

METRO WASTEWATER RECLAMATION DISTRICT

Minutes of the Regular Meeting of the Board of Directors May 21, 2019

The Board of Directors of the Metro Wastewater Reclamation District, in the Counties of Adams, Arapahoe, Douglas, Jefferson, and Weld, and the City and County of Denver, State of Colorado, met in regular session in the Board Room, 6450 York Street, Denver, Colorado, Tuesday, May 21, 2019, at 5:30 p.m.

Chairman Baertlein called the meeting to order.

1. OATH OF OFFICE

The following Director has been appointed by his Member Municipality to complete a two-year term of office that expires June 30, 2020.

Appointed Director

Member Municipality

Richard Lucero

East Lakewood Sanitation District

The following Directors have been reappointed by their Member Municipality for a two-year term of office that expires June 30, 2021.

Reappointed Director

Member Municipality

Kathryn Jensen
Dennis Towndrow

North Table Mountain Water and Sanitation District
North Pecos Water and Sanitation District

2. ROLL CALL

Secretary Caldwell called the roll.

Officers Present:

Peter Baertlein, Denver
Scott Twombly, Thornton
Nadine Caldwell, Aurora

Chairman
Chairman Pro Tem
Secretary

Directors Present:

Philip Cipri, Berkeley
Thomas Colchin, Applewood
David Councilman, Pleasant View
John Dingess, Aurora
Robert Duncanson, Denver
Mark Hunter, Lakewood
Joan Iler, Westridge
Kathryn Jensen, North Table Mountain
Andrew Johnston, Denver
Janet Kieler, Denver
Craig Kocian, Arvada
Ingrid Lindemann, Aurora
Charles Long, Thornton

Richard Lucero, East Lakewood
Jim McClung, Alameda
Dan Mikesell, Aurora
Barbara Puls, Denver
Bill Ray, Arvada
Ronald Sanchez, Crestview
Kim Schoen, Brighton
Gerry Schulte, Lakewood
Delbert Smith, Bancroft-Clover
Peter Spanberger, Denver
Amerigo Svaldi, North Washington Street
Dennis Towndrow, North Pecos
Ronald Younger, Denver

Directors Absent:

Phil Burgi, Wheat Ridge
Stephen Gay, Westminster
Martin Majors, Fruitdale

Christopher Pacheco, Denver
Michael Sapp, Denver
Mary Beth Susman, Denver

Others Present:

Mickey Conway
Robert Thomas
Emily Jackson
Molly Kostelecky
Ruth Kedzior
Yvonne Kohlmeier
Brittany Peshek
Jim Jones

District Manager
Deputy Manager/Director of Environmental Services
General Counsel
Director of Administrative Services
Assistant to the District Manager
Administrative Assistant
Executive Assistant
South Adams County Water and Sanitation District

3. PUBLIC COMMENT

There was no comment.

4. APPROVAL OF MINUTES

4.a Minutes of the Board of Directors Meeting on April 16, 2019

Chairman Baertlein asked if there were any corrections, deletions, or additions to the minutes of the Regular Meeting of the Board of Directors held April 16, 2019.

Director Lindemann moved and Director Mikesell seconded the motion to approve the minutes of the Regular Meeting of the Board of Directors held April 16, 2019.

The motion carried unanimously.

4.b Minutes of the Special Board of Directors Meeting on May 2, 2019

Chairman Baertlein asked if there were any corrections, deletions, or additions to the minutes of the Special Meeting of the Board of Directors held May 2, 2019.

Director Lindemann moved and Director Mikesell seconded the motion to approve the minutes of the Special Meeting of the Board of Directors held May 2, 2019.

The motion carried unanimously.

5. PROGRESS AND PROJECTION REPORTS

5.a Report by District Manager

District Manager Conway reviewed the written report and also noted the 2019 employee survey was completed with 80 percent participation. He invited Directors to attend the Metro District's Spring Town Hall and Field Day on June 12.

5.b Report by General Counsel

Ms. Jackson reviewed the written report.

6. REPORTS OF OFFICERS AND COMMITTEES

6.a Appointment of the Nominating Committee

Chairman Baertlein reported his appointments to the Nominating Committee – Directors Mikesell (Chairman), Jensen, Kieler, Long, and Ray. The Committee will announce its recommended slate of Officers at the June meeting and the election is held in July.

