MINUTES
FOR THE BOARD OF DIRECTORS
OF THE SOUTH ADAMS COUNTY WATER AND SANITATION DISTRICT
OCTOBER 13, 2021
REGULAR MEETING AT 6:00 P.M.

Regular Board Meeting
A duly called Regular Meeting of the Board of Directors of the South Adams County Water and Sanitation District (the "District") was held on October 13, 2021, at 6:00 p.m. in the District’s Aragon Boardroom at 6595 E. 70th Avenue, Commerce City, Colorado, in accordance with the applicable statutes of the State of Colorado. All Board members received the Agenda and meeting packet in advance of or at the meeting, and the non-confidential portions of those materials were incorporated by reference into the public portion of the meeting and these meeting minutes.

Board Members Present (thereby constituting a quorum):
Mizraim Cordero, President
Vicki Ennis, Secretary
William Frew, Treasurer
Michael Scanlon, Director

SACWSD Staff/Legal Present:
Jim Jones, District Manager
Kipp Scott, Water Systems Manager
Abel Moreno, Distribution & Collections Manager
Byron Jefferson, Administrative Services Manager
James M. Mock, General Counsel
Dawn Fredette, District Clerk/Legal Assistant

Consultants/Others Present
Glenn Hamilton, Muller Engineering Company

CALL TO ORDER
President Cordero called the meeting to order at 6:00 p.m. and then led everyone in the Pledge of Allegiance.

EXCUSED ABSENCE
President Cordero noted that Director McNeely had provided advance notice of her planned absence from this meeting. President Cordero then asked for a MOTION to excuse the absence of Director McNeely. Director Frew moved and Director Ennis seconded. The MOTION passed unanimously.
DISCLOSURES OF CONFLICTS OF INTEREST

President Cordero called for Disclosures of Potential Conflicts of Interest. Mr. Mock noted that the Board had received and staff had filed with the Secretary of State’s office more than 72 hours prior to the meeting certain disclosures of potential conflicts of interest statements for the Directors indicating their conflicts or potential conflicts as shown below.

President Cordero has submitted a standing potential conflict of interest letter stating that he is an employee of United Airlines. United Airlines has significant business with the City and County of Denver. The District has a potential adversarial relationship with the City and County of Denver related to water contamination.

Director Frew has submitted a standing potential conflict of interest letter stating that he is an employee and part-owner of Sunshine Plumbing Heating and Air. The Company provides various plumbing, heating, and air conditioning services throughout the Metro Denver Area, including within the boundaries of the District.

Director Scanlon is a Director of the Adams 14 Education Foundation, a non-profit that supports education and literacy programs.

Director Ennis is an employee of Brighton School District 27J and from time to time the School District has business before the District.

President Cordero asked if the Board members had any additional potential conflicts of interest to disclose. There were none.

AGENDA REVIEW

President Cordero asked if there were any changes to the Agenda. Following discussion, the Board determined to add the Hammer Tolling Agreement to the Executive Session topics.

APPROVAL OF MINUTES

President Cordero called for a MOTION to approve the Minutes from the Regular Meeting held on September 8, 2021, and the Special Meeting held on September 27, 2021. Director Ennis moved and Director Frew seconded. The MOTION passed unanimously.

PUBLIC COMMENT

President Cordero called for public comments and stated that members of the public have three minutes to address the Board. There were no public comments.

CONSENT AGENDA

President Cordero inquired whether any Board member would like to discuss any particular Consent Agenda item. No Board member expressed a desire to discuss or move an item from the Consent Agenda and Director Cordero then read the following Consent Agenda items:

1. Approve Final Payment to All Phase Landscape Construction in the amount of $9,980.96 for landscaping around the new Water Softening Facility
2. Approve Partial Pay Request #2 to Vortex Services, LLC in the amount of $972,030.74 for the Irrigation Transmission Main Construction Project
3. Approve Partial Pay Request #4 in the amount of $268,974.40 to Brannan Construction Company for the 2021 Water System R&R Project
4. Approve payment of Pay Application #5 from Insituform Technologies, LLC in the amount of $191,640.08 for the 2021 Wastewater System R&R Project
5. Approve Electronic Payments
6. Approve the Bill Paying Process

President Cordero called for a **MOTION** to approve the Consent Agenda items. Director Scanlon moved and Director Ennis seconded. The **MOTION** passed unanimously.

