

# METRO WASTEWATER RECLAMATION DISTRICT

## Board of Directors Meeting Tuesday, November 19, 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, November 19, 2019 at 5:30 p.m.

Chairman Baertlein called the meeting to order.

### 1. ROLL CALL

Secretary Caldwell called the roll.

#### Officers Present:

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

Chairman  
Chairman Pro Tem  
Secretary  
Treasurer

#### Directors Present:

Phil Burgi, Wheat Ridge  
Philip Cipri, Berkeley  
David Councilman, Pleasant View  
John Dingess, Aurora  
Robert Duncanson, Denver  
Stephen Gay, Westminster  
Jo Ann Giddings, City of Aurora  
Mark Hunter, Lakewood  
John Iler, Westridge  
Kathryn Jensen, North Table Mountain  
Janet Kieler, Denver  
Craig Kocian, Arvada  
Charles Long, Thornton

Martin Majors, Fruitdale  
Dan Mikesell, Aurora  
Sarah Niyork, South Adams  
Steve Pott, Applewood  
Barbara Puls, Denver  
Ronald Sanchez, Crestview  
Kim Schoen, Brighton  
Greg Sekera, Lakewood  
Peter Spanberger, Denver  
Mary Beth Susman, Denver  
Amerigo Svaldi, North Washington Street  
Dennis Towndrow, North Pecos  
Ronald Younger, Denver

#### Directors Absent:

Richard Lucero, East Lakewood  
Christopher Pacheco, Denver  
Bill Ray, Arvada

Michael Sapp, Denver  
Del Smith, Bancroft-Clover

#### Others Present:

Mickey Conway  
Emily Jackson  
Bob Thomas  
Ruth Kedzior  
Yvonne Kohlmeier  
Brittany Peshek  
Jim Lochhead  
Nicole Poncelet

District Manager  
General Counsel  
Deputy Manager/Director Environmental Services  
Assistant to the District Manager  
Administrative Assistant  
Executive Assistant  
Denver Water, CEO/Manager  
Denver Water, Water Treatment and Quality Manager

**2. PUBLIC COMMENT**

There was no comment

**3. APPROVAL OF MINUTES**

**3.a Minutes of the Board of Directors Meeting on October 15, 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 October 15, 2019.

Director Younger moved and Director Iler seconded the motion to approve the minutes of the Regular Meeting of the Board of Directors held October 15, 2019.

**4. PROGRESS AND PROJECTION REPORTS**

**4.a Report by District Manager**

District Manager Conway reviewed his written report, noting staff achievements recognized during the Town Hall meeting and the continually well-received stakeholder tours. He introduced Jim Lochhead and Nicole Poncelet from Denver Water.

Mr. Lochhead and Ms. Poncelet reviewed timeline of events for the Optimal Corrosion Control Treatment (OCCT) and also thanked Metro District for their encouragement, partnership, and innovative research.

Mr. Conway and Chairman Baertlein thanked Denver Water for their continued team work, pulling together a leadership group to discuss public health issues, and everyone pulling together for a regional effort.

**4.b Report by General Counsel**

Ms. Jackson reviewed her written report, noting the bond refinancing pricing was locked this month, within parameters, and will close next month. She answered a question concerning whether the bond will be callable.

**5. REPORTS OF OFFICERS AND COMMITTEES**

**5.a Meeting Minutes**

There were no additions to the following meeting minutes:

Audit Committee	April 4, 2019
Defined Benefit Retirement Board	August 15, 2019
Defined Contribution Retirement Board	August 15, 2019
Operations Committee	November 5, 2019
Finance Committee	November 7, 2019
Executive Committee	November 12, 2019

**6. NEW BUSINESS**

## Consent Agenda

### 6.a Consideration of the Metro District 2020 Pay Program

Director Mikesell moved and Director Burgi seconded the motion to adopt the following resolution:

WHEREAS, the Metro Wastewater Reclamation District, hereinafter referred to as the "Metro District," is required by C.R.S. § 32-4-510(1) to fix compensation of employees at prevailing rates of pay for equivalent work; and

