AGENDA
JOINT PERSIGO WORKSHOP
CITY OF GRAND JUNCTION, CITY COUNCIL
MESA COUNTY, BOARD OF COUNTY COMMISSIONERS
544 ROOD AVENUE, SUITE 3A
GRAND JUNCTION, COLORADO
MONDAY, OCTOBER 14, 2024
1:00 PM

1. **Discussion Topics**

   a. Septic System Elimination Program Updates

   b. 2025 Recommended Budget for Persigo Sewer System

2. **Next Meeting Topics**

3. **Other Business**

JOINT PERSIGO MEETING
CITY OF GRAND JUNCTION, CITY COUNCIL
MESA COUNTY, BOARD OF COUNTY COMMISSIONERS

Item #1.a.

Meeting Date:	October 14, 2024
Presented By:	Randi Kim, Utilities Director
Department:	Utilities
Submitted By:	Randi Kim

Information

SUBJECT:

Septic System Elimination Program Updates

RECOMMENDATION:

Staff recommends conducting further study to evaluate funding options for the Septic System Elimination Program (SSEP).

EXECUTIVE SUMMARY:

Staff previously presented two main options for funding the Septic System Elimination Program (SSEP): use of Plant Investment Fees (PIF) or increasing the Sewer Fund cost share such that the property owner assessment is no more than $28,000. Further study is needed to determine the long-term fiscal impacts of these two options. Further study is also needed to determine if the environmental benefit to the system resulting from extending sewer to areas currently served by septic systems is a benefit to the system, such that PIF revenue from new development may be used to support the program. In addition, it would be beneficial to explore other methodologies and grant opportunities that have been successfully adopted by other communities. Staff recommended employing an independent financial consultant to conduct the study.

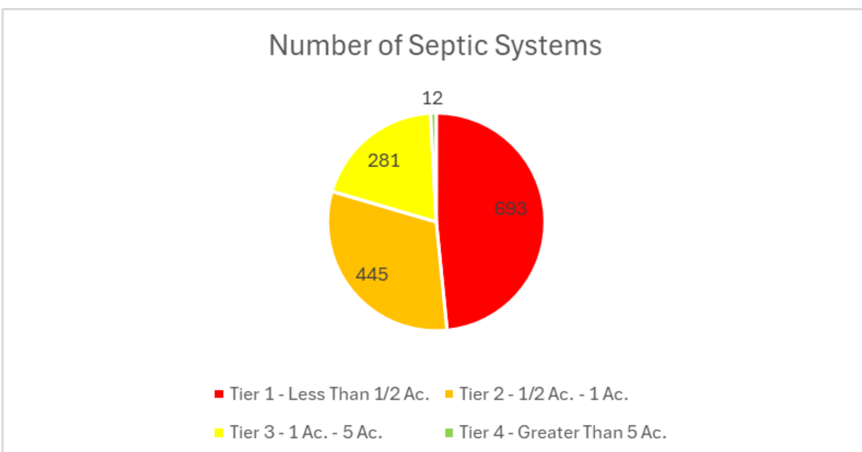
BACKGROUND OR DETAILED INFORMATION:

The City and Mesa County issued joint resolutions (Grand Junction Resolution No. 38-00 and Mesa County Resolution No. MCM 2000-73) in May 2000 that established the Septic System Elimination Program. The City and the County determined that it was in the best interests of the community and the sewer system to establish a program to provide incentives for property owners to join together and create improvement districts to eliminate these septic systems and to provide incentives to underwrite a portion of the improvement district assessment to reduce the overall cost to the customer.

The Sewer Fund included $1,000,000 per year between 2001 and 2005 and $1,500,000 per year between 2006 and 2010 to create local sewer improvement districts and finance the improvements. Property owners were assessed 70 percent of the actual construction cost, while the Sewer Enterprise funded the remaining 30%. The cost of plant investment fees, trunk line extension fees, and service line construction costs were not included in the assistance program. An interest rate of 8 percent was established for those property owners utilizing the long-term financing mechanism of a local improvement district.

At the program's onset, approximately 1,800 septic systems were operating within the Persigo 201 Boundary. To date, 29 sewer improvement districts (SIDs) have been formed, and 23 miles of sewer have been constructed, extending service to 1,431 parcels. Between 2000 and 2014, the total capital expenditure was $11 million. In addition, one SID consisting of two properties was built in 2020 for $25,000. During this period, 1,050 property owners (73%) took advantage of the cost share program.

The majority (80 percent) of the lots within the completed SIDs were less than one acre as shown in the below graph.



