MINUTES
FOR THE BOARD OF DIRECTORS
OF THE SOUTH ADAMS COUNTY WATER AND SANITATION DISTRICT
SEPTEMBER 8, 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 September 8, 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
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
James M. Mock, General Counsel
Dawn Fredette, District Clerk/Legal Assistant
Tyler Vertovec, Industrial Pretreatment Technician

Consultants/Others Present
Glenn Hamilton, Muller Engineering Company

1 CALL TO ORDER
President Cordero called the meeting to order at 6.00 p.m. and then led everyone in the Pledge of Allegiance.

2 EXCUSED ABSENCE
President Cordero noted that Director Frew had provided advance notice of his planned absence from this meeting. President Cordero then asked for a MOTION to excuse the absence
of Director Frew. Director Scanlon moved and Director McNeely 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 Scanlon is a Director of the Adams 14 Education Foundation, a non-profit that supports education and literacy programs.

Director Eanis 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 move the Climate Change item from Discussion Items to Action Items.

**APPROVAL OF MINUTES**

President Cordero called for a **MOTION** to approve the Minutes from the Regular Meeting held on August 11, 2021, and the Special Meeting held on August 27, 2021. Director Scanlon 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. 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 Partial Payment Request from All Phase Landscape Construction in the amount of $106,044.60 for landscaping around the new Water Softening Facility
2. Approve Partial Pay Request #1 to Vortex Services, LLC in the amount of $753,464.10 for the Irrigation Transmission Main Construction Project
3. Approve Partial Pay Request #3 in the amount of $452,114.63 to Brannan Construction Company for the 2021 Water System R&R Project
4. Approve payment of Pay Application #4 from Insituform Technologies, LLC in the amount of $168,090.53 for the 2021 Wastewater System R&R Project
5. Approve Electronic Payments
6. Approve the Bill Paying Process

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

ACTION ITEMS

ACTION ITEM 1 – Amendment to the Construction Observation Contract with Muller Engineering Company, Inc. in the amount of $56,599 for construction observation services related to Adams County’s Dahlia Street roadway and storm drainage improvements project

Mr. Moreno discussed the IGA with Adams County for the Dahlia Street project, as well as the project location and the timeline. He noted that the County has awarded the project and the contractor has been mobilized. Mr. Moreno further discussed the proposal from Muller Engineering for observation services related to the project.

Mr. Moreno then stated that Staff recommends approval of the Amendment to the Construction Observation Contract with Muller Engineering Company, Inc. in the amount of $56,599 for construction observation services related to Adams County’s Dahlia Street roadway and storm drainage improvements project.

President Cordero called for a MOTION to approve the Amendment to the Construction Observation Contract with Muller Engineering Company, Inc. in the amount of $56,599.00. Director McNeely moved and Director Scanlon seconded. The MOTION passed unanimously.

ACTION ITEM 2 – Contract with Muller Engineering Company, Inc. in the amount of $69,478 for design and bid phase services related to Foxton Village Water Line Looping Project

Mr. Moreno indicated this project will connect two parts of the District’s water system that are currently not connected. He referred to the graphic provided in the meeting packet and discussed the pressure zones depicted. This connection would increase the reliability of the District’s water system in that area and be an enhancement for current and future developments.

Mr. Moreno further discussed the easement needed for the project, noting that Staff will be work with the landowner to acquire at an appropriate time in the future. He also discussed the funding of the project.

Mr. Moreno then stated that Staff recommends approval of the Contract with Muller Engineering Company, Inc. in the amount of $69,478 for design and bid phase services related to Foxton Village Water Line Looping Project.
President Cordero called for a **MOTION** to approve the Contract with Muller Engineering Company, Inc. in the amount of $69,478. Director Ennis moved and Director Scanlon seconded. The **MOTION** passed unanimously.

**ACTION ITEM 3 – Change Order in the amount of $391,085 for the calcium carbonate seed transfer system at the Ennis Water Softening Facility**

Mr. Scott discussed the Board’s previous approval of a maximum cost for the seed transfer system. However, after taking some time to reevaluate, Staff has changed the design from a wooden structure to a metal structure to better complement the new Water Softening Facility. Mr. Scott also discussed the increased cost for the new design, noting that it would be funded from contingency funds that are already part of the project.

Mr. Scott then stated that Staff recommends approval of the Change Order in the amount of $391,085 for the calcium carbonate seed transfer system at the Ennis Water Softening Facility.

President Cordero called for a **MOTION** to approve the Change Order in the amount of $391,085 for the calcium carbonate seed transfer system. Director Ennis moved and Director McNeely seconded. The **MOTION** passed unanimously.

**ACTION ITEM 4 – Appointment of a Representative for the SDA’s 2021 Annual Meeting**

Ms. Fredette discussed the information received from SDA regarding their 2021 Annual Meeting and the corresponding Proxy Designation. She noted that the Representative for the District at the Annual Meeting can be designated as either the SDA Board of Directors or one of the District’s Board members who wishes to attend the meeting, and who was also registered for and attended the SDA’s 2021 Annual Conference the week prior.

Following discussion, President Cordero called for a **MOTION** to appoint a Representative for the SDA’s 2021 Annual Meeting. Director McNeely moved to appoint the SDA Board of Directors as the District’s Representative for the meeting. Director Scanlon seconded and the **MOTION** passed unanimously.

