MINUTES
FOR THE BOARD OF DIRECTORS
OF THE SOUTH ADAMS COUNTY WATER AND SANITATION DISTRICT
APRIL 12, 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 April 12, 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 (virtually)
William Frew, Vice President
Vicki Ennis, Secretary
Becky Toczyloski, Treasurer
René Bullock, Director

SACWSD Exec Staff/Legal Present:
Abel Moreno, District Manager
Byron Jefferson, Finance Manager
Gary Smith, Wastewater Systems Manager
Zachary Gilbert, Water Systems Manager
Rachel Harlow-Schalk, D&C Manager
Derek Lusk, Information Systems & Technology Manager
Jim Mock, General Counsel
Dawn Fredette, District Clerk/Legal Assistant

Consultants/Others Present:
Glenn Hamilton - Muller Engineering Company
Taylor Burnett, Muller Engineering Company

1 CALL TO ORDER
2 Vice President Frew called the meeting to order at 6:00 p.m. and then led everyone in the Pledge of Allegiance. The Board noted that due to President McNeely being out of town and attending the meeting virtually and with the possibility of poor internet connectivity, Director Frew had been asked to run the meeting in his capacity as Vice President.
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 Ennis has submitted a standing potential conflict of interest letter stating that she is now employed by the City of Aurora in police payroll processing. The District has a potential adversarial relationship with the City of Aurora related to water contamination and from time to time enters into water rights transactions and litigation with Aurora.

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.

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

AGENDA REVIEW

Vice President Frew asked if the Board would like to see any changes to the Agenda. There were no changes.

APPROVAL OF MINUTES

Vice President Frew asked the Board for any comments on the Minutes from the Regular Meeting held on March 8, 2023. There were no comments.

Vice President Frew then called for a MOTION to approve the Minutes from the Regular Meeting held on March 8, 2023. Director Ennis moved and Director Toczykowski seconded. The MOTION passed unanimously.

PUBLIC COMMENT

Vice President Frew 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

Vice President Frew 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 Vice President Frew then read the following Consent Agenda items:
1. Approve Pay Application #8 to Vortex Services LLC in the amount of $162,428.91 for the 2022 Water System R&R Project
2. Approve Partial Payment #2 to Brannan Construction Company in the amount of $384,906.54 for the 2023 Development Conversion Irrigation System (Pressure Zone 21) project
3. Approve filing of Statement of Opposition in Water Court Case No. 2023CW3012
4. Approve a Resolution recognizing May 7-13 as National Drinking Water Week
5. Authorize changing the SACWSD.org domain name
6. Approve retention of Butler Snow LLP as Bond Counsel
7. Approve Electronic Payments
8. Approve the Bill Paying Process

Vice President Frew called for a **MOTION** to approve the Consent Agenda items. Director Bullock moved and Director Toczyłowski seconded. The **MOTION** passed unanimously.

**ACTION ITEMS**

**ACTION ITEM 1 – Contract with Muller Engineering Company, Inc. in an amount not to exceed $1,257,644 for Design and Bid Phase Engineering Services of a potable transmission line from the Klein Water Treatment Facility to Pressure Zone 41**

Ms. Harlow-Schalk recalled for the Board that during the last Board meeting staff shared that the developer is interested in moving forward with the design phase and is committed to paying for the design. She referenced the commitment letter from the developer that was part of the Board meeting packet and then stated staff are now requesting to move forward with the design of the transmission line and get into the bid phase engineering.

Mr. Moreno further discussed the letter from Cohen Denver Airport LLC, the Legato developer, in which they agree to reimburse the District for the design of this transmission main. He also noted that a separate agreement between the parties is being prepared and will be finalized by Mr. Mock as General Counsel for the District.

The Board did not have any questions and there was no additional discussion.

Vice President Frew called for a **MOTION** to approve the contract with Muller Engineering Company, Inc. in an amount not to exceed $1,257,644 for Design Bid Phase Engineering Services of a potable transmission line from the Klein Water Treatment Facility to Pressure Zone 41. Director Ennis moved and Director Bullock seconded. The **MOTION** passed unanimously.

