MINUTES
OF THE SOUTH ADAMS COUNTY WATER AND SANITATION DISTRICT
APRIL 13, 2022
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 April 13, 2022, 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, Ph.D., Vice President
Vicki Ennis, Secretary
William Frew, Treasurer
Michael Scanlon, Director

SACWSD Staff/Legal Present:
Abel Moreno, District Manager
Kipp Scott, Water Systems Manager
Byron Jefferson, Administrative Services Manager
Jeff Coufal, Distribution & Collections Manager
Mark Cubbon, WW Operations & Maintenance Supervisor
James M. Mock, General Counsel
Dawn Fredette, District Clerk/Legal Assistant

Consultants/Others Present:
Glenn Hamilton, Muller Engineering Co.
Marv Falconburg, City of Brighton Deputy City Manager
Marc Johns, City of Brighton Interim Utilities Manager
Sarah Niyork, SACWSD Accountant
Thelma Cole, Ollie Grimard, Carole Harvell, Randy Wulf,
and Frances Zacek - Residents

1 CALL TO ORDER
2 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 Ennis is an employee of Brighton School District 27J and from time to time the School District has business before the District.

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

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 the Board would like to see any changes to the Agenda. The Board determined to move Financial and Utility Billing System Update from Information Items to Discussion Items.

APPROVAL OF MINUTES

President Cordero asked the Board for any comments on the Minutes from the Regular Meeting held on March 9, 2022, and the Minutes from the Special Meeting held on March 23, 2022. Director Scanlon requested a change to the Minutes for the March 9, 2022 Regular Meeting. President Cordero then called for a MOTION to approve the Minutes from the Regular Meeting held on March 9, 2022, as amended, and the Minutes from the Special Meeting held on March 23, 2022. Director McNeely 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.

Ollie Grimard of 5262 East 62nd Avenue, Commerce City, addressed the Board. She asked why she’s receiving bills from Utah stating that she owes money on her bill, even though she pays her bills on time here in Commerce City. Mr. Jefferson indicated that he will speak directly

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with Ms. Grimard regarding current billing issues the District is experiencing since changing to a new billing system with a sub-vendor based in Utah.

Randy Wulf of 6022 Grape Drive, Commerce City, then addressed the Board. He also inquired as to why he’s receiving bills for money owed even though he is current on his payments. He would also like to know why the bills are coming from Utah. Mr. Jefferson will also have a side conversation with Mr. Wulf to address his questions.

There were no other comments from the public so the Public Comment section of the meeting was closed.

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 a Change Order with Denver Water increasing the unit cost of material removal at Hazeltine Reservoir by $0.80 per cubic yard and a total not to exceed amount of $40,000
2. Approve a Resolution recognizing May 1-7 as National Drinking Water Week
3. Approve a Resolution authorizing the District to proceed with a Change Application in Water Court pertaining to the Aurora Water Trade
4. Approve Change Order with Brown and Caldwell in the amount of $147,179 to design a replacement generator for the Pontiac pump station
5. Approve a Change Order with Brown and Caldwell for an amount not to exceed $184,727 to provide support for obtaining grant funding for emerging contaminants
6. Approve the District Manager, or his designee, to enter into a Service Agreement with Univar Solutions to provide caustic soda 50% for 2022
7. Approve the District Manager to execute the Sand Creek Business Area Urban Renewal Letter Agreement with the Commerce City Urban Renewal Authority
8. Approve Partial Pay Request #8 to Vortex Services, LLC in the amount of $677,329 for the Irrigation Transmission Main Construction Project
9. Approve the procurement of two Dodge 2500s from Johnson Auto Plaza for $111,544.40
10. Approve Electronic Payments
11. Approve the Bill Paying Process

President Cordero 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 to receive comments on proposed revisions to the District’s Design and Construction Standards for Water and Wastewater Facilities

Mr. Coufal discussed updating the District’s current Design and Construction Standards document, the work that went into it, and the reasons why the update is recommended. The intent
is in the future to allow staff to make minor updates and changes to the Design and Construction Standards document.

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

President Cordero called for public comments. There were none.

Mr. Coufal discussed comments received from just one contractor requesting an alternate pipe restraint because the District’s specified restraint is not available due to supply chain problems. Discussion ensued.

Mr. Moreno discussed comments received from Commerce City. He stated that the City’s comments supported the proposed changes to the District’s Design and Construction Standards document and that the City would like to see their roadway standards and those of the District mirror each other.

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

Mr. Coufal indicated that the updated Design and Construction Standards document will be finalized and then brought to the Board at the next meeting for approval.

Mr. Mock stated that Notice for the Public Hearing was posted on the District’s website and on the Special District Association’s website.