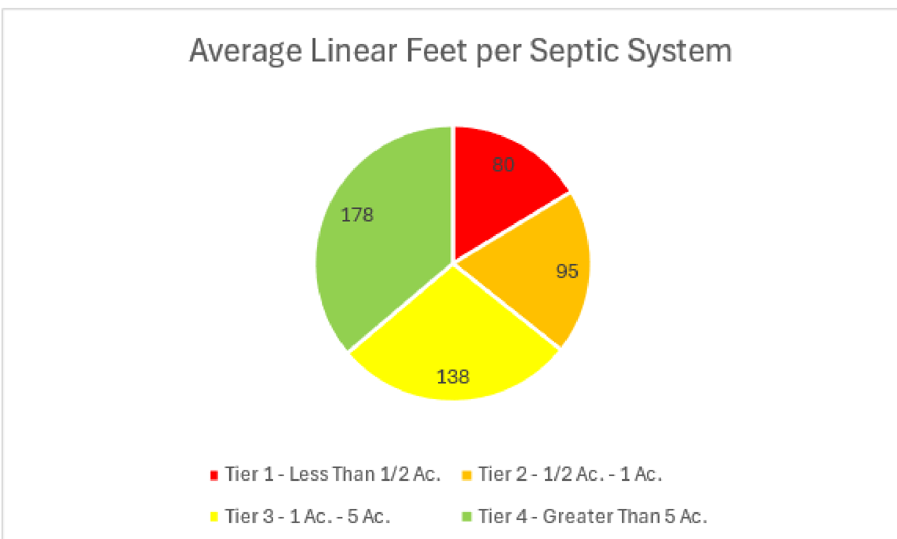
A review of the program as part of the 2020 Comprehensive Wastewater Basin Study Update indicated there are 1,555 septic systems within the Persigo 201 Boundary. Of these, 218 are within SIDs that were formed, 518 are within SIDs that were previously proposed but voted down by property owners, 528 are within newly proposed SIDs, 13 are single lots that don't have access to sewer, and 278 already have access to a sewer main.

According to County permitting records, 998 septic systems are over 25 years old, while 189 were installed after the Septic System Elimination Program was established in 2000.

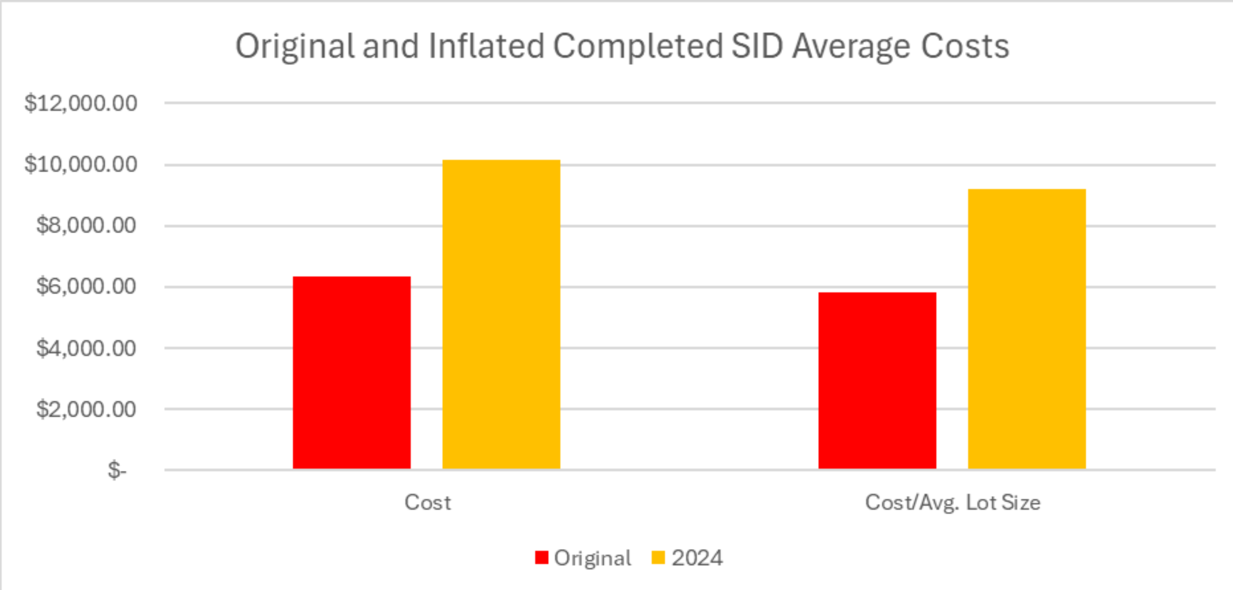
The 2020 Comprehensive Wastewater Master Plan includes recommendations for funding levels of $1,000,000 per year. The 2024 Adopted Budget includes $800,000 for 2024 and $1,000,000 per year in the 10-year capital plan.

