MINUTES
FOR THE BOARD OF DIRECTORS
OF THE SOUTH ADAMS COUNTY WATER AND SANITATION DISTRICT
JULY 14, 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 July 14, 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
Heidi McNeely, Vice President
Vicki Ennis, Secretary
William Frew, Treasurer
Michael Scanlon, Director

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

Consultants/Others Present
Glenn Hamilton, Muller Engineering Company
Jacquelyn Adams, Trammel Crow Company
Paula Williams, McGeady Becher P.C.
Gary Bassett, SACWSD - Environmental Programs Supervisor
Cammey Mahowold, SACWSD - Commercial Programs Backflow Specialist
Dave and Nancy Fox – Property Owners/Residents
Andy Riedlinger, Business Owner
Kathy Bettis, Business Owner
Thomas Chase, Business Owner
CALL TO ORDER
President Cordero called the meeting to order at 6:00 p.m. and then led everyone in the Pledge of Allegiance.

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 has submitted a disclosure of potential conflict of interest noting that he is organizing 20/20 Growth, an organization that will explore the intersection of innovation and public policy where he will be a paid employee. He is also 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. It was noted that Director Frew would recuse himself during the Backflow Public Hearing and Resolution portion of the meeting.

AGENDA REVIEW
President Cordero asked if there were any changes to the Agenda. No changes were discussed.

APPROVAL OF MINUTES
President Cordero called for a MOTION to approve the Minutes from the Regular Meeting held on June 9, 2021 and the Special Meeting held on June 22, 2021. Director Frew moved and Director McNeely 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.
Andy Riedlinger addressed the Board. Mr. Riedlinger owns Sparkles Laundry at 5233 East 66th Way. He explained that to his knowledge a backflow test was done in April, but it has been difficult to get in touch with the landlord. Mr. Riedlinger further discussed notices being sent to the wrong address and having an additional test done to avoid a shutdown. He’s requesting the $250 penalty be waived. Discussion ensued with the Board and it was determined to finish the discussion during the Backflow Shut-off Hearing portion of the meeting.

There were no further public comments.

CONSENT AGENDA
President Cordero inquired whether any Board member would like to discuss any particular 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 Partial Pay Request #27 and release of retainage in the amount of $1,157,020.84 to Moltz Construction Inc. for the Water Softening Project
2. Approve Partial Pay Request #1 in the amount of $114,415.92 to Brannan Construction Company for the 2021 Water System R&R Project
3. Approve payment of Pay Application #2 from Insutiform Technologies, LLC in the amount of $108,177.72 for the 2021 Wastewater System R&R Project
4. Approve Electronic Payments
5. Approve the Bill Paying Process

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

ACTION ITEMS

ACTION ITEM 1 – Public Hearing and Resolution directing Staff to shut off service to accounts not in compliance with the District’s Backflow Prevention Program
The Board discussed Mr. Riedlinger’s situation as heard during Public Comments. It was determined that Mr. Riedlinger would work with Staff to show proof of a backflow test and that his hearing would be continued to the August Board meeting. Mr. Mock confirmed with Mr. Riedlinger that he has received Notice of the shutoff Hearing, that his Hearing is being continued until August, and this means that he will not receive a new notice for the continued hearing, that this Notice tonight is all he will receive. Mr. Riedlinger acknowledged.

Mr. Grebenc discussed the increasing number of backflow devices in the District, the testing that’s been done and the notices sent. He indicated that Staff has personally reached out to someone for each account not in compliance, and that the list of those not in compliance has been reduced by over 100 names. The remaining names on the list are in violation and posing a public health and compliance issue. Mr. Grebenc requested that the Board open the public hearing.

President Cordero called for a MOTION to open the Public Hearing. Director McNeely moved and Director Ennis seconded. The MOTION passed unanimously.
President Cordero called for public comments. It was noted for the record that Director Frew has recused himself from this portion of the meeting due to a potential conflict of interest.

Kathy Bettis addressed the Board. Ms. Bettis is with of KRF Commerce City LLC at 4972 East 62nd Avenue. She indicated that notice had been received and that a backflow test was performed on June 15. However, due to extenuating circumstances, the person at the testing company responsible for submitting the test results did not submit them prior to the June 30 deadline. Ms. Bettis is requesting that the $250 fine be waived.

Thomas Chase then addressed the Board. Mr. Chase is with North American Truck Leasing Group at 5401 East 48th Avenue. He indicated that a shut-off notice had been received but because he’s new to the building and thought the building owner would handle the testing, he’s requesting an extension to submit backflow test results. The test has been scheduled for sometime this month.