**ACTION ITEM 2 - Service Agreement with Access Housing and Showers for All to connect to the District’s system a project providing showers and laundry services to unhoused people**

Mr. Coufal discussed the District being approached by the City and Access Housing, who are working with Showers for All to provide shower and laundry facilities to homeless people in need. The location would be 6978 Colorado Boulevard and a variance by the District would be required. Mr. Coufal also discussed the proposed frequency of the service and the potential for providing these services at additional locations in the future, as well as the possibility of a tiny home community.

Comments were then received from the public. Mr. Wulf stated that this proposal is simply inviting the homeless into Commerce City. President Cordero acknowledged that this is a valid concern due to the growing homeless problem. Discussion ensued regarding the proposed shower and laundry service and if it will also connect the homeless users with other services that they need.

Mr. Moreno discussed that the program is in use in other communities in the Denver area, and that Commerce City plans to use this opportunity as a pilot program.
Director Frew stated he is not in favor of the proposal. Additional discussion with members of the public ensued. Mr. Moreno clarified that this would be a mobile facility that would be brought in once a month, that there is no intention to build a permanent facility, and that it would be supervised by Access Housing, the property owner. Mr. Moreno further noted that it’s the City’s intent to serve a need in the community. Director McNeely added that Access Housing is already doing work in the community.

Following discussion, President Cordero called for a **MOTION** to approve the Service Agreement with Access Housing and Showers for All to connect to the District’s system a project providing showers and laundry services to unhoused people. Director McNeely moved and Director Ennis seconded. The **MOTION** passed with four in favor and Director Frew voting against it.

**ACTION ITEM 3 - Contract with Vortex Services, LLC for $1,598,863.75, and a contract with Muller Engineering Company, Inc. for construction observation services in the amount of $107,654.00 for a total not to exceed $520,437.00, for the 2022 Water Line R&R Monaco Project**

Mr. Coufal discussed the project to replace the water main along a portion of Monaco Street. He noted that the affected section serves a school and that it’s been problematic recently and needs to be replaced.

Mr. Coufal stated that staff recommends the bid be awarded to Vortex Services, LLC, the low bidder. Discussion ensued regarding the engineer’s estimate for the project.

President Cordero called for a **MOTION** to approve the Contract with Vortex Services, LLC for $1,598,863.75, and a contract with Muller Engineering Company, Inc. for construction observation services in the amount of $107,654.00 for a total not to exceed $520,437.00, for the 2022 Water Line R&R Monaco Project. Director Scanlon moved and Director McNeely seconded. The **MOTION** passed unanimously.

**ACTION ITEM 4 - Contract with Insituform Technologies, LLC for $2,496,986.50, and a contract with Muller Engineering Company for $147,082.00 for a total not to exceed $250,560.00, for the 2022 Wastewater Collection System Rehabilitation Project**

Mr. Coufal discussed the sanitary sewer restoration project, noting this is the third year of nine for the project. He also talked about the identification of the sections of line that need rehabilitation.

Mr. Coufal stated that Insituform Technologies, LLC was the only bidder this time. He also noted that Insituform shared some of the cost increases they are experiencing. Mr. Coufal then stated that staff recommends Insituform Technologies, LLC for the project for the CIPP project for this year, noting they have been a very successful contractor for the District on previous projects.

Mr. Moreno discussed that there is usually one other contractor who bids for this type of work. He said that in addition to publication of notice for bids the other contractor was contacted but they indicated that due to several other current projects, they were not able to bid on this one.

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Mr. Moreno stated that the staff is comfortable with the bid from Insituform Technologies and the competitive bidding process that was followed.

President Cordero called for a **MOTION** to approve the Contract with Insituform Technologies, LLC for $2,496,986.50, and a contract with Muller Engineering Company for $147,082.00 for a total not to exceed $250,560.00, for the 2022 Wastewater Collection System Rehabilitation Project. Director Frew moved and Director Ennis seconded. The **MOTION** passed unanimously.

**ACTION ITEM 5 - Purchase Order with Core & Main to purchase new customer water meters in the amount of $355,031.00, and water meters and Meter Interface Units in the amount of $274,746.50 for a total purchase amount of $629,777.50**

Mr. Coufal discussed that usually water meters are purchased monthly without prior Board approval because the cost is within staff’s purchasing limits. However, due to demand and supply chain issues, staff would like to purchase enough new customer meters for the next 12 months and materials for the District’s Water Meter System Replacement program.

Mr. Coufal further discussed submitting the order to Core & Main as soon as possible to receive delivery within four months. Discussion ensued regarding the number of proposed meter purchases and ordering them now to obtain today’s pricing. Mr. Moreno clarified the difference between the two amounts is for new construction and the Water Meter System Replacement program.

President Cordero called for a **MOTION** authorizing the District Manager to enter into a Purchase Order with Core & Main to purchase new customer water meters in the amount of $355,031.00, and water meters and Meter Interface Units in the amount of $274,746.50 for a total purchase amount of $629,777.50. Director Frew moved and Director Scanlon seconded. The **MOTION** passed unanimously.