Staff are currently working with property owners to form four SIDs: Meander Drive, Rosevale/South Redlands, Skyline, and Bookcliffs Ranch. Estimated costs to extend sewer to these SIDs range from $50,700 to $70,800 per lot, resulting in an average assessment cost of $44,375 (70 percent owner share). Sewer construction costs are considerably higher than in 2000 ($10,799 - $17,358 per lot) due to construction cost escalation and because there are fewer lots per SID to spread the costs across. Property owners are also faced with the additional cost of installing a private sewer lateral ($3,000), the sewer plant investment fee ($5,544), and abandoning the septic system ($500), which will increase the total cost of connecting to the sewer to $53,419.

Cost of Sewer Extensions by Lot Size
The cost of sewer extensions varies depending upon several factors including distance to the nearest sewer main, terrain, number of lots served by the sewer extension, and lot size. In general, extending sewer to areas of higher density is less costly than extending sewer to areas of lower density. As shown in the graph below, the length of sewer lines is inversely proportional to the density, with an average of 80 feet per lot for lot sizes less than 0.5 acres and 178 feet per lot for lot sizes greater than five acres.

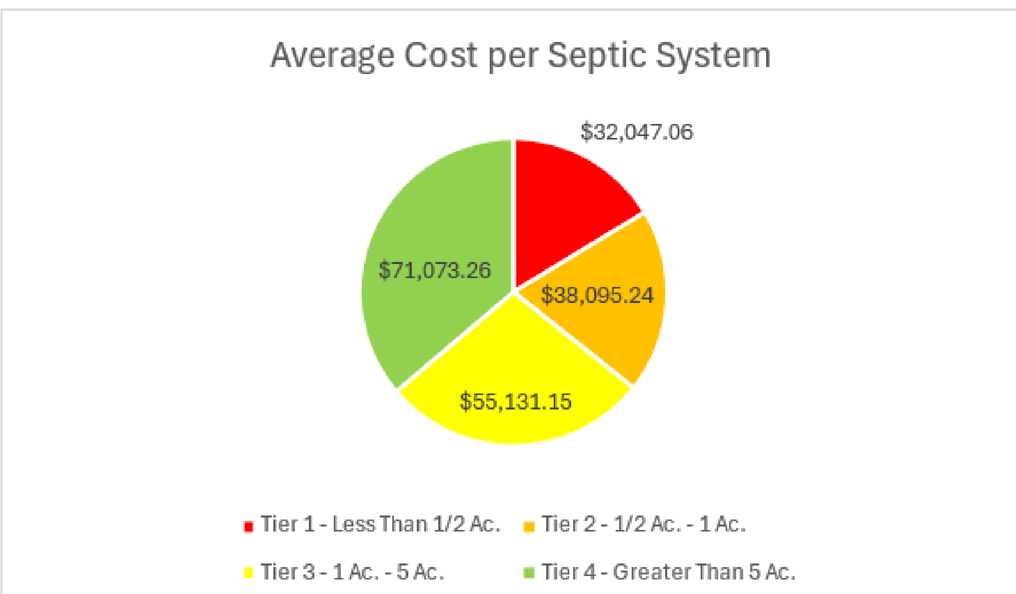


Within the 29 sewer improvement districts (SIDs) that have been formed, the average lot size of the 1,429 parcels was 0.83 acres. As shown in the graph below, the average cost per lot was $10,164.19 (inflated cost in 2024 dollars).



The four SIDs that are currently in process (Meander Drive, Rosevale/South Redlands, Skyline, Bookcliffs Ranch) have lot sizes of 0.21 to 39.67 acres. Therefore, costs to extend sewer to these SIDs may be skewed high due to the larger lot sizes.

Staff modeled sewer extensions for four ranges of lot sizes to establish cost ranges for SIDs by lot size. The average cost per lot ranges from $32,000 for lots less than 0.5 acres to more than $70,000 for lots greater than five acres.



Extrapolating these averages, total program costs to eliminate septic systems are $4.6 million for lots less than 0.5 acres and $8.4 million for lots between 0.5 to one acre or a total program cost of $13 million to extend sewer to all lots less than one acre. As shown in the table below, costs to extend sewer to lots greater than one acre would add

$47.4 million to the program.

Lot Size	Number of Lots in SID	Cost Sewer Extension Per Lot	Cost of Sewer Extension
0.5 acres or less	142	$32,047	$4,550,674
0.5 – 1 acre	220	$38,095	$8,380,952
1 acre – 5 acres	642	$55,131	$35,394,200
More than 5 acres	170	$71,073	$12,082,454

Funding Levels for the Septic Elimination Program
The 2024 Adopted Budget includes $800,000 for 2024 and $1,000,000 per year in subsequent years in the 10-year capital plan.

At the current $1 million annual funding level, staff estimates that approximately 30 septic systems can be eliminated annually, assuming an average cost of $33,000 per lot for lots one acre or less. Eliminating all septic systems on lots less than one acre would take a minimum of 12 years. Increasing annual funding levels to $2 million would reduce this time period to 6 to 7 years.