6.b Meeting Minutes

There were no additions to the following meeting minutes:

Retirement Board	February 28, 2019
Operations Committee	May 7, 2019
Finance Committee	May 9, 2019
Executive Committee	May 14, 2019

7. NEW BUSINESS

7.a Hearing for the Metro District's Preliminary 2020 Budget

Chairman Baertlein opened the Hearing of the 2020 Preliminary Budget at 5:37 p.m. to allow for questions and comments from holders of any security issues by the Metro District. There were no questions or comments. Chairman Baertlein closed the Hearing and reconvened the Regular Meeting of the Board of Directors at 5:38 p.m.

7.b Consideration of Designating a Memorial Resolution for John Ennis

Director Iler moved and Director Puls seconded the motion to adopt the following resolution which was read by Chairman Baertlein:

WHEREAS, Mr. John Ennis, a valued member of the Board of Directors of the Metro Wastewater Reclamation District representing the South Adams County Water and Sanitation District, passed away on April 8, 2019; and

WHEREAS, John Ennis faithfully served on the Board of Directors since July 2009 and was most diligent to the duties he assumed; and

WHEREAS, he served on the Audit, Executive, Operations, and Northern Treatment Plant Advisory committees of the Board of Directors; and

WHEREAS, he served as an Officer of the Board of Directors, elected as Treasurer in 2018; and

WHEREAS, the Metro District was very fortunate to have the expertise he so willingly and unselfishly gave to the Metro District and his community;

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors and staff of the Metro Wastewater Reclamation District do hereby record its deep sorrow in the loss of Board Member John Ennis, remembering him as a friend and a devoted Director, and by the adoption of this Resolution in his memory express our deep sympathy to the members of his family; and

BE IT FURTHER RESOLVED that a copy of this Resolution be given to his family.

Chairman Baertlein expressed his gratitude in working with John Ennis on the Board of Directors and for his time as a positive leader. Mr. Jones thanked the Board and stated John valued the opportunity to represent South Adams County.

The motion carried unanimously. Mr. Jones left the meeting.

Consent Agenda

7.c Consideration of Contract for Custom Harvesting at the METROGRO Farm

Director Ray moved and Director Colchin seconded the motion to adopt the following resolution:

WHEREAS, it is necessary for the Metro Wastewater Reclamation District, hereinafter referred to as the "Metro District," to enter into a contract for crop harvesting services for the Metro District's METROGRO Farm (Farm); and

WHEREAS, in response to a March 2019 request for Statements of Interest and Qualifications (SIQ), the Metro District received SIQs from five custom harvesters—BTag Enterprises, LLC, Heinrichs Harvesting, Houser Farms Harvesting, Lee's Custom Harvesting, and Schneyder Custom Harvesting (collectively, Qualified Harvesters), which were determined by Metro District staff to be qualified to perform harvesting services; and

WHEREAS, Metro District staff recommends authorizing the District Manager to enter into one-year contracts with any of the Qualified Harvesters for a total period not to exceed five years (June 15, 2019–June 14, 2024) in accordance with the Metro District's *Purchasing and Contracting Policies*; and

WHEREAS, Metro District staff further recommends any one-year contract for harvesting during this five-year period have a not-to-exceed price of \$30 per acre, \$0.30 per bushel for transportation, and a \$0.30 per bushel surcharge for yields greater than 20 bushels per acre; and

WHEREAS, because of the uncertain nature of the harvesting activity and availability of each individual qualified harvester, the Metro District requires flexibility to enter into harvesting contracts with any or all of the Qualified Harvesters as necessary; and

WHEREAS, the Operations and Finance Committees, after having reviewed the matter, recommend authorizing the District Manager to enter into a one-year contract with any of the Qualified Harvesters, at the agreed upon per-acre and per-bushel prices for harvesting work to be performed at the Farm in 2019 and subsequent one-year contracts through June 14, 2024; and

WHEREAS, the Executive Committee, after having reviewed the matter, concurs in the recommendation of the other Committees;

NOW, THEREFORE, BE IT RESOLVED that the District Manager be and hereby is authorized to enter into a one-year contract with any or all of the Qualified Harvesters, including BTag Enterprises, LLC, Heinrichs Harvesting, Houser Farms Harvesting, Lee's Custom Harvesting, and Schneyder Custom Harvesting, at his discretion, for a not-to-exceed price of \$30 per acre, \$0.30 per bushel for

transportation, and a \$0.30 per-bushel surcharge for yields greater than 20 bushels per acre for harvesting work to be performed at the METROGRO Farm in 2019; and

BE IT FURTHER RESOLVED that the District Manager be and hereby is authorized to enter into additional one-year contracts for the same not-to-exceed price and surcharge with any or all of the Qualified Harvesters, at his discretion, for a total period not to exceed five years (June 15, 2019–June 14, 2024) if he deems it to be in the best interest of the Metro District.