Mr. Wulf inquired about the new development at Greyhound Park and if it will affect water pressure at surrounding homes. President Cordero stated that the City and the District plan long-term so existing homes are not affected by new development. It was noted that Mr. Moreno would answer any additional questions Mr. Wulf might have following the meeting.

**ACTION ITEM 6 - Extension of Tolling Agreement and an Easement and Settlement Agreement with the Hammer Family related to a sewer main easement along E. 104th Avenue**

Mr. Mock stated that this is the ongoing issue related to the alleged encroachment of a sewer main onto private property on East 104th Avenue. He discussed that there has been some progress made and that the Board has in their packet a proposed Easement and Settlement Agreement. Mr. Mock noted that this still needs to be reviewed and approved by the City. He also noted that the current Tolling Agreement expires at the end of this month, so in addition to authorizing the Easement and Settlement Agreement, the Board is being asked to authorize an extension of the Tolling Agreement in the event settlement is not reached by the end of the month. President Cordero thanked staff for their ongoing work on this issue.
President Cordero then called for a **MOTION** to approve an extension of the Tolling Agreement and an Easement and Settlement Agreement with the Hammer Family related to a sewer main easement along E. 104th Avenue. Director Ennis moved and Director McNeely seconded. The **MOTION** passed unanimously.

**ACTION ITEM 7 - Amend and restate the District’s Contributory Money Purchase Pension Plan and approve a Trust Agreement with Lincoln Financial Group Trust Company**

Mr. Mock first reminded the Board that he also represents the District’s Pension Board and a written waiver of conflict of interest between the District and the Pension Board is on file. Mr. Mock proceeded to discuss the District’s current Pension Plan, which is a document that was prepared by special pension counsel. He noted that this is a very technical, tax area of law that changes frequently. However, Lincoln Financial, the District’s Pension Plan provider, maintains a standardized plan document that has been approved by the IRS and which gets updated as laws and regulations change.

Mr. Mock also discussed the SECURE Act, a law passed by Congress in 2019 which required certain changes, and that the District’s Pension Plan needs to become compliant by the end of June of this year. He explained that it is staff’s recommendation, with which he agrees, to adopt Lincoln Financial’s plan which is more administratively streamlined and conforms with current pension law.

Mr. Mock further explained that the Resolution before the Board for consideration addresses some state law issues, authorizes adoption of the new Pension Plan, and approves a Trust Agreement with Lincoln Financial, who holds the pension funds. Discussion ensued.

There was additional discussion regarding the law that changed the age for when employees can be part of a pension plan from 21 to 18, and the Board agreed that the benefit of the pension plan should be extended to any employees under age 21 (although there are none currently).

President Cordero called for a **MOTION** to adopt the Resolution amending and restating the District’s Contributory Money Purchase Pension Plan, approve a Trust Agreement with Lincoln Financial Group Trust Company, change the employee manual to reflect that employees can become eligible starting at 18 years of age, and authorizing the President and District Manager to execute all documents necessary to implement these items. Director Scanlon moved and Director Ennis seconded. The **MOTION** passed unanimously.

**DISCUSSION ITEMS**

**DISCUSSION ITEM 1 – Metro Water Recovery Board Appointment**

Mr. Moreno invited Ms. Niyork to the podium to speak about her time representing the District on the Metro Water Recovery Board. He noted that her current appointment expires at the end of June. Mr. Moreno also indicated that this item is being brought before the Board to see if there’s a Board member interested in serving on the Metro Water Recovery Board. Mr. Moreno further noted that Ms. Niyork has done a great job representing the District since her
appointment in 2019, and that she has since moved up to the Executive Committee where she
serves as the Secretary of the Board.

Ms. Niyork then addressed the Board. She talked about her appointment to the Metro Water
Recovery Board in 2019, upon the recommendation of the previous District Manager, Mr. Jim
Jones. Ms. Niyork stated that in addition to serving on the Officers and Executive Committee as
the Board Secretary she is also Chairman of the Audit Committee. Ms. Niyork then stated that
she would be honored to continue to represent the District.

President Cordero called for a **MOTION** to include Ms. Niyork’s nomination for
reappointment to the Metro Water Recovery Board as a Consent Agenda item at the next
meeting. Director Scanlon moved and Director McNeely seconded. The **MOTION** passed
unanimously.

**DISCUSSION ITEM 2 - Proposed IGA among the District, Denver Water, and City of
Brighton for delivery of water from Denver Water through the District’s system to
Brighton, and Proposed IGA between the District and City of Brighton addressing other
service issues by SACWSD to Brighton**

Mr. Scott indicated that this issue has been discussed a few times over the last few months,
and that through ongoing discussions there are draft agreements which were included in the
Board’s meeting packet for review.