Prioritize Sewer Extension Projects to Eliminate Septic Systems Based on Certain Criteria
Staff previously recommended prioritizing sewer extension projects to eliminate septic systems based on the following criteria that pose the highest environmental and public health risk:

- Properties that are in “unsuitable areas” as defined by Mesa County On-Site Wastewater Treatment System Regulations
    - Land use density of two dwelling units per acre or more
    - Properties within the 100-year floodplain
    - Properties in areas of high seasonal groundwater levels

- Properties that do not meet the minimum lot size (1 acre) for On-Site Wastewater Treatment Systems in accordance with Mesa County Land Development Code 8.11.D.

- Septic systems that were installed prior to 1970 or are failing

It should be noted that the above criteria are not mutually exclusive and some properties may meet more than one of the criteria. Therefore, to provide an estimate of the number of properties that meet the above criteria and associated costs, Staff tabulated the number of properties less than 1 acre in size (362 properties). Further refinement of the list of candidate properties will be needed to prioritize projects over the next 5 to 10 years.

Administration of Sewer Improvement Districts
In addition to the program's cost burden on property owners, Staff are experiencing challenges with implementing the program. With 103 identified SIDs, the administrative time required to conduct community outreach to property owners, receive petitions, administer the formation of SIDs, complete engineering designs, and oversee construction is very time-consuming.

Allowance to Replace Failing OWTS more than 400 Feet from Sewer
The overriding goal of the Persigo Sewer System Intergovernmental Agreement (IGA) is to make available connections to the system to all properties within the 201 service area. However, there are provisions in Grand Junction Municipal Code and Mesa County Land Development Code that contemplate that it may be impractical or cost prohibitive to connect to sewer if the property if sewer is more than 400 feet from the property line.

In accordance with Grand Junction Municipal Code 13.04.090, construction, use and/or repair of septic tanks is disallowed and requires connection to public sewer provided that such public sewer is within 400 feet of the property line.

Therefore, if a septic system fails, and the property is more than 400 feet from sewer, property owners are allowed to replace the septic system. No policy changes would be necessary to continue this practice.

Allowance for Higher Level Treatment Systems
There may be situations due to site conditions where higher level OWTS are necessary to achieve treatment goals. Higher Level Treatment Systems are allowed by Colorado Regulation 43.11 provided they are:

- Designed by a Professional Engineer in accordance with Colorado Regulation 43.11
- Public domain systems (Sand Filters, Mound Systems, Rock Plant Filters) that meet treatment criteria in Colorado 43.6
- Proprietary Technologies that have received Division Review and Acceptance in accordance with Colorado Regulation 43.13

Mesa County allows the installation of Higher Level Treatment Systems as may be required in accordance with Colorado Regulation 43.11.

Funding Options for the Septic System Elimination Program
Staff previously presented two main options for funding the Septic System Elimination Program (SSEP): use of Plant Investment Fees (PIF) or increasing the Sewer Fund cost share such that the property owner assessment is no more than $28,000.

Currently, sewer extensions to areas with septic systems are funded through formation of sewer improvement districts and assessment of 70% of construction costs to the property owner and funding the remaining 30% by the Sewer 902 Fund. Administration of sewer improvement districts can be a heavy administrative burden for City staff and can often delay construction of a sewer extension project for several years or indefinitely.

Rather than forming sewer improvement districts and assessing 70% of the cost to the property owner, Staff suggested fully funding the cost of sewer extensions to areas with septic systems with the 904 Capital Capacity Fund.

The 904 Capital Capacity Fund was established to fund expansion projects including sewer line extensions, sewer capacity upgrades, and plant expansion projects. Fund revenues are from plant investment fees.

Currently, the PIF is $5,544 per equivalent unit (EQU). Given the current reserves and planned capacity fund projects identified in the 10-year plan, adding a $2 million annual capital expense associated with the septic system elimination program would not require an increase of the PIF in 2025 as determined by an independent financial consultant, Raftelis Financial Consultants. Further analysis is needed to evaluate the longer term impact of funding a $2 million annual expenditure with PIF funding versus rates. We are scheduled to complete the 5-year comprehensive rate study in 2025 and analyzing these options in more detail as part of the rate study would be appropriate.

Further study is also needed to determine if the environmental benefit to the system resulting from extending sewer to areas currently served by septic systems is a benefit to the system, such that PIF revenue from new development may be used to support the program. Review of other methodologies and grant opportunities that have been successfully adopted by other communities should also be included in the evaluation.

In addition to these main funding options, other considerations include the structure for any assessment loan programs (amortization period and interest rates), potential longer-term impacts to rate and/or fee payers, and the need to enforce mandatory connections to recover fees and offering a loan program to property owners within completed SIDs that have not yet connected to sewer.

Staff recommend employing an independent financial consultant to conduct the study.

