MINUTES
FOR THE BOARD OF DIRECTORS
OF THE SOUTH ADAMS COUNTY WATER AND SANITATION DISTRICT
JANUARY 11, 2023
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 January 11, 2023, 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 Toczykowski, Treasurer

SACWSD Exec Staff/Legal Present:
Abel Moreno, District Manager
Byron Jefferson, Finance Manager
Gary Smith, Wastewater Systems Manager
Zachary Gilbert, Water Systems Manager
Jim Mock, General Counsel
Dawn Fredette, District Clerk/Legal Assistant
Theresa Friess, Public Affairs Coordinator

Consultants/Others Present:
Glenn Hamilton - Muller Engineering Company
Jim Ginley - Jim Ginley Consulting
Doug Eggleston- SACWSD employee

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

President McNeely called for a MOTION to excuse the absence of Director Bullock. Director Frew moved and Director Ennis seconded. The MOTION passed unanimously.
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 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 December 14, 2022. There were no comments.

President McNeely then called for a MOTION to approve the Minutes from the Regular Meeting held on December 14, 2022. Director Toczykowski 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. There were no 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 Final Pay Application to Insituform Technologies, LLC in the amount of $36,793.49 for the 2022 Wastewater Collection System R&R Project and authorize release of retainage in the amount of $116,385.75
2. Approve Pay Application #5 to Vortex Services LLC in the amount of $656,793.90 for the 2022 Water System R&R Project

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3. Approve the sole source purchase of Neptune Technology Group meter equipment from Core & Main and direct Staff to bring any single purchase to the Board that is equal to or greater than $60,000
4. Approve a Resolution Designating Meeting Notice Posting Location
5. Approve Electronic Payments
6. Approve the Bill Paying Process

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

ACTION ITEMS

ACTION ITEM 1 – Strategic Plan for 2023 through 2027

Mr. Moreno briefly reviewed the process leading up to the final product of the Strategic Plan for 2023 through 2027. He discussed the engagement of Mr. Ginley to assist with the process using the Effective Utility Management (EUM) framework.

Mr. Ginley then presented and discussed a PowerPoint presentation on the final Strategic Plan. He recapped the three phases of the planning process and proceeded to discuss the mission, vision, and values statements, as well as the goals and accompanying objectives.

President McNeely discussed a slight modification to the language in the mission statement and discussion ensued. The Board indicated their agreement with the suggested modification.

President McNeely then discussed a modification to the language of the vision statement. Mr. Ginley provided some different options and discussion ensued. The Board indicated their agreement for the #3 option presented.

There was also discussion regarding the values statement. The Board indicated their agreement for a slight modification to that language as well.

Mr. Moreno suggested the Board adopt the Strategic Plan for 2023 through 2027 with the modifications discussed and agreed upon.

President McNeely called for a MOTION to approve the District’s Strategic Plan for 2023 through 2027, as discussed and modified. Director Ennis moved and Director Toczyłowski seconded. The MOTION passed unanimously.

Mr. Ginley then discussed the EUM cycle of implementation of the Strategic Plan, as well as tracking and reporting progress. Discussion ensued on how frequently the Board would like to be updated regarding progress on implementation. Mr. Moreno suggested quarterly.

Additional discussion ensued and the Board suggested that a more formal, annual update also be provided, as well as updating new Board members.
Mr. Moreno thanked Mr. Ginley for his assistance in preparing the Strategic Plan. He also thanked Ms. Friess for her assistance in preparing the final report.

ACTION ITEM 2 – Public Hearing and approval of rule changes to the District’s Cross-Connection Control and Backflow Prevention Rules and Regulations

Mr. Gilbert recapped the discussion with the Board at the last meeting regarding the proposed changes to the Rules and Regulations. He then proceeded to further discuss those proposed changes, particularly changing the date from June 30 to August 31 for the backflow inspection deadline.

Mr. Gilbert also discussed electronic management and reporting of compliance reports for commercial backflow customers and the related costs of the software package. He talked about the option of having commercial customers pay the required fee per backflow device directly, or the option of having the District pay for the cost of the program plus implementation. Mr. Gilbert stated it is staff’s recommendation that the District take on the costs instead of passing it on to the customers. Mr. Mock noted for the record that Notice of the proposed rule change and this Public Hearing had been posted on the District’s website and on the SDA’s website more than 30 days in advance of the Public Hearing.

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

President McNeely called for public comments. There were no public comments.

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

Mr. Gilbert then stated that staff recommends approval of the changes to the District’s Cross-Connection Control and Backflow Prevention Rules and Regulations as presented to the Board.

President McNeely called for a MOTION to approve the changes to the District’s Cross-Connection Control and Backflow Prevention Rules and Regulations as presented. Director Ennis moved and Director Frew seconded. The MOTION passed unanimously.

ACTION ITEM 3 – Construction Contract with Brannan Construction Company in the amount of $1,474,958 and Amendment #1 with Muller Engineering Company, Inc. in the amount of $156,649, for a total not to exceed contract amount of $629,680, for the PZ21 Development Conversion to Irrigation System Project

Mr. Moreno explained that this project would convert irrigation system connections which currently are tapped into the potable water system and put them on the District’s true irrigation system. He noted that the District had entered into an agreement with Muller Engineering in 2021 for design and construction. Mr. Moreno also talked about two phases of the project, noting that the first phase should be completed and ready for this year’s irrigation season and the second phase is expected to be in place for the 2024 irrigation season.
Mr. Moreno then discussed the bid phase documents prepared by Muller for a public bid opening at which three bids were received. He noted that Brannan Construction was the lowest responsive and responsible bidder. Mr. Moreno also discussed the base bid and bid alternate that were included in the bid documents. He further discussed authorizing an amendment to the contract with Muller Engineering for this project.