WHEREAS, the Metro District engaged ESM Consulting, Inc. (ESM), a compensation consultant, to undertake a compensation study to assist the Board of Directors in making a determination as to the prevailing rates of pay in the Denver metropolitan area, and ESM's findings were presented to the Operations and Finance Committees; and

WHEREAS, based on the findings of ESM, the District Manager provided a 2020 Pay Program Recommendation that includes proposed 2020 salary structures by classification for all Metro District administrative and plant and field employees; and

WHEREAS, the Operations, Finance, and Executive Committees, after having reviewed the Pay Program Recommendation and proposed Administrative and Plant and Field Salary Structures, have determined the proposed rates of pay are prevailing for equivalent work and recommend approval effective February 1, 2020, as the Metro District's salary structures, and further recommend salaries of individual employees be set within the salary ranges in the proposed salary structures; and

WHEREAS, the Operations, Finance, and Executive Committees, after having reviewed the District Manager's Pay for Performance Recommendation to adjust salaries of Metro District employees within the proposed salary structures, recommend approval;

NOW, THEREFORE, BE IT RESOLVED that the attached 2020 Administrative Salary Structure by Classification (Exhibit A) be and hereby is approved as the prevailing rates of pay for equivalent work effective February 1, 2020, and the District Manager be and hereby is authorized to set salaries of Metro District administrative employees within the salary ranges set forth in Exhibit A; and

BE IT FURTHER RESOLVED that the attached 2020 Plant and Field Salary Structure by Classification (Exhibit B) be and hereby is authorized as the prevailing rates of pay for equivalent work effective February 1, 2020, and the District Manager be and hereby is authorized to set salaries of Metro District plant and field employees within the salary ranges set forth in Exhibit B; and

BE IT FURTHER RESOLVED that the District Manager's Pay for Performance Recommendation to adjust Metro District employee salaries within the

2020 Administrative and Plant and Field Salary Structures be and hereby is authorized and a budget of 3.5 percent of 2019 year-end salaries be and hereby is approved for the 2020 Pay for Performance Plan; and

BE IT FURTHER RESOLVED that the District Manager be and hereby is authorized to increase or decrease the number of positions within existing job classifications, change pay grades for existing job classifications when responsibilities change, and promote/demote employees to appropriate job classifications; and

BE IT FURTHER RESOLVED that the District Manager be and hereby is authorized to assign pay grades to new job classifications so long as funds are available within the Metro District's Annual Budget.

The motion carried unanimously.

**6.b Consideration of Suncor – Management of Air Quality/Soil Contamination (PAR 1182) Authorization for Professional Services Agreement Amendment and funding Appropriation**

Director Mikesell moved and Director Burgi 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 amend the Professional Services Agreement (Agreement) with ARCADIS U.S., Inc. (ARCADIS) to address petroleum contamination on the Robert W. Hite Treatment Facility (RWHTF); and

WHEREAS, Suncor Energy USA, Inc. (Suncor) owns and operates a petroleum refinery adjacent to the RWHTF; and

WHEREAS, petroleum contamination was discovered in several locations on the RWHTF between November 2010 and November 2011; and

WHEREAS, in December 2011, the Metro District entered into an Agreement with ARCADIS to provide environmental consulting services related to the oversight and management of petroleum contamination on the RWHTF; and

WHEREAS, the Board of Directors (1) ratified the selection of ARCADIS in February 2012 and authorized the District Manager to enter into a five-year Agreement with ARCADIS and to issue Task Orders for ARCADIS to perform specifically identified environmental consulting services under the Agreement, (2) in June 2016, authorized the District Manager to waive the five-year contract term limitation stated in the Metro District's *Purchasing and Contracting Policies*, on a sole-source basis, to extend the term of ARCADIS' services to December 31, 2021, and (3) authorized the District Manager to increase the not-to-exceed limit costs for services performed under this Agreement; and

WHEREAS, it is necessary to amend the Agreement with ARCADIS to increase the not-to-exceed limit in order for ARCADIS to continue providing

environmental consulting services for the oversight and management of the petroleum contamination; and