There were no other people who wished to speak during the public hearing.

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

Mr. Grebenc stated that even though the deadline wasn’t met, he’s in favor of granting the requests of Ms. Bettis and Mr. Chase given their extenuating circumstances. Discussion ensued.

After confirming the required documentation had been received from Ms. Bettis, Mr. Mock clarified that the Board was proposing to waive the $250 fee and there would be no shut-off. For Mr. Chase, the shut-off would be extended to July 31 and the late fee would be waived. Also, both of these hearings would be continued to August if needed. Discussion ensued with regard to the District being subject to state regulations.

Mr. Grebenc then stated that Staff recommends Board approval of the Resolution directing Staff to shut off service to accounts not in compliance with the District’s Backflow Prevention Program, with the exception of the three business owners who spoke at this meeting. Mr. Grebenc noted that for the remaining 61 accounts, the shut-off process would start on the upcoming Monday.

President Cordero called for a MOTION to approve the Resolution directing Staff to shut off service to accounts not in compliance with the District’s Backflow Prevention Program, as recommended. Director Scanlon moved and Director McNeely seconded. The MOTION passed unanimously.

ACTION ITEM 2 – IGA with Canal Avenue Metropolitan District regarding the construction of a private lift station

Mr. Moreno discussed the lift station and the proposed agreement between Canal Avenue MD, 104 Commerce Park 1, LLC (the landowner), and SACWSD. He further discussed the five
buildings being built at the development site, and that due to elevation issues at the site a private
lift station is needed to raise sanitary sewage to SACWSD’s nearby main.

Mr. Moreno then introduced Jacquie Adams from Trammel Crow Company and Paula
Williams from McGeady Becher P.C. Trammel Crow Company develops commercial real estate
properties and is one of the joint venture entities for this project. Ms. Williams is the attorney for
Canal Avenue MD. Mr. Moreno indicated that Ms. Adams and Ms. Williams are available to
answer any questions from the Board.

Mr. Moreno further explained that the Metro District recently received approval from the
Adams County Water Quality Association for the lift station, as required. He noted that the
Metro District will oversee the financing and construction of the lift station. He also discussed
the location of the commercial development and the location of the proposed lift station within
the development. Discussion ensued regarding maintenance of the equipment being the
responsibility of the Metro District.

Mr. Moreno then stated that staff recommends Board approval of the IGA between Canal
Avenue Metropolitan District, 104 Commerce Park 1, LLC, and SACWSD regarding the
construction of a private lift station, and further recommends that the District Manager be
authorized to sign the IGA.

Mr. Mock noted that he has reached out to general counsel for Metro Wastewater
Reclamation District. He doesn’t foresee them having any issues with the IGA. Mr. Mock also
discussed the unique circumstances in this situation which make it reasonable to allow a lift
station and to allow a Metro District to own and operate facilities.

President Cordero called for a MOTION to approve the IGA between Canal Avenue
Metropolitan District, 104 Commerce Park 1, LLC, and SACWSD, and to authorize the District
Manager to sign the IGA. Director Scanlon moved and Director Frew seconded. The MOTION
passed unanimously.

ACTION ITEM 3 – Contract with Muller Engineering Company, Inc. in an amount not
to exceed $473,031 for the design and bid phase services of irrigation system conversion
connections in Pressure Zone 41

Mr. Moreno discussed Pressure Zone 41’s location along the Tower Road corridor, noting
that the District’s master plan did not include construction of these facilities until much further in
the future. However, staff has taken another look at development.

Mr. Moreno further discussed the proposal from Muller Engineering Company, Inc., the
scope of work, and the benefits of having this work performed. Discussion ensued.

Mr. Moreno then stated that staff recommends Board approval of the contract with Muller
Engineering Company, Inc. in an amount not to exceed $473,031 for accelerated design and bid
phase services of irrigation system conversion connections in Pressure Zone 41.
President Cordero called for a **MOTION** to approve the contract with Muller Engineering Company, Inc., as recommended. Director Scanlon moved and Director McNeely seconded. The **MOTION** passed unanimously.

**ACTION ITEM 4 – Overlapping Consent IGA with Third Creek Metropolitan District Nos. 1-3**

Mr. Mock explained that the developers of the Third Creek project recently formed three metropolitan districts, which include provisions for constructing water and sewer facilities. These facilities would be conveyed to the District once completed.