Mr. Moreno then stated that staff recommends approval of the Construction Contract with Brannan Construction Company in the amount of $1,474,958 and Amendment #1 with Muller Engineering Company, Inc. in the amount of $156,649, for a total not to exceed contract amount of $629,680, for the PZ21 Development Conversion to Irrigation System Project.

President McNeely called for a MOTION to approve the Construction Contract with Brannan Construction Company and Amendment #1 with Muller Engineering Company, Inc. as stated above by Mr. Moreno. Director Frew moved and Director Ennis seconded. The MOTION passed unanimously.

DISCUSSION ITEMS

DISCUSSION ITEM 1 – 2023 Work Plan

Mr. Moreno explained that this item is to demonstrate what 2023 will look like in terms of the District’s priorities and objectives. His first topic pertained to continuing the enhanced community outreach and communication from 2022 into 2023. He also talked about the rollout of the District’s new website in 2023, doing focus group outreaches and/or surveys through the engagement of a public policy expert, and talks with the Fire District Board and City Council around emergency management. Mr. Moreno also discussed social media presence and having meetings with interested stakeholders in the community and continuing to be a good community partner.

Mr. Moreno’s second topic was regarding continued work on emerging contaminants, including designing, funding, and constructing new water treatment technology facilities for emerging contaminants.

His third topic pertained to implementation of the Strategic Plan, which includes continuing to focus on development of the work force and being an employer of choice, continuous improvement of District service offerings, and maintaining a rate structure that is appropriate and feasible.

Mr. Moreno also talked about ensuring regulatory compliance of District operations and some recent challenges, one at the Wastewater Treatment Plant and one involving blended water. He noted that staff are waiting for more data regarding these issues and that more information will be brought to the Board at the February meeting.

DISCUSSION ITEM 2 – Environmental Assessment Public Meeting

Ms. Friess discussed the public meeting the District will be hosting with regard to the environmental assessment for the Klein facility enhancement project for PFAS and 1,4-Dioxane. She noted this public meeting is a requirement for some of the funding the District is pursuing.
for the project. Ms. Friess further explained that Notice of the public meeting was published in
the District’s newspaper of record (Commerce City Sentinel Express) 30 days in advance of the
meeting, which is being held on Thursday, February 9, 2023, at 5:30 p.m. at the Stevenson
Administration Building, and that notification will also be on social media and in the February
edition of the Commerce City Connected. Ms. Friess then proceeded to discuss the various
components of the meeting.

Ms. Friess asked if any of the Board members are interested in attending. She explained the
Notice requirement if there is going to be a quorum of Board members in attendance. President
McNeely and Director Frew indicated that they plan to attend.

Lastly, Ms. Friess stated that this is a very important meeting for funding purposes, and that
any public comments received at the meeting will be documented and submitted to CDPHE as
part of the environmental assessment.

DISCUSSION ITEM 3 – Wastewater Treatment Plant Update

Mr. Smith discussed high levels of ammonia being received by the plant since early
November and its effects on the bacteria SACWSD uses to convert/consume ammonia or other
nitrogen compounds into nitrites and nitrates. He further stated that CDPHE was notified and
that District staff is having discussions with them as a result. Mr. Smith further discussed the
testing of water that goes back into the South Platte River, the possibility of being put on an
automatic compliance schedule, and a waiver that was granted by CDPHE while the District is
aggressively looking for a solution.

Mr. Smith explained that the District is engaged with the manufacturers of the iFAS system,
who sent a special process team to evaluate the plant and currently are working with the plant
operations. He further stated that an industrial treatment specialist group has also been engaged.
In addition, letters have been sent to the District’s industrial users informing them of possible
illegal discharges in the hopes the letter will cause them to revisit their operations and ensure that
they are not illegally discharging anything into the District’s system.

Mr. Moreno further discussed the issue and troubleshooting options. He also stated that the
District doesn’t have many clear answers yet, but that staff is working with technical experts and
staff wanted to inform the Board about the steps the District is taking. Discussion ensued.

INFORMATION ITEM 1 – Water Treatment Plant Update

The Board chose to have a discussion on this item pertaining to the District’s finished
groundwater supply not fully blending with the water supplied by Denver Water. Mr. Gilbert
discussed the water blending process and the steps taken to address the issue, noting that staff is
discussing the issue with consultants and that there will be more data provided at the next
meeting. Mr. Gilbert indicated that this recent discovery does not present any concerns around
meeting regulatory compliance requirements, but staff wanted to inform the Board of this
finding.

EXECUTIVE SESSION

The Board determined that an Executive Session was not needed.
In conclusion, Mr. Moreno briefly discussed the Annual Report included in the Information Items of the meeting packet. He thanked Ms. Friess for compiling the report. The Board expressed their appreciation as well.

President McNeely also thanked all the staff for their work on the materials presented for the Board meeting.

**ADJOURNMENT**

President McNeely called for a **MOTION** to adjourn at 7:15 p.m. Director Frew moved and Director Toczykowski seconded. The **MOTION** passed unanimously.

Respectfully submitted,

Vicki Ennis
Secretary