MINUTES
FOR THE BOARD OF DIRECTORS
OF THE SOUTH ADAMS COUNTY WATER AND SANITATION DISTRICT
SEPTEMBER 7, 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 September 7, 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):
Heidi McNeely, President
William Frew, Vice President
Vicki Ennis, Secretary
Becky Toczylowski, Treasurer
René Bullock, Director

SACWSD Staff/Legal Present:
Abel Moreno, District Manager
Kipp Scott, Water Systems Manager
Byron Jefferson, Administrative Services Manager
Jeff Coufal, Distribution & Collections Manager
Gary Smith, Wastewater Systems Manager
James M. Mock, General Counsel
Betty Kring, Business Support
Greg Chol, Project Supervisor

Consultants/Others Present:
Glenn Hamilton, Muller Engineering Company
Bayard Yang, Brown and Caldwell
Jim Ginley, Utility Management Consultant
Taylor Clark, Resident

1 CALL TO ORDER
2 President McNeely called the meeting to order at 6:00 p.m. and then led everyone in the
3 Pledge of Allegiance.
DISCLOSURES OF 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.

Director Frew has submitted a standing potential conflict of interest letter stating that he is an 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 Frew is also a Board member of the Commerce City Chamber of Commerce.

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

Director Bullock is the Executive Director of the Chamber of Commerce of the City of Commerce City. The Chamber engages, educates, and advocates for the business community and the residents of Commerce City.

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

AGENDA REVIEW

President McNeely asked if the Board would like to see any changes to the Agenda. No changes were made to the Agenda.

APPROVAL OF MINUTES

President McNeely asked the Board for any comments on the Minutes from the Regular Meeting held on August 10, 2022.

President McNeely called for a **MOTION** to approve the Minutes from the Regular Meeting held on August 10, 2022, as presented. Director Bullock moved and Director Frew seconded. The **MOTION** passed unanimously.

PUBLIC COMMENT

President McNeely called for public comments and stated that members of the public have three minutes to address the Board.

New Commerce City resident Taylor Clark stated his address and introduced himself. He proceeded to thank the Board and the District for the information sent to residents explaining how the District is handling PFAS. Mr. Clark was very appreciative of the information that had been provided. The Board thanked Mr. Clark for his comments.

There were no additional public comments.

CONSENT AGENDA

President McNeely 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 President McNeely then read the following Consent Agenda items:

1. Approve Partial Pay Request #3 to Vortex Services LLC in the amount of $471,674.86 for the Monaco Street 2022 Water System R&R Project
2. Approve Partial Pay Request #3 to Insituform Technologies, LLC in the amount of $495,627.45 for the 2022 Wastewater Collection System Rehabilitation Project
3. Approve Pay Application #1 to Vortex Services LLC in the amount of $327,491.17 for the 2022 Water System R&R
4. Approve Electronic Payments
5. Approve the Bill Paying Process

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

ACTION ITEMS

ACTION ITEM 1 – Public Hearing to receive comments regarding a 2022 Supplemental Budget and consider approving a Resolution adopting the 2022 Supplemental Budget

Mr. Jefferson explained the reasons for needing a 2022 Supplemental Budget, which consist primarily of the ongoing PFAS issue and community growth in the District.

Mr. Jefferson further explained the statutory requirement for holding a Public Hearing. It was noted that the proposed 2022 Supplemental Budget and Public Hearing had been properly Noticed by publication in the Commerce City Sentinel Express.

President McNeely called for a MOTION to open the Public Hearing. Director Frew moved and Director Ennis seconded. The MOTION passed unanimously.

President McNeely called for public comments. There were none.

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

Mr. Jefferson then stated that staff recommends approval of the 2022 Supplemental Budget and corresponding Resolution. Mr. Mock noted that the proposed 2022 Supplemental Budget and Public Hearing had been properly Noticed by publication in the Commerce City Sentinel Express. He further noted that there have been discussions regarding this matter at previous Board meetings and that those discussions are incorporated into the record for this meeting.

President McNeely called for a MOTION to adopt the 2022 Supplemental Budget and to approve the corresponding Resolution. Director Ennis moved and Director Toczylowski seconded. The MOTION passed unanimously.
Mr. Moreno then discussed the additional $2.5M the District has requested from the CDPHE grant program, but that it’s not yet clear if the District will receive the full $2.5M. He noted that there could be another request to the Board to approve an additional supplemental budget for 2022.