Mr. Scott went on to discuss that the City of Brighton is in need of a water interconnect this
summer. They are in the process of constructing a pump station at approximately 118th and
Peoria and a water line from 120th south to 112th along Peoria. Mr. Scott noted that normally
IGAs would have been in place prior to construction, but because of Brighton’s need for water
this summer, they needed to move forward in the process.

Mr. Scott then proceeded to discuss the two proposed IGAs. One of the IGAs is a three-way
IGA between the District, Denver Water, and the City of Brighton. This IGA outlines that
Brighton will be purchasing water from Denver Water and the water will be transported and
delivered to Brighton through the District’s system. Mr. Scott noted that this IGA was
developed by Denver Water, reviewed by the District, and was provided to Brighton two weeks
ago for review. It’s Mr. Scott’s understanding that Brighton would like further consideration and
discussion regarding the service rate carriage fee that’s included in the proposed agreement.

Mr. Scott then discussed the proposed two-way IGA between the District and the City of
Brighton which is intended to clear up the customers in Brighton’s service area which the
District has been serving for a number of years through a previous IGA that expired in 2015.
Brighton has still not taken over service to those customers and the goal of this proposed IGA is
to make sure there is a clear agreement with Brighton to remove those areas as the District’s
responsibility. Mr. Scott indicated that the proposed IGA was provided to Brighton last week
and that Brighton so far has indicated issues with the timing of how fast they can remove these
entities from the District’s system.
Discussion ensued regarding the District’s pipes being used to transport Denver Water to Brighton and the District receiving any associated maintenance fees. Mr. Scott explained the costs that will be associated with transporting Denver’s water through the District’s system, which include a treatment cost, pumping cost, maintenance cost, and water loss cost. He stated that all those costs are factored into the costs proposed by the District in the IGA.

Mr. Johns and Mr. Falconburg of the City of Brighton then addressed the Board. Mr. Falconburg stated that he anticipates the City being able to honor the proposed IGAs, and he understands that the District needs to look out for its own customers first. He also talked about Brighton’s long-term plans, the new water treatment plant, and the need to receive water from the District.

Mr. Johns referenced the three-way IGA and stated that Brighton is asking the District to consider mirroring the carriage fee already in agreements that Brighton has with Westminster and Thornton. He also talked about the new water plant being built which is on Bromley Lane near Prairie Center Parkway near the Adams County Justice Center.

Discussion ensued. Director Scanlon expressed his support for the IGAs. President Cordero stated that he is grateful to be at this point in negotiations with the City of Brighton. He also talked about Brighton’s request for the District to reduce its proposed carriage fee and the Board trusting staff to negotiate the appropriate fee. He noted that the District wants to be a good neighbor to Brighton. Mr. Scott explained the need to get the IGAs in place and that they’ll be brought back to the Board at next month’s meeting for approval.

**DISCUSSION ITEM 3 - Financial and Utility Billing System Update**

Mr. Jefferson discussed the implementation of the new billing system and the associated growing pains. He talked about the problems encountered, particularly during the first month, noting that shutoffs and late fees were immediately suspended because of the problems.

Mr. Jefferson indicated that staff is working to get caught up but there are still problems, which are precisely what the people in the audience are experiencing. He also explained that with the old billing system, payments were processed through Wells Fargo in Denver, but with the new system payment processing is now done in Utah. He noted though that Wells Fargo had closed its Denver office and their payment processing is also now being handled out of state. Mr. Jefferson further talked about the billing tasks that the Utah office can manage, noting it’s more of a one-stop shop.

Board discussion ensued regarding new systems taking time, and that they appreciate the communications going out to customers. The Board emphasized the importance of ensuring that customer calls are returned in a timely manner. The Board expressed their appreciation to the members of the public who attended the meeting.

Mr. Jefferson further discussed better communications. He would like to speak individually with each resident in attendance. He also clarified that no one is being sent to collections. Mr. Jefferson anticipates one to two more billing cycles to get everything tracking correctly.
EXECUTIVE SESSION

The Board determined that an Executive Session was not needed.

In conclusion, President Cordero asked if the Board members had additional comments on any matters. Director Ennis stated that she is appreciative of all the work being done on better communication with the public. Director McNeely appreciates all the graphics that were part of the Board packet. She also thanked again the members of the public who were in attendance. Director Frew expressed his appreciation for staff working to clear up the current billing issues. He also thanked the members of the public for attending. President Cordero expressed his appreciation for the questions brought to the Board by members of the community. He also thanked staff for all their hard work.

ADJOURNMENT

President Cordero called for a **MOTION** to adjourn at 7:27 p.m. Director Scanlon moved and Director McNeely seconded. The **MOTION** passed unanimously.

Respectfully submitted,

![Signature]

Vicki Ennis
Secretary