FISCAL IMPACT:

The 2025 Recommended Budget includes $1,000,000 for the septic elimination program. Further study is needed to evaluate the fiscal impact of any increases to this funding level.

SUGGESTED MOTION:

N/A

Attachments

None

Grand Junction
COLORADO

JOINT PERSIGO MEETING
CITY OF GRAND JUNCTION, CITY COUNCIL
MESA COUNTY, BOARD OF COUNTY COMMISSIONERS

Item #1.b.

Meeting Date: October 14, 2024

Presented By: Randi Kim, Utilities Director

Department: Utilities

Submitted By: Randi Kim

Information

SUBJECT:

2025 Recommended Budget for Persigo Sewer System

RECOMMENDATION:

This presentation and discussion is intended for informational purposes.

EXECUTIVE SUMMARY:

The City of Grand Junction manages, operates, and maintains the Persigo Wastewater System for the benefit of users of sewer service in the Persigo 201 Service Area. The City and Mesa County participate jointly as the Persigo Board to provide policy direction for operation and maintenance of the system. The purpose of this item is to present the 2025 Recommended Budget for the Persigo Wastewater System.

BACKGROUND OR DETAILED INFORMATION:

The Persigo Board meets on an annual basis to review the status of the overall system and the recommended budget for the Persigo Wastewater System for the forthcoming fiscal year. The purpose of this item is to present the 2025 Recommended Budget for the Persigo Wastewater System.

FISCAL IMPACT:

Recommended 2025 Budget information is included in this presentation.

SUGGESTED MOTION:

This presentation and discussion is intended for informational purposes.

Attachments

1. Persigo Budget 2025 Transmittal

2. 2025 Joint Sewer Fund Budget
3. 2025 Joint Sewer Capital Plan
4. 2025 Joint Sewer Fund Recommended Capital Descriptions

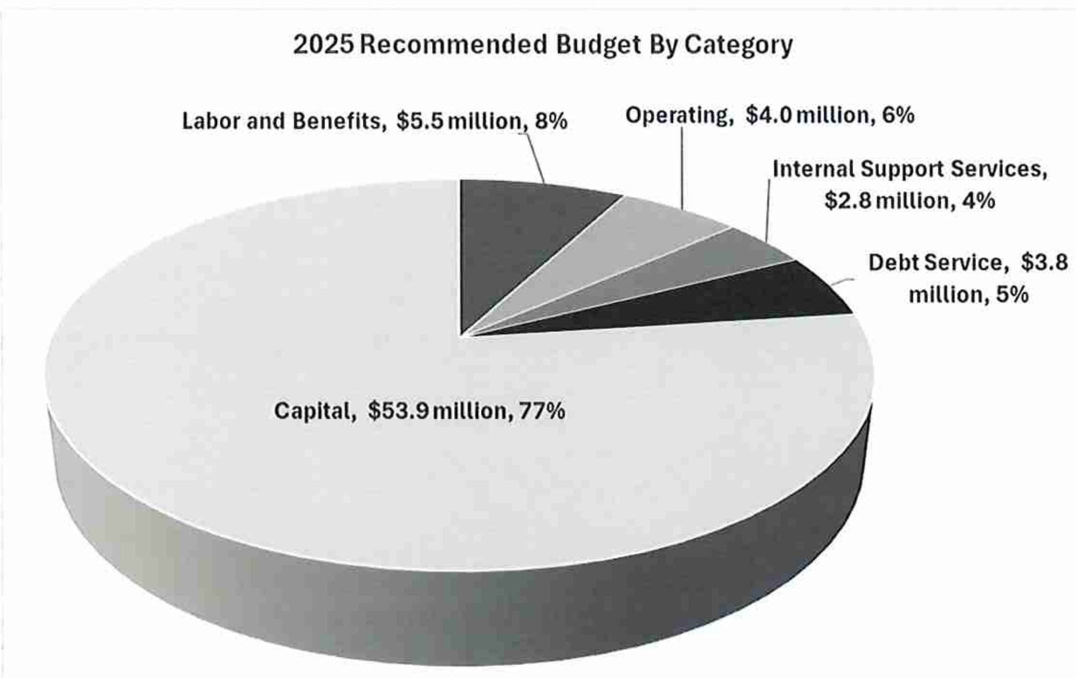
October 14, 2024

To the Honorable Members of Persigo Board:

It is our pleasure to present the Recommended Persigo Budget for 2025. The 2025 budget totals $69.9 million, of which $53.9 million is tied to capital projects which have been planned for and are funded in the Wastewater Division's Long-Range Financial Plan. The proposed budget represents the allocation of resources needed to operate the system in a manner that is consistent with industry standards and to ensure that the system will meet our community's needs well into the future.