**ACTION ITEM 2 – Contract with Muller Engineering Company, Inc. in an amount not to exceed $228,444 for the Design and Bid Phase Engineering Services for the Sable Boulevard transmission line from 96th and Sable to Sable Reservoir**

Ms. Harlow-Schalk stated that this work was also discussed at the last Board meeting as it’s part of the engineering work related to the transmission line between Klein and PZ41.

The Board did not have any questions and there was no additional discussion.
Vice President Frew called for a MOTION to approve the contract with Muller Engineering Company, Inc. in an amount not to exceed $228,444 for the Design and Bid Phase Engineering Services for the Sable Boulevard transmission line from 96th and Sable to Sable Reservoir. Director Toczykowski moved and Director Ennis seconded. The MOTION passed unanimously.

ACTION ITEM 3 – Contract with Colorado Asphalt Works, Inc. in an amount not to exceed $75,000 for providing asphalt, pavement and concrete services with the option of annual renewal through the end of 2025

Ms. Harlow-Schalk discussed the contract being an annual contract for on-call asphalt and concrete work following an emergency or repair. She also talked about advertising and soliciting for bids, noting that just one bid was received. She stated that even though there was only one bid (from Colorado Asphalt Works), staff recommended awarding the contract to them due to their competitive pricing and their familiarity with the District’s operating standards as a previously contracted company.

Mr. Moreno referred to information in the Board packet that shows a downward trend in the District’s need for on-call asphalt, pavement and concrete services over the last five years. He stated this is related to the increase in the District’s water system repair and replacement program.

The Board did not have any questions and there was no additional discussion.

Vice President Frew then called for a MOTION to approve the contract with Colorado Asphalt Works, Inc. in an amount not to exceed $75,000 for providing asphalt, pavement and concrete services with the option of annual renewal through the end of 2025. Director Bullock moved and Director Ennis seconded. The MOTION passed unanimously.

ACTION ITEM 4 – Purchase of a Metrohm Dual-Channel Ion Chromatograph (IC) for a total cost not to exceed $112,250.37

Mr. Gilbert discussed needing to replace two ion chromatograph units that are at end of life and can no longer be serviced. He discussed other quotes that were received, noting that those quotes didn’t meet the District’s needs due to the type of testing the District performs.

Mr. Moreno further discussed that it’s two units being replaced by one unit that can do two types of analyses.

The Board did not have any questions and there was no additional discussion.

Vice President Frew called for a MOTION to approve the purchase of a Metrohm Dual-Channel Ion Chromatograph for a total cost not to exceed $112,250.37. Director Ennis moved and Director Toczykowski seconded. The MOTION passed unanimously.

ACTION ITEM 5 – Sole source purchase of the Trojan Technologies UV3000Plus2007 Replacement Parts package in the amount of $90,538.50

Mr. Smith explained the sludge process upgrade done at the wastewater plant several years ago, which moved away from chlorine gas to a more modern ultraviolet disinfection system.
(Trojan). He noted that this parts package is offered only by Trojan Technologies and that the plant needs to have these spare parts in stock to support its disinfection system.

Mr. Smith then stated that it’s staff’s recommendation that the Board approve the sole source purchase of the Trojan Technologies UV3000Plus2007 Replacement Parts package in the amount of $90,538.50 to ensure the proper operation of the Trojan system for disinfection at the wastewater treatment plant.

Discussion ensued regarding the parts package and the shelf life of the parts.

Vice President Frew called for a **MOTION** to approve the sole source purchase of the Trojan Technologies UV3000Plus2007 Replacement Parts package in the amount of $90,538.50 to ensure proper disinfection of the wastewater. Director Ennis moved and Director Bullock seconded. The **MOTION** passed unanimously.

**ACTION ITEM 6 – Five-year engineering services engagement with Carollo Engineers, Inc. for wastewater engineering services**

Mr. Smith explained that the current contract with Burns & McDonnell has expired. He stated that this was an appropriate time to solicit a new engineering firm to provide a fresh look at the wastewater plant. He discussed the advertisement of an RFQ and the receipt of four proposals. Mr. Smith also talked about the selection committee, the interview process, the selection of Carollo Engineers and the contract.