The motion carried unanimously.

7.d Consideration of National Western Center Delgany Interceptor Relocation (PAR 1343) – Funding Appropriation

Director Ray moved and Director Colchin seconded the motion to adopt the following resolution:

WHEREAS, it is in the best interest of the Metro Wastewater Reclamation District, hereinafter referred to as the “Metro District,” to appropriate funds to satisfy the financial obligation established in the January 15, 2019, Intergovernmental Agreement (IGA) between the Metro District and the City and County of Denver (Denver) (the Parties) for the National Western Center (NWC) Delgany Interceptor Relocation Project (Project); and

WHEREAS, in December 2018, the Metro District’s Board of Directors authorized the District Manager to enter into an IGA with Denver regarding the optimization of portions of the Delgany and Delgany Common Interceptor facilities, odor control, and thermal energy use on the NWC site; and

WHEREAS, the IGA by and between the Parties set forth each Party’s financial obligation for the work to be performed on the NWC site as it relates to relocating portions of the Delgany and Delgany Common Interceptors, odor control, and heat recovery; and

WHEREAS, terms of the IGA include a not-to-exceed financial commitment by the Metro District of \$8,689,516; and

WHEREAS, the Operations and Finance Committees, after having reviewed the matter, recommend appropriating \$8,689,516 from the Fixed Asset Replacement Fund Capital Projects Account to satisfy the financial obligation as set forth in the IGA; and

WHEREAS, the Executive Committee, after having reviewed the matter, concurs in the recommendation of the other Committees;

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Metro District be and hereby appropriates \$8,689,516 from the Fixed Asset Replacement Fund Capital Projects Account to satisfy the financial obligation of the approved Intergovernmental Agreement between the Metro District and the City and County of Denver for the National Western Center Delgany Interceptor Relocation Project.

The motion carried unanimously.

Roll Call Agenda

7.e Consideration of the Creation of a Defined Contribution Plan Retirement Board

Director Dingess moved and Director Smith seconded the motion to adopt the following resolution:

WHEREAS, effective January 1, 2013, the Metro Wastewater Reclamation District, hereinafter referred to as the "Metro District," enacted the Metro District Employees' Defined Contribution Plan, hereinafter referred to as the "DC Plan"; and

WHEREAS, by resolution in December 1967, the Board of Directors authorized the Metro District's Retirement Board (Retirement Board), which was first seated in 1968, to administer the now-closed Metro District Employee's Defined Benefit Plan (DB Plan) for employees hired on or before December 31, 2012; and

WHEREAS, in March 2014 pursuant to the DC Plan, the Board of Directors delegated authority to oversee the DC Plan to the Retirement Board; and

WHEREAS, within the next year the DC Plan is projected to be the retirement plan for more than 50 percent of the Metro District's current employee population, and the Retirement Board has held discussions about future oversight of the two employee retirement plans; and

WHEREAS, on November 15, 2018, the Retirement Board unanimously recommended the Board of Directors (1) create an independent board to oversee the DC Plan, named the Defined Contribution Plan Retirement Board (DC Retirement Board), and (2) rename the current Retirement Board to be the Defined Benefit Pension Plan Retirement Board (DB Retirement Board), with an effective date of August 1, 2019; and

WHEREAS, the Retirement Board further recommended membership on the DC Retirement Board be composed of five seats, with two current members of the Board of Directors appointed by the Board of Directors and three members who are current Metro District employees actively participating in the DC Plan selected through an internal process as determined by the District Manager; and

WHEREAS, all five members on the inaugural DC Retirement Board will be appointed or selected in July 2019, with three members having a one-year term and two members having a two-year term, and all future terms of office will be for two years; and