In June 2022, an independent financial consultant completed an updated rate study to ensure revenue sufficiency and financial stability of the operation. The 2025 Recommended Budget is consistent with financial recommendations included in this most recent rate study. The 2025 Recommended Budget also incorporates recommendations presented in the 2020 Comprehensive Wastewater Basin and Wastewater Treatment Facilities Master Plan.

The following graph represents the 2025 Recommended Budget by category showing the emphasis on capital infrastructure investment.



The combined funds for the Joint Persigo Sewer System are managed in two separate accounting funds: the operating fund and the sewer capacity fund. While tracked separately in the accounting system, for budget appropriation and financial reporting the funds are combined. The first account funds operation and maintenance of the sewer collection and treatment system and planned infrastructure replacement and improvements. The second account receives revenue from plant investment fees that are accumulated for future expansion of the treatment system. The projected ending fund balance for the combined funds is $5.9 million. This is above the reserve target of $3.7 million and provides sufficient reserve for potential fluctuating revenues.

Revenue – Revenues reflect a 6% increase in rates as recommended by the independent rate study and the addition of 460 EQUs reflecting a slow down in development activity.

Operations, Maintenance, and Reliability – Operations and maintenance of the City's wastewater systems is critical to delivering high quality, reliable wastewater treatment to return clean water to the Colorado River. One of the largest operating costs for the wastewater system is hauling ($305,440) and landfill disposal ($414,360) of biosolids. The City is currently partnering with the County to evaluate the feasibility of composting biosolids in conjunction with food and green waste at the Mesa County Landfill. Composting would present a more sustainable and cost-effective alternative to landfill disposal.

Chemicals and energy are also major operating costs for the wastewater system. The 2025 Recommended Budget for chemicals is $561,044 which includes a 15% allowance for price uncertainty. Utilities costs reflect a $214,000 price increase for electricity and natural gas.

The 2025 Recommended budget includes contract services for SCADA support ($150,000), a plant optimization study ($125,000), and the 5-year rate study update ($50,000).

Infrastructure Rehabilitation and Replacement – The 2025 Recommended Budget includes $53.9 million in capital investment recommended in the 2020 Comprehensive Wastewater Basin and Wastewater Treatment Facilities Master Plan. Capital projects for the collection system include $3.5 million of additional funding for construction of the new Lake Road Lift Station to replace the Ridges Lift Station, $3.9 million for ongoing replacement/rehabilitation of sewer mains, $0.8 million for sewer improvement districts, $1.3 million for replacement of the Grand Valley Byproducts Lift Station, $1.0 million for sewer improvement districts, and $0.7 million for ongoing asset rehabilitation/replacements of the wastewater treatment plant.

Future Wastewater Treatment System Expansion –The construction of the Phase 1 Wastewater Treatment Plant Expansion project began in 2024. The 2025 Recommended Budget includes $38.4 million to fund the remaining construction. In addition, $4.0 million is included to initiate design of the Phase 2 Wastewater Treatment Plant Expansion.

In summary, the budget represents the allocation of resources to achieve the City and County joint goal of providing sewer service to all properties within the 201 Service Area for the benefit of public health and protection of the environment in a sustainable and fiscally responsible manner.

