investments

Adopted: June 22, 2026

1. Purpose. This Policy on Investments (“Policy”) is adopted by the Board of Directors (the “Board”) of the Kremmling Sanitation District (the “District”) to establish prudent, lawful, and consistent standards for the investment of District public funds. The purpose of this Policy is to safeguard public monies, ensure sufficient liquidity to meet operational and capital obligations, and obtain a reasonable rate of return consistent with statutory authority and the fiduciary responsibilities of local government officials.
2. Authority. This Policy is adopted pursuant to, and shall be interpreted consistently with the following:
 - a. Legal Investments statutes, C.R.S. §§ 24-75-601.1 and 24-75-603
 - b. Local Government Public Deposit Protection Act, C.R.S. § 11-10.5-101 *et seq.*
 - c. Local Government Investment Pools, C.R.S. § 24-75-701 *et seq.*
3. Definitions.
 - a. “Public Funds” means all moneys of the District, from whatever source derived, that are in the custody or control of the District and subject to investment under Colorado law.
 - b. “Investment Officer” means the District Manager or such other person as the Board may designate to execute investment transactions on behalf of the District.
 - c. “Authorized Investments” means those investments permitted under C.R.S. § 24-75-601.1 and other applicable Colorado statutes.
 - d. “PDPA” means the Public Deposit Protection Act, C.R.S. § 11-10.5-101 *et seq.*
4. Scope. This Policy applies to all District Public Funds, including operating funds, reserve funds, capital project funds, enterprise funds, and any other funds under the control of the District, except where a bond resolution, trust indenture, or grant agreement imposes more restrictive investment requirements. In the event

Kremmling Sanitation District
Policy on Investments

of a conflict between this Policy and applicable law or bond covenants, the more restrictive requirement shall govern.

5. Investment Objectives. The District's investment objectives, in priority order, are as follows:
 - a. Safety of Principal. Preservation of capital is the foremost objective. Investments shall be undertaken in a manner that seeks to ensure the safety of principal consistent with statutory authority.
 - b. Liquidity. The District's portfolio shall be structured to meet anticipated cash flow requirements for operations, debt service, and capital expenditures.
 - c. Yield. The District shall seek to attain a market rate of return throughout budgetary and economic cycles, consistent with safety and liquidity needs.
6. Standard of Care. The Investment Officer and any person involved in the investment of Public Funds shall exercise the care that a prudent person in a like position would exercise under similar circumstances, consistent with C.R.S. § 24-75-601.4, which provides protections for officials acting in good faith compliance with statutory investment standards. Investment decisions shall be made in the best interests of the District and not for personal gain.
7. Authorized Investments. The District may invest Public Funds only in Authorized Investments permitted under Colorado law, including but not limited to:
 - a. Obligations of the United States or securities fully guaranteed by the United States.
 - b. Obligations of U.S. government agencies or instrumentalities as permitted by statute.
 - c. Certificates of deposit, savings accounts, money market deposit accounts, or other deposit instruments in eligible public depositories as authorized by C.R.S. § 24-75-603.
 - d. Eligible bankers' acceptances, commercial paper, and corporate bonds to the extent permitted under C.R.S. § 24-75-601.1 and subject to applicable credit quality requirements.
 - e. Shares of any local government investment pool authorized under C.R.S. § 24-75-701 *et seq.*

Kremmling Sanitation District
Policy on Investments

- f. Any other investment expressly permitted by Colorado statute for local governments.
 - g. The District shall not engage in speculative trading, leverage, derivatives (unless expressly authorized by statute), short sales, or any investment not specifically authorized by Colorado law.
8. Depositories and Collateralization. All deposits of Public Funds shall be made only in eligible public depositories as defined by Colorado law. Deposits exceeding federal insurance limits shall be secured in accordance with the PDPA and applicable rules of the Colorado Banking Board. The District shall not maintain uninsured and uncollateralized deposits.
9. Diversification and Maturity. The District shall diversify investments to the extent practical to reduce exposure to credit and interest rate risk. Investment maturities shall be aligned with projected cash flow needs. Unless otherwise authorized by the Board, no investment shall have a final maturity exceeding five (5) years from the date of purchase.
10. Delegation of Authority. The Board retains ultimate authority over the investment of Public Funds. The Board delegates to the Investment Officer the authority to implement this Policy and execute transactions within its limits. The Investment Officer may utilize qualified financial institutions, brokers, advisors, or custodians, provided all investments remain within statutory authority and this Policy.
11. Safekeeping and Internal Controls. The District shall maintain written internal controls governing the investment process, including separation of duties where feasible, written authorization for transactions, documentation of trades, and periodic reconciliation of investment accounts. Securities shall be held in the District's name by a third-party custodian when practical. All members of the Board shall be signers on any investment account and have access to online reporting and statements.
12. Reporting. The Investment Officer shall provide the Board with periodic reports, no less than quarterly, summarizing investment holdings, maturity dates, market values (where applicable), and compliance with this Policy. Investment records shall be maintained in accordance with Colorado public records and audit requirements.
13. Supplement to Law. The provisions of this Policy shall be in addition to and in supplement of any law of the State of Colorado.
14. Amendment. The Board may amend this Policy from time to time, only in writing following a duly called meeting.