**ACTION ITEM 2 – Authorize the District Manager to enter into a Service Agreement with Brown and Caldwell for an amount not to exceed $3,120,534 to complete the design of the PFAS treatment facility**

Mr. Scott stated that the purpose of this item is to discuss the final design project for the new PFAS treatment facility. He introduced Mr. Bayard Yang, the Project Manager from Brown and Caldwell. Mr. Scott then presented a slide show regarding the new PFAS treatment facility, including the location in relation to Klein and the EWSF, as well as the location for the facility that will treat for 1,4-Dioxane. The slides included renderings of the new facilities.

Mr. Scott also explained that the District asked Brown and Caldwell to submit a proposal for final design as they are the District’s designated water facilities engineer, developed the pilot studies for PFAS and have worked with the District on several other projects over the years. He also discussed proposal amount, construction budget, and the one-year design process followed by a three-year construction period. In addition, the plan is to hire a Construction Manager at Risk (CMAR) to work with the District through the design process, which speeds up the process of design/construction.

Mr. Scott further discussed budgeting for final design services and the state grant funds for which the District has applied. These matters will be addressed further as part of the upcoming 2023 Budget discussions.

Discussion ensued regarding the steps in the treatment process for both PFAS and 1,4-Dioxane, as well as the water that would not need to go through the current GAC process for VOC contamination.

Mr. Yang then addressed the Board to answer questions regarding the facility to treat 1,4-Dioxane. He explained that ion exchange is the best available process for PFAS and that UVAOP is the best available process for 1,4-Dioxane, and that it’s best for the facilities to be designed in conjunction with each other even if the UVAOP process for 1,4-Dioxane is not needed right away.

Additional discussion ensued regarding the site intended for the facilities. Mr. Scott stated that the District is currently in talks with the City regarding land acquisition. Discussion ensued around timing of design and possible land acquisition.

Further discussion included the amount of water the District currently buys from Denver Water and future purchase amounts.

Final discussion topics included construction costs, grant funds, and the contingency built into the cost estimate.
Following discussion, President McNeely called for a **MOTION** to approve authorizing the District Manager to enter into a Service Agreement with Brown and Caldwell for an amount not to exceed $3,120,534 to complete the design of the PFAS treatment facility. Director Ennis moved and Director Toczylowski seconded. The **MOTION** passed unanimously.

**ACTION ITEM 3 – Authorize the purchase of a 500kW replacement generator from Wagner Power Systems for an amount not to exceed $144,635.76 for the Pontiac Pump Station**

Mr. Scott discussed the two bids received for replacement of the emergency standby generator at the Pontiac Pump Station well site, noting that Wagner Power Systems was the low bidder at $144,635.76. Brown and Caldwell, as the design engineer on this project, recommends purchasing the replacement generator from Wagner Power Systems. When a contractor is procured, the generator purchase agreement will be assigned to the contractor.

Discussion ensued regarding this being a diesel generator as opposed to propane. The Board also inquired as to what happens with the old generator. Mr. Scott explained that it will be put up for auction.

President McNeely then called for a **MOTION** to approve authorizing the purchase of a 500kW replacement generator from Wagner Power Systems for an amount not to exceed $144,635.76 for the Pontiac Pump Station. Director Ennis moved and Director Bullock seconded. The **MOTION** passed unanimously.

**ACTION ITEM 4 - Authorize the District Manager to enter into a CMAR contract with the contractor who submits the best value proposal for the Well 119 Horizontal Collector Well and Landmark Pump Station Upgrades project**

Mr. Scott referenced past discussions on this project and talked about entering into a CMAR contract to procure the necessary pumping equipment as soon as possible. He discussed the three bids submitted and that the proposal from Moltz Construction Inc. in staff’s opinion represented the best value to the District.

Mr. Moreno then discussed the importance of timing of the project and how water usage this year is not a good indicator of water usage expected for next summer, but that staff has to plan accordingly.

Discussion ensued regarding a plan for communication with customers at irrigation time. Mr. Scott explained that Ms. Freiss, Community Affairs Specialist, is working on a program for roll out at the beginning of 2023 to provide education and, hopefully, “shave the peak” of usage.

President McNeely then called for a **MOTION** to approve authorizing the District Manager to enter into a CMAR contract with Moltz Construction Inc. for the Well 119 Horizontal Collector Well and Landmark Pump Station upgrades project. Director Ennis moved and Director Frew seconded. The **MOTION** passed unanimously.