WHEREAS, the Operations and Finance Committees, after having reviewed the matter, concur with the Retirement Board and recommend (1) creating a DC Retirement Board with a membership of two current members of the Board of Directors and three current employees actively participating in the DC Plan, (2) renaming the Retirement Board to be the DB Retirement Board, and (3) the effective date for these actions to be August 1, 2019; and

WHEREAS, the Executive Committee, after having reviewed the matter, concurs in the recommendation of the Retirement Board and the other Committees;

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors be and hereby creates an independent board to oversee the Metro Wastewater Reclamation District Employees' Defined Contribution Retirement Plan (DC Plan), named the Defined Contribution Plan Retirement Board (DC Retirement Board); and

BE IT FURTHER RESOLVED that the membership on the DC Retirement Board be and hereby is composed of five seats, with all five members of the inaugural DC Retirement Board being appointed or selected in July 2019 with an effective date of August 1, 2019; and

BE IT FURTHER RESOLVED that two members of the DC Retirement Board are required to be current members of the Metro District's Board of Directors, appointed by the Board of Directors; and

BE IT FURTHER RESOLVED that three members of the DC Retirement Board are required to be current Metro District employees actively participating in the DC Plan selected through an internal process as determined by the District Manager and independent of the Board of Directors; and

BE IT FURTHER RESOLVED that initial terms of office for one member appointed by the Board of Directors and two employee members will be August 1, 2019, to July 31, 2020, and the initial term of office for one member appointed by the Board of Directors and one employee member will be August 1, 2019, to July 31, 2021, and future terms of office will be two years; and

BE IT FURTHER RESOLVED that the Metro District's Retirement Board be and hereby is renamed to be the Defined Benefit Pension Plan Retirement Board (DB Retirement Board) to continue overseeing the Metro Wastewater Reclamation District Employees' Defined Benefit Pension Plan; and

BE IT FURTHER RESOLVED that the effective date for these actions related to the Metro District's DC Retirement Board and DB Retirement Board be and hereby is August 1, 2019.

Chairman Baertlein called for a roll call vote which carried with 29 Directors voting Yes:

Peter Baertlein	Andrew Johnston	Ronald Sanchez
Nadine Caldwell	Janet Kieler	Kim Schoen
Phil Cipri	Craig Kocian	Gerry Schulte
Thomas Colchin	Ingrid Lindemann	Delbert Smith
David Councilman	Charles Long	Peter Spanberger
John Dingess	Richard Lucero	Amerigo Svaldi
Robert Duncanson	Jim McClung	Dennis Towndrow
Mark Hunter	Dan Mikesell	Scott Twombly
Joan Iler	Barbara Puls	Ronald Younger
Kathryn Jensen	Bill Ray	

8. DIRECTOR RECOGNITION

Chairman Baertlein recognized Director Schulte for his service to the Metro District and thanked him for eight years of service as a member of the Board of Directors. Director Schulte expressed his pride in working with the District and its innovative approaches moving into the future.

9. INDIVIDUAL DIRECTOR COMMENTS

Chairman Baertlein expressed need for an additional volunteer to serve on the Lift Station (Thornton-North Washington and Denargo Market) Fixed Asset Replacement (PAR 1312) Selection Committee on June 5. Director Iler volunteered, and Chairman Baertlein thanked her.

Chairman Baertlein noted there are several vacancies to fill on committees and the two retirement boards. He asked Directors interested in serving to contact him after the meeting.

Chairman Baertlein thanked staff for a well-executed Gold Awards event. He expressed a desire for more Directors to attend, welcoming any suggestions to increase Director involvement with this annual event.

10. OTHER INFORMATION

10.a Optimal Corrosion Control Treatment Discussion

Chairman Baertlein stated, "This discussion will be conducted in executive session as authorized by C.R.S. 24-6-402(4)(e) which authorizes executive sessions determining positions relative to matters that may be subject to negotiation, developing strategy for negotiations and instructing negotiators. The matter to be discussed in this executive session is Denver Water optimal corrosion control treatment. No formal action may be taken in executive session and the discussion must be confined to this topic."

Director Councilman moved and Director Johnston seconded the motion to enter executive session. The motion carried unanimously, and the Committee entered executive session at 5:53 p.m.

Chairman Baertlein reconvened the regular meeting at 6:56 p.m.

11. ADJOURNMENT

Director Mikesell reminded the Nominating Committee of the meeting immediately following the Board meeting.

Chairman Baertlein adjourned the meeting at 6:57 p.m.

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