**ACTION ITEM 5 - Letter of Intent to purchase up to 1,231 FRICO ERUs from Oakwood Homes**

Mr. Jones stated that the District has received a proposed letter of intent from Oakwood Homes regarding a possible District purchase of 1,231 FRICO ERUs, which are in excess of Oakwood’s current needs. Mr. Jones suggested, and the Board agreed to discuss this matter in Executive Session.

**ACTION ITEM 6 - Task Order in the amount of $185,000 for Brown & Caldwell to begin pre-design work for PFAS treatment facilities**

Mr. Scott explained that this project is essentially to design treatment for PFAS at levels that may go above what the District is currently able to treat. He discussed the District’s wells and higher demand. Mr. Scott also indicated that because there is the potential for reimbursement of funds, from the State or Federal Government, for this work, it’s better from a budget perspective to act now instead of waiting until 2022. He noted that this would be a six-month study.
Discussion ensued regarding budgetary matters and the timeline of the work for this year and next year.

Mr. Scott then stated that Staff recommends approval of a Task Order in the amount of $185,000 for Brown & Caldwell to begin pre-design work for PFAS treatment facilities.

President Cordero called for a **MOTION** to approve a Task Order in the amount of $185,000 for Brown & Caldwell. Director Ennis moved and Director McNeely seconded. The **MOTION** passed unanimously.

**ACTION ITEM 7 - Climate Change Executive Summary**

Mr. Jones explained that one of the goals given to him by the Board last year was to form a climate change committee. He talked about the quality employees that were part of the committee and that they all did a great job of researching their individual topics.

Board discussion ensued regarding Mr. Jones’ Executive Summary and the reports of the individual committee members. Director Scanlon expressed a sense of urgency that action be taken, potentially even at this meeting. Highlights of the discussion included possibly moving some of the low-expense activities forward within the District after receiving input from the committee, or first having some ongoing discussions on the recommendations and consider them for the next budget. Some Board members expressed that they are not in a big rush to implement any of the recommendations but would like to first see a fuller report.

Mr. Vertovec then addressed the Board. He provided his educational background and stated he’s been working with the District since January 2020 in the industrial pretreatment department at the wastewater treatment plant. He then proceeded to discuss his report, noting that formal action on any of the recommendations would require a fuller report, including costs.

Mr. Vertovec talked about the future when all vehicles on the road will be electric vehicles, and the impact of that to the District. However, he suggests prioritizing the electrification of the District’s buildings before its fleet. He also discussed efforts by the State and Xcel Energy to reduce emissions.

Mr. Vertovec then discussed the State’s regulatory structure regarding air quality control and plans for reductions in the number of employees transiting to reduce traffic. He also talked about the wastewater emissions reports that the District currently sends voluntarily to the State and how that may become mandatory in the future. Mr. Vertovec further discussed heat events that occurred this summer and developing safety policies.

Board discussion ensued about the District becoming more climate conscious and future planning for big ticket items. Mr. Vertovec suggested the District may want to first see what other utilities are doing.

The Board then directed the committee to begin working on a more complete summary and prioritized list, with some possible low-cost items to consider at the October meeting, and with
further items being identified for the November meeting. It was noted that the District is in the
process of hiring a new District Manager, who will likely have their own thoughts and approach
on climate matters.

DISCUSSION ITEMS

DISCUSSION ITEM 1 – Water Resources Summary
Mr. Jones mentioned the Board’s request for a one-page summary of the District’s water
resources. He noted that Mr. Hamilton assisted with preparation of the summary and that a lot of
the information came directly from the District’s master plan. Mr. Jones then discussed the
summary.

Highlights of the discussion included water supplies from the potable system and from the
irrigation only system, augmentation, alluvial groundwater, and water replacement. It was noted
that the District has a robust water system. Additional discussion ensued about the possibility of
putting the summary into an infographic.

DISCUSSION ITEM 2 – District Manager 2021 Goals Report
Mr. Jones referred to his report updating the Board on the goals accomplished in 2021. He
asked if the Board had any questions. There were none.

DISCUSSION ITEM 3 – Update on District Manager Search
Mr. Mock mentioned the Board’s request for each Board member to submit a list of goals for
the new District Manager. He discussed the goals that were subsequently received. He also
noted that the Job Announcement was published a week ago, and that the Search Committee is
now scheduled to meet regularly. It was noted that there would be a more in-depth report for the
Board at the next meeting.

Board discussion ensued regarding the lists of goals received and the assistance that will be
provided to help onboard the new person. Mr. Jones indicated he has provided a
recommendation for the transition, which the Search Committee will review.

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) C.R.S. for the
purpose of receiving legal advice from the District’s legal counsel on legal options for addressing
PFAS in the District’s groundwater supply.

Director Scanlon made the MOTION at 7:05 p.m. for the Board to enter into Executive
Session pursuant to the statutes stated by Mr. Mock. Director Ennis seconded. The MOTION
passed 4-0 with President Cordero abstaining, and the Board entered into Executive Session.
It was noted that President Cordero would not be part of the Executive Session during the PFAS discussion due to a potential conflict of interest.

At 8:10 p.m., a **MOTION** was made by Director McNeely for the Board to return to Regular Session. Director Scanlon seconded and the **MOTION** passed unanimously.

Mr. Mock noted for the record that President Cordero was not a part of the PFAS discussion during the Executive Session. He further noted 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. There were none.

**ADJOURNMENT**

President Cordero called for a **MOTION** to adjourn at 8:15 p.m. Director McNeely moved and Director Ennis seconded. The **MOTION** passed unanimously.

Respectfully submitted,

[Signature]

Vicki Ennis
Secretary

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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.

[Signature]

James M. Mock