**ACTION ITEMS**

**ACTION ITEM 1 – Hold a Public Hearing and consider approving a Resolution Certifying Delinquent Accounts to Adams County Treasurer for collection with property taxes**

Mr. Jefferson discussed the powers available to the District for certifying a list of delinquent accounts to the County Treasurer for collection with property taxes. He noted that all the delinquent accounts being considered for certification are at least six months old, and each is over $150. He also noted that the total amount owed to the District from these delinquent accounts is about the same as what was certified last year.

President Cordero called for a **MOTION** to open the Public Hearing. Director Scanlon moved and Director Ennis seconded. The **MOTION** passed unanimously.

President Cordero called for public comments. There were none.

President Cordero called for a **MOTION** to close the Public Hearing. Director Frew moved and Director Scanlon seconded. The **MOTION** passed unanimously.

Mr. Jefferson then stated that Staff recommends adoption of the Resolution Certifying Delinquent Accounts to Adams County Treasurer for collection with property taxes.

President Cordero called for a **MOTION** to approve the Resolution Certifying Delinquent Accounts to Adams County Treasurer for collection with property taxes. Director Scanlon moved and Director Frew seconded. The **MOTION** passed unanimously.

**ACTION ITEM 2 – Consider for approval a Resolution adopting a Water Supply Plan Pursuant to §29-20-304(3), C.R.S.**

Mr. Jones stated that Colorado law requires certain governments, like Adams County and Commerce City, to determine that there is adequate water supply for development applications. Commerce City has asked the District to assist them in this activity. Mr. Jones indicated that Staff has reviewed the law with the District’s General Counsel. Mr. Jones discussed the three options that are available for compliance, noting that certification of resources comes from either
the developer’s engineer or from the District. Mr. Jones indicated that the District’s Master Plan
and Rules & Regulations also discuss the District’s water resources.

Discussion ensued about when these laws came into effect. There was also discussion about
next steps if the Board approves the Resolution and corresponding Water Supply Plan. It was
noted that the County and the City will be made aware of the Board’s approval, and that the plan
being provided by the District will give the County and the City the basis to make the conclusion
that there is adequate water supply.

Following discussion, President Cordero called for a MOTION to approve the Resolution
adopting a Water Supply Plan pursuant to §29-20-304(3), C.R.S. Director Scanlon moved and
Director Ennis seconded. The MOTION passed unanimously.

DISCUSSION ITEMS

DISCUSSION ITEM 1 – Sustainable Programs and Water Resources
Mr. Jones talked about the Board’s previous discussions on climate change, noting that the
bigger concern is the sustainability of the District and its operations, which includes addressing
the potential effects of climate change on the District. Mr. Jones also noted that he’d worked
with Staff to put together the documentation provided in the meeting packet so the Board could
see the District’s sustainability efforts that have been going on for a long period of time.

The Board was appreciative of the information provided. Discussion ensued regarding
continued sustainability efforts going forward and possible ways to keep the public informed of
the District’s ongoing sustainability efforts.

DISCUSSION ITEM 2 – Mail Ballot Election
Mr. Mock discussed budgeting for the May 2022 Election. He stated that Ms. Fredette had
contacted three reputable firms to obtain quotes for possibly assisting the District with a mail
ballot election. However, two of them indicated they don’t have the staff to assist with a large
mail ballot election next spring. The third firm contacted was Community Resource Services of
Colorado (CRS). Sue Blair of CRS handles the elections for the South Adams County Fire
Protection District (Fire District).

Mr. Mock continued to discuss that SACWSD has worked with the Fire District in the past
on polling place elections, for which the Districts shared polling place locations. In addition,
Ms. Blair has assisted SACWSD in coordinating with a printer for ballots, as well as assisting
with finding and training election judges.

Mr. Mock then discussed the price estimates received from Ms. Blair for the District to
conduct either a polling place election or a mail ballot election in May 2022. He noted that the
District spent approximately $7500 on its last polling place election in May 2018, and that Ms.
Blair’s estimate for a mail ballot election in May 2022 is for $120,000. Mr. Mock also talked
about the costs for preparation of mail ballot packets and for the extensive process involved in a
mail ballot election to identify the out-of-district property owners who are also eligible electors
of the District.
Discussion ensued regarding both types of elections, Designated Election Official roles, and Permanent Absentee Voters. The Board did not feel the convenience of a mail ballot election justified the likely ten-fold increase in cost to administer it, and Staff would not include the cost of a mail ballot election in the 2022 budget.