Discussion ensued. Mr. Moreno talked about staff’s review and analysis of Carollo Engineers, and that staff will be negotiating with them on particular language in the District’s services agreement. He stated that the Board is being asked to approve an engagement with Carollo Engineers on the condition that certain terms in the services agreement are agreed upon.

Vice President Frew called for a **MOTION** to approve the five-year engineering services engagement with Carollo Engineers, Inc. for wastewater engineering services, conditioned on staff’s discussions with Carollo Engineers. Director Bullock moved and Director Toczykowski seconded. The **MOTION** passed unanimously.

**DISCUSSION ITEMS**

**DISCUSSION ITEM 1 – Wastewater Plant Operations Update**

Mr. Smith discussed the issues that started in November, noting that staff have been working diligently on making process improvements at the plant. He reported that the District passed the first quarter WET Test and he thanked staff for this success of getting back into compliance and remaining in compliance. Mr. Smith also stated that he’s expecting a letter from Brown and Caldwell discussing where the problem started. He plans to have more information on this at the next Board meeting.

Mr. Moreno discussed additional work that will need to be done at the wastewater plant, noting there will be related discussions with the Board in the future. He also acknowledged Mr. Smith and staff for their efforts at the wastewater plant.
Discussion ensued regarding the life span of the wastewater plant.

**DISCUSSION ITEM 2 – Partnership with the City’s Art Advisory Board for the Art of Water project**

Ms. Harlow-Schalk discussed the project and partnering with the City. She explained that it was put out to bid in February to paint 300 of the District’s 468 fire hydrants, but no responses were received. She then discussed the $40,000 that the District has set aside for the work, and that she had reached out to the Economic Development team at the City for ideas on potential businesses. They weren’t aware of any companies and suggested contacting the City’s community outreach team.

Ms. Harlow-Schalk then talked about her research on what other cities have done, her discussions with City staff about their interest in the project, and attending a meeting of the City’s Cultural Council where they discussed partnering. She further talked about the possibility of asking local artists to submit ideas of what they would paint, the artists being compensated from the $40,000 that’s been set aside, a review process, and also working with the Fire District.

Ms. Harlow-Schalk then stated that she’s seeking direction from the Board for the Cultural Council. She further noted that there would need to be an Agreement with the City.

Discussion ensued regarding the possibility of getting teams from other community organizations involved and making it a fundraiser. Ms. Harlow-Schalk further discussed the costs that the $40,000 could cover, working out project details with the City, and the benefits to those volunteering and sponsoring.

The Board shared their enthusiasm for the idea of community involvement and they look forward to hearing proposals. There was additional discussion on the possibility of getting sports groups and schools involved.

**EXECUTIVE SESSION**

Mr. Mock stated a motion for the Board to consider to enter into Executive Session under §24-6-402(4)(a, b & e), C.R.S., for the purpose of considering the purchase or acquisition of real property, receiving legal advice from the District’s legal counsel on specific legal questions regarding acquisition of, and determining positions relative to matters that may be subject to negotiations, developing strategy for negotiations, and instructing negotiators all in relation to an approximately 10 acre parcel of land adjacent to the Klein Water Treatment Facility; and §24-6-402(4)(b), C.R.S., for the purpose of receiving legal advice from the District’s legal counsel on specific legal questions regarding possible claims for mitigation of PFAS contamination in the District’s groundwater and legal risk management regarding the same; and any other matters that are properly authorized to be discussed in Executive Session.

Director Bullock made a **MOTION** at 6:49 p.m. for the Board to enter into Executive Session, pursuant to the motion stated above by Mr. Mock. Director Toczykowski seconded. The **MOTION** passed unanimously, and the Board entered into Executive Session.
At 7:56 p.m. Director Ennis left the Executive Session. At 8:35 p.m., a **MOTION** was made by Director Toczykowski for the Board to return to Regular Session. Director Bullock seconded and the **MOTION** passed unanimously. Mr. Mock then stated for the record that the portions of the Executive Session that were not recorded in his opinion constituted privileged attorney-client communications.

In conclusion, the Board members had no additional comments. Mr. Moreno discussed his upcoming trip to Washington, D.C. for an AWWA workshop.

**ADJOURNMENT**
Vice President Frew called for a **MOTION** to adjourn at 8:38 p.m. Director Bullock moved and Director Toczykowski 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