

KREMMLING SANITATION DISTRICT RECORD OF PROCEEDINGS

Regular Meeting Minutes

May 11, 2026

A regular meeting of the Board of Directors (Board) of the Kremmling Sanitation District (District) was held on May 11, 2026, at 6:00 PM at the Kremmling Town Hall, 200 Eagle Avenue, Kremmling, Colorado, online using Google Meet. Links and call-in information were provided.

ATTENDANCE

Directors Present

Noble Underbrink, President
Dave Sammons, Vice President
Alan Hassler, Secretary/Treasurer
Stuart Heller, Assistant Secretary
Rory Menhennett, Assistant Secretary

Staff

Jack Seward, District Manager
Scott Weber, Superintendent
Trista Petefish, Utility Billing Clerk

1. CALL TO ORDER

After notice was duly given and posted in accordance with Colorado law, the meeting was called to order by Mr. Underbrink at 6:03 PM.

2. PUBLIC COMMENT

None.

3. APPROVAL OF MINUTES

Mr. Seward presented the minutes of the April 13, 2026, regular meeting.

Mr. Sammons made a motion to approve the minutes with the error noted by Mr. Hassler in the expenditure report. Mr. Menhennett seconded the motion, which unanimously carried.

4. APPROVAL OF EXPENDITURES

- a. Mr. Seward presented the expenditure report dated April 14, 2026 – May 11, 2026.

Mr. Hassler made a motion to (i) approve the expenditure report dated April 14, 2026 – May 11, 2026, in the amount of one hundred ninety-three thousand three hundred forty-seven dollars and two cents (\$193,347.02) and (ii) authorize the payment of all accounts, including current payables, in conformance with budgetary appropriations. Mr. Heller seconded the motion, which unanimously carried.

- b. Mr. Seward presented the budget to actuals report for March 31, 2026. The Board discussed the report.

5. OPERATOR'S REPORT

Mr. Weber presented the operator's report. Mr. Weber reported that two operators will begin work at the end of May. Mr. Weber reported that the compliance results are within normal compliance standards. Mr. Weber informed the Board that the reuse water will be activated the week of June 11. Mr. Weber discussed tentatively opening the septic receiving station at the beginning of June and adopting some rules. The Board will hold a special meeting in June to fix rates and fees and adopt the rules and regulations for the septic receiving station. Mr. Weber reported that the District has been approved by the Town of Hot Sulphur Springs to process wastewater while their plant is closed for maintenance.

6. ENGINEER'S REPORT

- a. Mr. Seward provided an update on development activities, reporting that the County will not issue building permits or certificates of occupancy until after approval of the District. Mr. Seward advised that the Kremmling Sunrise development has agreed to complete the required flow.
- b. Mr. Seward provided an update on the collection system project, advising that additional change orders will force a reduction of additional work that can be done with surplus funds. But the project remains on budget.

7. MANAGER'S REPORT

- a. Mr. Seward presented Resolution 2026-05-01, a resolution amending Article 3, Section 3.5 of the Rules and Regulations regarding inclusions. Mr. Seward presented the additions and changes.

Mr. Hassler made a motion to adopt Resolution 2026-05-01, a resolution

amending Article 3, Section 3.5 of the Rules and Regulations regarding inclusions. Mr. Heller seconded the motion, which unanimously carried.

- b. Mr. Seward and Mr. Heller presented Resolution 2026-05-02, a resolution declaring an emergency and imposing restrictions on the issuance of connection permits and providing penalties for violation. Mr. Heller expressed concern about the active drought situation in Colorado and conserving water for existing users. The Board tabled this resolution until there is further development with the Town.
- c. Mr. Seward informed the Board of issues with the BMO Bank credit cards that the District currently uses. Mr. Seward presented two options for separate new credit cards.

Mr. Hassler made a motion to authorize the District's Manager to make an application to Alpine Bank for an Alpine Bank business purchasing one credit card and sign all necessary documents for obtaining said credit card. Mr. Sammons seconded the motion, which unanimously carried.

- d. Mr. Seward provided an update on reuse water negotiations. There will be a meeting with the Town of Kremmling (Town) and the School District to continue negotiations and a draft IGA is in process. Mr. Weber informed the Board that there is not very much reuse water available for use since the District is facing the same drought conditions as the Town and will continue to monitor what is available.
- e. Mr. Seward presented the draft policy on investments. Discussion included maximizing the interest rate on District deposits COLO and maintaining low-risk investing. The Board will have further conversation in June.

8. EXECUTIVE SESSION

Mr. Hassler made a motion to enter into executive session Pursuant to CRS 24-6-402(4)(e), for the purpose of discussing negotiations with FCAP Muddy Creek, LLC, regarding sewer billing. Mr. Sammons seconded the motion, which unanimously carried.

The Board entered into executive session at 7:34 PM and exited executive session at 7:58 PM.

9. ACTION AS A RESULT OF EXECUTIVE SESSION

Mr. Menhennett made a motion to direct staff to order FCAP Muddy Creek, LLC to appear before the Board and show cause why FCAP Muddy Creek, LLC's property should not be reclassified for billing purposes, and their existing sewer connection permits revoked and reissued consistent with the reclassification. The

Board will hold a hearing on the order at a time and date to be scheduled by staff. Mr. Sammons seconded the motion, which unanimously carried.

10. ADJOURNMENT

There being no further business to come before the Board, Mr. Sammons made a motion to adjourn the meeting. Mr. Menhennett seconded the motion, which unanimously carried. The Board adjourned at 8:00 PM.

The foregoing represents a true and accurate representation of the proceedings of the Board's regular meeting held on May 11, 2026



Jack Seward
Recording Secretary