WHEREAS, the Operations and Finance Committees of the Metro District, after having reviewed the matter, recommend the Metro District amend the Agreement with ARCADIS to increase the not-to-exceed limit costs to provide environmental consulting services; 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 amend the Professional Services Agreement with ARCADIS U.S., Inc., increasing the total not-to-exceed limit from \$2,215,000 to \$2,375,000 to provide environmental consulting services related to the oversight and management of petroleum contamination on the Robert W. Hite Treatment Facility; and

BE IT FURTHER RESOLVED that the sum of \$135,000 be and hereby is appropriated from the General Fund for these purposes.

The motion carried unanimously.

**6.c Consideration of Security Systems Maintenance and Support Contract**

Director Mikesell moved and Director Burgi 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 enter into an agreement for maintenance and support services related to the security systems for the Metro District's Robert W. Hite Treatment Facility (RWHTF); and

WHEREAS, on September 6, 2019, proposals were received from two firms and, following an evaluation of the qualifications of both firms performed by Metro District staff, Convergent Technologies was selected as the preferred vendor; and

WHEREAS, Metro District staff recommends entering into a one-year contract with Convergent Technologies for the period of January 1, 2020, through December 31, 2020, to provide maintenance and support services for the RWHTF security systems for software maintenance and based on a time and materials fee structure for other work orders related to routine and preventive maintenance, system upgrades and enhancements, and new equipment; and

WHEREAS, the Operations and Finance Committees, after having reviewed the matter, recommend entering into a one-year contract with Convergent Technologies to provide maintenance and support services for the RWHTF security systems; 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 Converjint Technologies for the period of January 1, 2020, to December 31, 2020, to provide maintenance and support services for the Robert W. Hite Treatment Facility's security systems; and

BE IT FURTHER RESOLVED that the District Manager be and hereby is authorized to enter into additional contract periods, not to exceed a total five-year term, if he deems such renewal to be in the best interest of the Metro District.

The motion carried unanimously.

**6.d Consideration of Rescission of Lochmoor Special Connector Agreement**

Director Mikesell moved and Director Burgi 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 enter into an Intergovernmental Agreement (IGA) with the Lochmoor Water and Sanitation District (Lochmoor) to conditionally rescind Lochmoor's Special Connectors Agreement (SCA) with the Metro District; and

WHEREAS, Lochmoor and Lakehurst Water and Sanitation District (Lakehurst) are water and sanitation districts organized and operating pursuant to Article 1 of Title 32 of the Colorado Revised Statutes (the Special Districts Act); and

WHEREAS, Lochmoor, a Special Connector of the Metro District since January 1, 1991, is adjacent to and southeast of Lakehurst with a service area of approximately 42.5 acres and a flow of approximately 3 million gallons a year (MGY); and

WHEREAS, Lakehurst, a Special Connector of the Metro District since 1983, has a service area that encompasses West Hampden Avenue on the north, C-470 on the west, the east-west midline of West Berry Avenue on the south, and South Depew Street on the east; and

WHEREAS, on June 17, 2019, Lakehurst and Lochmoor jointly entered an Inclusion and Dissolution Agreement whereby Lochmoor intends to dissolve as a water and sanitation district by December 31, 2019, and Lakehurst intends to expand and absorb Lochmoor into its service area and to assume responsibility for the water and wastewater service, provided (1) a majority of the voters in both districts approve the dissolution of Lochmoor and expansion of Lakehurst; (2) a District Court issues an Order of Dissolution and an Order of Inclusion; (3) Denver Water agrees to assign Lochmoor's existing Total Service agreement to Lakehurst or enter into a new Total Service agreement with Lakehurst; and (4) the Metro District approves expanding Lakehurst's service area and rescinding Lochmoor's Special Connector Agreement (collectively, the "Required Action"); and

WHEREAS, on July 11, 2019, Lakehurst submitted a formal service area expansion request to the Metro District, and concurrently Lochmoor requested the Metro District rescind its SCA; and