Respectfully submitted,

Kurt Carson

Kurt Carson, P.E.
Wastewater Services Manager

Randi Kim, P.E.
Utilities Director

Andrea Phillips
Interim City Manager

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Persigo Joint Sewer System 2025 Recommended Budget October 14, 2024				
Line No.	**Account**	**2024 Adopted**	**2024 Amended**	**2025 Recommended**
1	**Beginning Fund Balance:**	**$ 31,168,829**	**$ 40,420,668**	**$ 53,997,966**
2	**Revenue**			
3	Charges for Services	$ 17,065,264	$ 17,065,264	$ 18,066,005
4	Contributions	3,270,960	3,270,960	2,550,240
5	Debt Proceeds	61,300,000	64,884,878	-
6	Fines	1,000	1,000	1,000
7	Interest Revenue	864,480	1,336,925	824,730
8	Interfund Revenue	185,000	185,000	195,000
9	Other Revenue	126,000	126,000	118,600
10	**Revenue Total**	**$ 82,812,704**	**$ 86,870,027**	**$ 21,755,575**
11	**Expenditures**			
12	**Labor and Benefits**	4,802,223	4,802,223	5,450,750
13	Regular Wages	3,287,217	3,287,217	3,642,318
14	Part-Time Wages	10,982	10,982	-
15	Employment Taxes	262,128	262,128	292,070
16	Health Programs	53,392	53,392	127,053
17	Health, Dental, Vision Insurance	696,742	696,742	758,895
18	Other Benefits	12,750	12,750	32,726
19	Other Compensation	38,682	38,682	48,898
20	Other Insurance	23,681	23,681	26,129
21	Overtime	93,160	93,160	133,837
22	Retirement	215,446	215,446	245,916
23	Worker's Compensation Insurance	108,043	108,043	127,025
24	**Operating**	2,986,164	2,986,164	3,994,613
25	Charges and Fees	425,010	425,010	447,214
26	Contract Services	1,223,055	1,223,055	870,330
27	Costs of Goods Sold	-	-	-
28	Equipment	23,000	23,000	260,500
29	Grants and Contributions	3,200	3,200	3,100
30	Operating Costs	1,223,386	1,223,386	1,520,659
31	Professional Development	75,435	75,435	55,355
32	Utilities	13,078	13,078	837,455
33	**Internal Support**	3,337,711	3,337,711	2,842,541
34	Fleet and Fuel Internal Support Charge	360,294	360,294	357,180
35	General Government Internal Support Charge	812,229	812,229	858,624
36	Information Technology Internal Support Charge	543,775	543,775	692,697
37	Insurance Premiums Internal Support Charge	141,202	141,202	136,260
38	Utilities Internal Support Charge	1,480,211	1,480,211	797,780
39	**Capital Outlay**	51,736,796	59,372,054	53,855,777
40	Capital Equipment	386,796	386,796	-
41	Utility Systems	51,350,000	58,985,258	53,855,777
42	**Debt Service**	620,105	2,794,577	3,750,750
43	Interest Expense	15,105	2,189,577	2,795,750
44	Principal	605,000	605,000	955,000
	Expenditure Total	**$ 63,482,999**	**$ 73,292,729**	**$ 69,894,431**
	Net Source (Use) of Funds	**$ 19,329,705**	**$ 13,577,298**	**$ (48,138,856)**
	Ending Fund Balance:	**$ 50,498,534**	**$ 53,997,966**	**$ 5,859,110**

CITY OF Grand Junction COLORADO

MESA COUNTY

2025 Recommended Joint Sewer Fund
Ten-Year Capital Plan
October 14, 2024

Line #	Title	Year 1 2025	Year 2 2026	Year 3 2027	Year 4 2028	Year 5 2029	Year 6 2030	Year 7 2031	Year 8 2032	Year 9 2033	Year 10 2034	Five-Year TOTAL 2025-2029	Ten-Year TOTAL 2025-2034
Joint Sewer Fund													
1	Lake Road lift station replacement	$ 3,500,000	-	-	-	-	-	-	-	-	-	**$ 3,500,000**	**$ 3,500,000**
2	OM river syphon	230,000	1,800,000	-	-	-	-	-	-	-	-	**2,030,000**	**2,030,000**
3	Grand Valley Byproducts lift station replacement	1,275,000	10,350,000	-	-	-	-	-	-	-	-	**11,625,000**	**11,625,000**
4	2025 Sewer Replacement Projects	3,898,000	-	-	-	-	-	-	-	-	-	**3,898,000**	**3,898,000**
5	2026 Sewer Replacement Projects	602,000	4,000,000	-	-	-	-	-	-	-	-	**4,602,000**	**4,602,000**
6	2027 Sewer Replacement Projects	-	514,000	4,520,000	-	-	-	-	-	-	-	**5,034,000**	**5,034,000**
7	Biosolids Land Application Program	-	-	-	-	802,040	-	-	-	-	-	**802,040**	**802,040**
8	El Poso lift station replacement	205,000	-	-	-	-	-	-	-	-	-	**205,000**	**205,000**
9	South side interceptor flow balance structure	-	-	-	-	1,400,000	-	-	-	-	-	**1,400,000**	**1,400,000**
10	Sewer Improvement Districts	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	**5,000,000**	**10,000,000**
11	Capacity GW-1	-	-	-	-	-	160,000	1,411,000	-	-	-	**-**	**1,571,000**
12	Capacity OM-1	-	2,047,640	7,625,090	-	-	-	-	-	-	-	**9,672,730**	**9,672,730**
13	Capacity OM-2	-	-	-	424,360	3,716,333	-	-	-	-	-	**4,140,693**	**4,140,693**
14	Capacity OM-3	-	-	-	-	-	-	-	243,448	2,195,665	-	**-**	**2,439,113**
15	Capacity OM-4	-	-	-	-	-	-	-	-	-	724,546	**-**	**724,546**
16	Capacity OM-5	-	-	-	-	-	-	-	-	-	629,486	**-**	**629,486**
17	Capacity River Road North	-	-	-	175,000	1,539,000	-	-	-	-	-	**1,714,000**	**1,714,000**
18	Sewer Line Replacements/Rehabilitation	-	-	1,180,000	5,900,000	6,100,000	6,200,000	6,200,000	6,500,000	6,500,000	6,700,000	**13,180,000**	**45,280,000**
19	Wastewater Treatment Plant Imp and Asset Replace	736,000	773,000	812,000	852,000	895,000	940,000	1,000,000	1,050,000	1,102,500	1,200,000	**4,068,000**	**9,360,500**
20	Wastewater Treatment Plant Rehabilitation/Expansion Projects	38,409,777	-	-	-	-	-	-	-	-	-	**38,409,777**	**38,409,777**
21	Phase 3 Wastewater Treatment Plant Expansion	-	-	-	-	-	-	-	-	2,000,000	16,000,000	**-**	**18,000,000**
22	Phase 2 Wastewater Treatment Plant Expansion	4,000,000	-	19,000,000	16,000,000	-	-	-	-	-	-	**39,000,000**	**39,000,000**
23		**$ 53,855,777**	**$ 20,484,640**	**$ 34,137,090**	**$ 24,351,360**	**$ 15,452,373**	**$ 8,300,000**	**$ 9,611,000**	**$ 8,793,448**	**$ 12,798,165**	**$ 26,254,032**	**$ 148,281,240**	**$ 214,037,885**

