

**TOWN OF GRANBY**

**Board of Trustees**

MEETING DATE: APRIL 28, 2020

- Consent Agenda**
- Resolution or Ordinance**

TIME OF AGENDA ITEM: 6:40 PM

- Citizen Requests**
- Public Hearing**
- Committee/Staff Reports:**

- TOWN CLERK**
- FINANCE DIRECTOR**
- BUILDINGS AND STREETS**
- ECONOMIC DEVELOPMENT**
- PUBLIC SAFETY**

**Agenda Request No. 3**

**MEETING TO BE HELD AT:  
Town Hall, Zero Jasper Avenue  
Granby, CO 80446**

- RECREATION**
- WATER DEPARTMENTS**
- MAYOR**
- TOWN MANAGER**
- TOWN ATTORNEY**
- Other**
- Executive Session**
- Workshop**

**(3) DISCUSSION AND POSSIBLE APPROVAL OF A RELIEF REQUEST FOR HOPSITAL WATER TAPS / TOWN MANAGER  
6:40 PM**

# MEMO



To: Mayor and Board of Trustees  
From: Ted Cherry, Town Manager  
Cc: Deb Hess, Town Clerk  
Date: 4.28.2020  
Re: Hospital Water Tap Relief Request

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**Background:** Middle Park Health (MPH) is planning an expansion to their facility. The cost for the tap fees are just over \$90,000 based on the single family equivalent (SFE) for the size and use of the property. Currently the hospital has 36 taps they pay for quarterly in a bill to the Town. The expansion would have additional sinks, toilets, and showers as laid out in the letter provided by MPH and the SFE is calculated at 11 based on what the Town has received from the Granby Sanitation District (GSD). The expansion is designed to add clinic space, emergency room space, and additional care facilities for surgery recovery.

MPH is asking for the town for a reduction in their costs by the Town helping with tap fees. Tap fees are used for maintenance and improvements of the infrastructure system. At this time there has been no recent analysis on if the SFE schedule is appropriate for the Town as we have always followed GSD as the industry standard. MPH has presented to GSD a request to reduce the sanitary sewer tap fees, and it is the understanding of staff that this request was denied. Sewer tap fees from GSD for the project are similar to the amount the Town charges. Staff believed it was fair to give MPH the same consideration on their tap fees as GSC gave them.

Because this is a non-profit and a healthcare provider should special consideration be given to them?

The Town is limited in the ways it may be able to assist MPH. The SSA would not be able to waive the fees as they are considered impact fees which are not able to be spread across the other users. One option may be to delay the fees over a number of years to MPH so they do not have to be paid all at one time. Proper agreements would need to be put into place for this to happen. Another options, if the Board choose to do so the General Fund could reimburse the SSA Water Fund, but there is concern with the risk of losing the funds enterprise status if the General Fund supplements the Water Fund of more than 10% of its revenues. The current fund revenue budget is a little over \$1,016,000 which is very close to the 10% limit. There is a possibility that this could be done over a number of years as well, and this amount was not budgeted for in FY2020. Lastly, the option of not reducing or waiving fees at all.

A reduction or waiver of tap fees has never been given to any other organization in the past. If it is done there is precedent being set for other non-profit requests in the future. There are some concerns from staff that this precedent could be detrimental to the long-term stability of the South Service District.

**Financial Impact:** If reduction or waiver given up to \$90,875.48 in unbudgeted expense or slower receipt of the fees

**Recommendation:** As the board has never done this before there is no precedent for staff to work off of. The Board should have a discussion regarding the issue and direct staff on how to proceed.

Jason Cleckler  
CEO  
Middle Park Health  
jcleckler@middleparkhealth.org

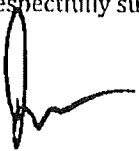
Mr. Ted Cherry,

We are respectfully writing to request that the City of Granby and the Water District reconsider the proposed fees for the new hospital expansion project at the Middle Park Health Campus in Granby. When we initially built the facility, we were charged approximately 36 single family equivalents (SFE's) for the project. As the facility currently stands, we have a total of 52 sinks, 18 toilets and 5 showers. Even considering a single toilet and 2-3 sinks as a SFE, we believe we were charged more than was equitable and more than the comparable usage. It is exceedingly rare to find a single family home with only a couple of sinks, a single toilet and no shower, washer, or dishwasher, combined with the minimal usage of the toilets, sinks, or showers in the calculation of our SFE.

We are planning to expand, adding 9 toilets, 7 showers and approximately 25 sinks. It is worth noting that due to the nature of our healthcare setting, these will be utilized on a rare occasion. We are now being assessed a fee for an additional 11 SFEs. This is based largely on the requirement or specification that one inpatient bed (sink, shower, and toilet) is equivalent to one SFE. Again, these inpatient restrooms are rarely utilized during a patient's hospital stay, and do not include near the number of fixtures and usage of a "normal" SFE. We are the only inpatient healthcare provider in the Granby Sanitation District, and thus the only business of this type that is charged based upon this standard. Additionally, we are the only medical clinic in the District. We are being charged based on 500 square feet being a SFE when there are only 10 sinks and 2 toilets in the 2000 square foot expansion. We are respectfully requesting a reconsideration of how these fees are calculated based upon the intended and actual use or demand of these additional fixtures, combined with the number of taps that were originally paid.

Thank you in advance for your consideration of this request. As a vital component of our thriving county, we recognize the importance of offering high-quality care to our community, and continuing to increase our services to meet the needs of our families, friends, guests and visitors of Grand County. We appreciate the opportunity to partner with you on this important endeavor and again appreciate your consideration.

Respectfully submitted,



Jason Cleckler