DISCUSSION ITEM 3 – Update on District Manager Search

Director Ennis provided an update from the Search Committee. She discussed the number of applicants, the number of those chosen for initial screening and those eliminated, as well as other demographic information about the applicants. Ms. Ennis also discussed upcoming interviews of five candidates by the Search Committee and the expectation that three remaining candidates would be interviewed by the Leadership Team and the Board. Discussion ensued.

Mr. Mock discussed the Board’s special meetings being scheduled for conducting the interviews and for interview follow-up. Discussion ensued regarding suitable dates and times and Board member availability. Additional discussion ensued regarding interview questions.

DISCUSSION ITEM 4 – General Counsel Annual Review

Mr. Mock noted that his annual review will be scheduled for the November Board meeting and indicated that review materials would be provided confidentially to the Board.

DISCUSSION ITEM 5 – EWSF Pellet Disposal Options

Mr. Scott discussed the current agreement for hauling and disposal of the finished pellets, noting that the agreement can be extended to the end of the year. Mr. Scott also discussed that Alliance Power had recently reached out to the 11 entities that had responded to the Requests for Interest sent out last year. He proceeded to discuss the responses received from 3 of the 11 vendors and their fees.

The Board determined to discuss this item further in Executive Session.

DISCUSSION ITEM 6 – Wattenberg Storage Agreement with City of Westminster

Mr. Scott stated that the District entered into this agreement with the City of Westminster in 2001 for the storage of augmentation supply. He discussed that the agreement has been slow in getting to where it’s at now and next steps. It was noted that this item would also be discussed further in Executive Session.

EXECUTIVE SESSION

Mr. Mock stated a motion for the Board to enter into Executive Session under §24-6-402(4)(b and e), C.R.S., for the purpose of receiving legal advice from the District’s legal counsel, determining positions relative to matters that may be subject to negotiations, developing strategy for negotiations, and instructing negotiators related to the possible purchase of FRICO ERUs from Oakwood Homes; an executive Session under §24-6-402(4)(b and e), C.R.S., for the purpose of receiving legal advice from the District’s legal counsel, determining positions relative to matters that may be subject to negotiations, developing strategy for negotiations, and instructing negotiators related to the Wattenberg Storage Agreement; an executive Session under §24-6-402(4)(b and e), C.R.S., for the purpose of receiving legal advice from the District’s legal
counsel, determining positions relative to matters that may be subject to negotiations, developing
strategy for negotiations, and instructing negotiators related to options for a Pellet Disposal
Agreement; an executive Session under §24-6-402(4)(b and c), C.R.S., for the purpose of
receiving legal advice from the District’s legal counsel, determining positions relative to matters
that may be subject to negotiations, developing strategy for negotiations, and instructing
negotiators related to the Hammer Tolling Agreement; and any other matters that are properly
authorized to be discussed in Executive Session.

Director Scanlon made a MOTION at 6:45 p.m. for the Board to enter into Executive
Session pursuant to the stated motion by Mr. Mock. Director Frew seconded. The MOTION
passed unanimously, and the Board entered into Executive Session.

At 7:40 p.m., a MOTION was made by Director Scanlon for the Board to return to Regular
Session. Director Frew seconded and the MOTION passed unanimously.

Mr. Mock stated for the record that in his opinion, the portions of the Executive Session that
were not recorded constituted privileged attorney-client communications.

In conclusion, President Cordero asked if the Board had any additional comments on any
matters. Director Frew inquired about the District’s chemical supply chain. Mr. Scott indicated
the District is fine for now due to winter coming. Mr. Scott also discussed the increased cost of
chemicals over the last several months. Discussion ensued about the Municipal Association of
Purchasing Officials, to which the District belongs, and how they can sometimes get better unit
costs because of volume purchasing.

There were no additional Board comments.

ADJOURNMENT

President Cordero called for a MOTION to adjourn at 7:45 p.m. Director Scanlon moved
and Director Ennis seconded. The MOTION passed unanimously.

Respectfully submitted,

[Vicki Ennis]
Vicki Ennis
Secretary
Attorney Attestation as to not recording portions of an Executive Session:

I, James M. Mock, hereby attest that the portion of the Executive Session discussion not recorded constituted privileged attorney-client communications.

James M. Mock