**ACTION ITEM 5 - Approve execution of a Quitclaim Deed to WARDIH LLC**

quitclaiming whatever rights the District may have in land subject to a temporary
Mr. Mock stated that this Quitclaim Deed is a clean-up item. He explained that the District acquired interests in nine parcels of land back in 2008 related to an interconnect with the Denver Water system, noting that the District took a temporary construction easement on one of the parcels (“Parcel 9”) which is no longer needed. Mr. Mock further explained that the District never actually had a fee or ownership interest in that property. However, the Assessor’s office is under the impression that the District does have ownership because of the way the legal description was written.

Mr. Mock then discussed that the property is under new ownership and for them to develop and annex this parcel into the City, the ownership matter needs to be resolved with the Assessor’s office. He noted that attempts were made to resolve the matter with the Assessor’s office by explaining the District’s lack of ownership, but those attempts have been unsuccessful. As a result, Mr. Mock explained that the simplest way to clean up the issue is to quitclaim to the owner any rights the District may have in the land that was subject to the temporary easement.

In addition to Legal Counsel’s review of the matter, the District’s staff and engineer have also reviewed everything and agree that the District has no foreseeable need for retaining its interest in the one parcel.

President McNeely then called for a MOTION to approve execution of a Quitclaim Deed to WARDIH LLC quitclaiming whatever rights the District may have in land subject to a temporary easement near E. 112th Ave. and Tower Road to correct an Adams County Assessor’s Office error. Director Bullock moved and Director Frew seconded. The MOTION passed unanimously.

DISCUSSION ITEMS

DISCUSSION ITEM 1 – EUM Strategic Plan Discussion

Mr. Moreno invited Mr. Ginley to provide a status and find out how the District wants to move forward with its EUM Strategic Plan. Mr. Ginley discussed the project to date and the next steps, noting that this is a work in progress. The purpose of tonight’s discussion is to obtain feedback from the Board on what needs to be worked on.

Mr. Ginley then proceeded to review a PowerPoint presentation showing options pertaining to the Mission Statement, Vision Statement, Values and Goals. Discussion ensued and the Board members identified which options they preferred. They also made suggestions for changing some of the language. Mr. Moreno added that the Board can send any additional comments to him, which he will pass along to Mr. Ginley.

Mr. Ginley then showed the Board a preview of what is coming next, which includes Objectives and corresponding Action Items. Discussion ensued regarding the difference between Values and Objectives. President McNeely suggested a Values statement that she thinks is more meaningful to employees.

Mr. Ginley concluded by thanking the Board and asking them for feedback.
DISCUSSION ITEM 2 – District Engineering Services Engagement Process

Mr. Moreno discussed the selection of engineering services for District projects, noting that the District’s current engagements for engineering services with Brown and Caldwell, Burns & McDonnell, and Muller are ending at the end of this year/beginning of next year. Mr. Moreno then explained various options for selecting engineering services, which include: 1) going through a procurement process for department-specific services for some period of years, 2) issuing an RFP each time for a project, which is time consuming, and 3) continuing to engage the current engineering firms that have experience and a relationship with the District.

Mr. Moreno further talked about looking for the best value for the District’s rate customers and the other professional services which the District engages in. He would like input from the Board as to which process the District should proceed with for engineering services.

Discussion ensued and considered the importance or relationships and institutional/system knowledge and the Board expressed that they support staff engaging the engineering companies that the District already has a relationship with. Additional discussion included five-year engagement letters being brought back to the Board for approval.

EXECUTIVE SESSION

The Board determined that an Executive Session was not needed.

In conclusion, the Board discussed the recent meeting the District had at Klein with Senator Hickenlooper, some County Commissioners, the Mayor and Deputy City Manager of Commerce City, along with two District Board members. Mr. Moreno then provided an update on the meeting. He stated that the feedback received from the Senator and his team was positive and that they appreciated the opportunity to visit the facility.

Mr. Moreno further expressed that the meeting was a great opportunity to provide the Senator with information he could take back to Washington to help the District in its endeavor to obtain more funding from sources other than the Bipartisan Infrastructure Law.

President McNeely expressed that it was valuable to have the Mayor and City representatives at the meeting. Mr. Mock stated that the District is hopeful to also have a visit from Senator Bennet.

Additional discussion included a recent customer complaint for which the customer may attend the October meeting.

ADJOURNMENT

President McNeely called for a MOTION to adjourn at 7:51 p.m. Director Toczylowski moved and Director Frew seconded. The MOTION passed unanimously.
Respectfully submitted,

Vicki Ennis
Secretary