WHEREAS, on October 15, 2019, pursuant to Section 8.2.2 of the *Metro Wastewater Reclamation District Rules and Regulations Governing the Operation, Use, and Services of the System* (Rules and Regulations), District Manager William J. Conway conditionally approved Lakehurst's request with an effective date of January 1, 2020, contingent upon all Required Actions being completed; and

WHEREAS, Metro District staff recommends entering into an IGA with Lochmoor to conditionally rescind its SCA effective January 1, 2020, contingent upon completion of the Required Actions; and

WHEREAS, the Operations and Finance Committees, after having reviewed the matter, recommend entering into an IGA with Lochmoor for this purpose; 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 an Intergovernmental Agreement with the Lochmoor Water and Sanitation District to rescind Lochmoor's Special Connectors Agreement with the Metro District, provided all Required Actions are met.

The motion carried unanimously.

**6.e Consideration of TU-8 Load Center and Transformer Replacement Project (PAR 1333) Construction Contract Award, Engineering Amendment, and Funding Appropriation**

Director Mikesell moved and Director Burgi 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 enter into a construction contract for the Transformer Unit 8 (TU-8) Load Center and Transformer Replacement Project (Project); and

WHEREAS, the Metro District's Robert W. Hite Treatment Facility (RWHTF) receives electrical power from Xcel Energy through five independent feeders, originating from two substations and terminating at three medium voltage switchgear assemblies located on the RWHTF site; and

WHEREAS, the TU-8 Load Center is located in an area of the RWHTF with a typically higher corrosive atmosphere than other areas, and some of the TU-8 Load Center equipment and wiring has reached the end of its useful life and requires replacement; and

WHEREAS, in June 2018, the Metro District entered into a Professional Services Agreement (Agreement) with NEI Electrical Power Engineering, Inc. (NEI) to provide preliminary design, final design, and bidding phase services for the Project; and

WHEREAS, following NEI's completion of final design in August 2019, NEI and Metro District staffs evaluated five general contractors and prequalified two general contractors to bid on the Project; and

WHEREAS, invitations to bid were sent to the two prequalified general contractors and published pursuant to Metro District procedures, and on October 2, 2019, bids on the Project were received from both contractors, with Moltz Construction, Inc. (Moltz) submitting the apparent low bid in the amount of \$7,044,500; and

WHEREAS, Metro District staff evaluated the bids and considers Moltz to be the lowest, responsive, and responsible bidder; and

WHEREAS, Metro District staff recommends amending the Agreement with NEI in the amount of \$1,092,000 to provide construction engineering, resident engineering, and post-construction services; and

WHEREAS, the Operations and Finance Committees, after having reviewed the matter, recommend entering into a Construction Contract with Moltz in the amount of \$7,044,500 and amending the Agreement with NEI in the amount of \$1,092,000 to provide construction engineering, resident engineering, and post-construction services for the Project; 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 Construction Contract with Moltz Construction, Inc. in the amount of \$7,044,500 for construction of the TU-8 Load Center and Transformer Replacement Project (Project); and

BE IT FURTHER RESOLVED that the District Manager be and hereby is authorized to amend the Professional Services Agreement with NEI Electrical Power Engineering, Inc. in the amount of \$1,092,000 to provide construction engineering, resident engineering, and post-construction services for this Project; and

BE IT FURTHER RESOLVED that the sum of \$6,377,840 (70 percent) be and hereby is appropriated from the Fixed Asset Replacement Fund; and

BE IT FURTHER RESOLVED that the sum of \$2,733,360 (30 percent) be and hereby is appropriated from the General Fund Capital Project Account, for a total appropriation of \$9,111,200 for this Project.

The motion carried unanimously.



## **Roll Call Agenda**

Chairman Baertlein stated the Board of Directors would enter executive session to address Roll Call Agenda items 6.f and 6.g.

Chairman Baertlein stated, "This discussion will be conducted in executive session as authorized by C.R.S. 24-6-402(4)(f)(I) which authorizes executive sessions for determining personnel matters. The matter to be discussed in this executive session is a personnel discussion regarding the District Manager's and General Counsel's 2020 salaries. Pursuant to Colorado's Open Meetings Law, the executive session will be electronically recorded. As a reminder, no formal action may be taken in executive session. Additionally, the discussion must be confined to this topic."