Mr. Mock further explained that Third Creek MD Nos. 1-3 are considered “overlapping districts” since they are located within the boundaries of SACWSD. He noted that new metropolitan districts are required to obtain consent from an existing district for the overlap and that this is a simple compliance matter.

Mr. Mock then stated that staff recommends Board approval of the overlapping consent IGA with Third Creek Metropolitan District Nos. 1-3.

President Cordero called for a **MOTION** to approve the overlapping consent IGA with Third Creek Metropolitan District Nos. 1-3. Director Frew moved and Director Ennis seconded. The **MOTION** passed unanimously.

**ACTION ITEM 5 – Resolution Terminating the District’s Declaration of Disaster Emergency for COVID-19**

Mr. Mock discussed the Board’s recent extension of its declaration of disaster emergency at their last meeting, and the Governor’s subsequent declaration ending the state’s COVID-19 health emergency. Discussion ensued regarding state and federal funds and any impact to the District by terminating its declaration of disaster emergency.

President Cordero called for a **MOTION** to approve the Resolution terminating the District’s declaration of disaster emergency for COVID-19. Director Scanlon moved and Director Frew seconded. The **MOTION** passed unanimously.

**ACTION ITEM 6 – Retirement Notice of District Manager and Resolution Creating a Search Committee to Assist in Appointing a New District Manager**

Mr. Mock discussed receipt of the retirement notice from Mr. Jones, noting that Mr. Jones would like to retire sometime in the fourth quarter of this year. Mr. Mock also discussed the statutes pertaining to the search for a chief officer as well as creation of a search committee.

Discussion ensued regarding the proposed Resolution for the search committee, committee members, and authorizations of the committee. Mr. Mock spoke further about the Resolution and the role of the committee, which could initially consist of two Board members and the HR Generalist.

Additional discussion ensued regarding President Cordero, as Chair of the Board, being on the committee, as well as Director Ennis. It was noted that Director Ennis has past HR
experience. Discussion also included the process of the committee, transparency, possibly
adding additional committee members, and the timing for having a job description in place.

A motion was made by Director Frew to acknowledge the retirement of Mr. Jones.
Director Scanlon seconded and the motion passed unanimously.

A second motion was made by Director Scanlon to approve the Resolution creating a
search committee. Director Frew seconded and the motion passed unanimously.

Mr. Mock spoke further about the role of the search committee, and the possibility of an
interim District Manager. He also discussed the role of the Board, not the committee, in making
a final decision. In addition, due to statutory changes, only one finalist is required to be made
public, not three.

The Board indicated it is in support of appointing President Cordero, Director Ennis, and the
District’s HR Generalist, Cheryl Layton, to the search committee, and to have further discussions
about possibly adding additional committee members.

A motion was made by Director McNeely to appoint President Cordero, Director Ennis,
and Cheryl Layton to the search committee. Director Scanlon seconded and the motion
passed unanimously.

DISCUSSION ITEMS

DISCUSSION ITEM 1 – EWSF Grand Opening/70th Anniversary Celebration
Mr. Jones discussed the upcoming event and the status of preparations. Board discussion
ensued regarding the guest list, additional invitees, and the size of the event. Mr. Jones further
discussed the event agenda, which will include acknowledgement of key figures and milestones
of the Water Softening Facility. It was noted that tours of the facility will be available for the
guests.

Mr. Jones also asked the Board for their input regarding food for the event. Discussion
ensued regarding food trucks or possibly using a local restaurant to cater.

EXECUTIVE SESSION
Mr. Mock suggested the Board enter into Executive Session under §24-6-402(4)(b), C.R.S.,
for the purpose of receiving legal advice regarding claims arising from a sewer backup on
Monaco Street.

A motion was made by Director Ennis for the Board to enter into Executive Session
under §24-6-402(4)(b), C.R.S., for the purpose of receiving legal advice regarding claims arising
from a sewer backup on Monaco Street. Director McNeely seconded. The motion passed
unanimously and at 7:15 p.m. the Board entered into Executive Session.

At 7:55 p.m., a motion was made by Director Scanlon for the Board to return to Regular
Session. Director McNeely seconded and the motion passed unanimously.
Mr. Mock then noted for the record that in his opinion the portions of the Executive Session not recorded constitute privileged attorney-client communications.

ADJOURNMENT
President Cordero called for a MOTION to adjourn at 8:00 p.m. Director Scanlon moved and Director Frew seconded. The MOTION passed unanimously.

Respectfully submitted,

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