2025 Recommended Joint Sewer Fund
Capital Project Descriptions
October 14, 2024

JOINT SEWER FUND

1. **Lake Road lift station replacement - $ 3,500,000** The 2024 requested funds will be used to replace the Ridges #1 Lift Station. This lift station has surpassed its design life and it is recommended to be replaced due to existing deficiencies regarding their condition, capacity, and long-term reliability. Design and easement acquisition for the new Lake Road Lift station and associated sewer pipelines will be completed in 2024 and construction will be completed in 2025. Funding planned for 2025 also includes the rehabilitation of lift stations that were identified in poor condition during condition inspections. This project is funded by the Sewer enterprise fund.

2. **Sewer Improvement Districts - $1,000,000** In 2000, the City and the County passed a joint resolution establishing the septic system elimination program to provide incentives to property owners to eliminate septic systems. There are still approximately 1,550 properties that remain on septic systems within the Persigo 201 sewer boundary. Recommended funding for 2025 and $1 million per year in future years is to complete existing and new sewer improvement districts (SIDs) as recommended in the 2020 Wastewater Basin Master Plan. This project is funded by the Sewer enterprise fund.

3. OM **river siphon - $ 230,000** This project's objective to replace a sewer pipe under the Colorado River that conveys wastewater from Orchard Mesa area to the riverside interceptor. Funds in 2025 are planned for engineering services in the design, permitting, surveying, geotechnical, with construction occurring in 2026. This project is funded by the Sewer enterprise fund.

4. **Grand Valley Byproducts lift station replacement - $ 1,275,000** Replacement of the Grand Valley Byproducts lift station that has reached its useful life. This project is funded by the Sewer enterprise fund.

5. **2025 Sewer Replacement Projects - $ 3,898,000** Replacement of aging sewer pipelines with construction in 2025. Funds are budgeted to replace/rehabilitate existing sewer mains within the Persigo 201 service area collection system. The collection system is comprised of approximately 577 miles of pipe of which approximately 200 miles are scheduled for replacement over the next 30 years. Since 2015, 30 miles of pipe have been replaced and 170 miles of pipe have been identified for replacement based on pipe materials. Annual condition assessments are conducted to prioritize replacements based on condition. This project is funded by the Sewer enterprise fund.

6. **2026 Sewer Replacement Projects - $ 602,000** This funding is for design of sewer line replacements with construction in 2026. Annual condition assessments are conducted to prioritize replacements based on condition. This project is funded by the Sewer enterprise fund.

7. **El Poso lift station replacement - $ 205,000** Replacement of El Poso lift station which has reached its useful life. This project is funded by the Sewer enterprise fund.

2025 Recommended Joint Sewer Fund
Capital Project Descriptions
October 14, 2024

8. **Wastewater Treatment Plant Imp and Asset Replace - $ 736,000** These expenditures are associated with wastewater treatment plant improvements and replacement of aging infrastructure. This project is funded by the Sewer enterprise fund.

9. **Wastewater Treatment Plant Rehabilitation/Expansion Projects - $ 38,409,777** Construction of the Phase 1 Wastewater Treatment Plant Rehabilitation and Expansion will begin in 2024 and continue in 2025. Partial funding was authorized in 2024. The remaining funding required to complete the project is $38,409,777. The project will include rehabilitation of existing process units and expansion of capacity from 12.5 to 15.0 million gallons per day. Process units include the headworks, aeration basins, UV disinfection, and dewatering. This project is funded by the Sewer enterprise fund.

10. **Phase 2 Wastewater Treatment Plant Expansion - $ 4,000,000** The Phase 2 wastewater treatment plant project includes converting the anaerobic digesters through either rehabilitation or replacement, revitalizing the raw sewage pump station, revitalizing the secondary clarifier, and making improvements to the administrative building and relocating the motor control center (MCC). Funding in 2025 will be utilized to initiate engineering design. This project is funded by the Sewer enterprise fund.