Director Long moved and Director Giddings seconded the motion to enter executive session. The motion carried unanimously, and the Committee entered executive session at 5:45 p.m. All Metro District staff members left the meeting.

Chairman Baertlein reconvened the regular meeting at 6:10 p.m. Metro District staff members Kedzior and Kohlmeier rejoined the meeting.

### **6.f Consideration of the District Manager's 2020 Salary**

Director Younger moved and Director Councilman seconded the motion to adopt the following resolution:

WHEREAS, the Metro Wastewater Reclamation District, hereinafter referred to as the "Metro District," is required by C.R.S. §32-4-510(1) (aa) to fix compensation of employees at prevailing rates of pay for equivalent work; and

WHEREAS, the Executive Committee of the Metro District, after having reviewed the salary survey information and the current salary of the District Manager, recommends to the Board of Directors that the salary of the District Manager for the period January 1, 2020, through December 31, 2020, be established at \$234,700, the prevailing rate of pay for equivalent work;

NOW, THEREFORE, BE IT RESOLVED that the salary of the District Manager for the period of January 1, 2020, through December 31, 2020, be and hereby is established at \$234,700, to be paid at the Metro District's regular pay periods in equal installments.

Chairman Baertlein called for a roll call vote which carried with 30 Directors voting Yes:

#### **Officers:**

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

Chairman  
Chairman Pro Tem  
Secretary  
Treasurer

**Directors:**

Phil Burgi, Wheat Ridge  
Philip Cipri, Berkeley  
David Councilman, Pleasant View  
John Dingess, Aurora  
Robert Duncanson, Denver  
Stephen Gay, Westminster  
Jo Ann Giddings, City of Aurora  
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Charles Long, Thornton

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Sarah Niyork, South Adams  
Steve Pott, Applewood  
Barbara Puls, Denver  
Ronald Sanchez, Crestview  
Kim Schoen, Brighton  
Greg Sekera, Lakewood  
Peter Spanberger, Denver  
Mary Beth Susman, Denver  
Amerigo Svaldi, North Washington Street  
Dennis Towndrow, North Pecos  
Ronald Younger, Denver

**6.g. Consideration of the General Counsel's 2020 Salary**

Director Long moved and Director Mikesell seconded the motion to adopt the following resolution:

WHEREAS, the Metro Wastewater Reclamation District, hereinafter referred to as the "Metro District," is required by C.R.S. §32-4-510(1) (aa) to fix compensation of employees at prevailing rates of pay for equivalent work; and

WHEREAS, the Executive Committee of the Metro District, after having reviewed the salary survey information and the current salary of the General Counsel, recommends to the Board of Directors that the salary of the General Counsel for the period January 1, 2020, through December 31, 2020, be established at \$179,100, the prevailing rate of pay for equivalent work;

NOW, THEREFORE, BE IT RESOLVED that the salary of the General Counsel for the period of January 1, 2020, through December 31, 2020, be and hereby is established at \$179,100, to be paid at the Metro District's regular pay periods in equal installments.

Chairman Baertlein called for a roll call vote which carried with 30 Directors voting Yes:

**Officers:**

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

Chairman  
Chairman Pro Tem  
Secretary  
Treasurer

**Directors:**

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Mary Beth Susman, Denver  
Amerigo Svaldi, North Washington Street  
Dennis Towndrow, North Pecos  
Ronald Younger, Denver

**7. DIRECTOR RECOGNITION**

There was none.

**8. INDIVIDUAL DIRECTOR COMMENTS**

Chairman Baertlein instructed Director Sanchez to submit his question regarding the Defined Benefit Plan Retirement Board packet materials in writing to District Manager Conway and himself.

**9. OTHER INFORMATION**

There was none.

**10. ADJOURNMENT**

The meeting adjourned at 6:20 p.m.

MC:rak/yjk

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