

METRO WATER RECOVERY

Minutes of the Regular Meeting of the Board of Directors

February 20, 2024

The Board of Directors of Metro Water Recovery, in the Counties of Adams, Arapahoe, Douglas, Jefferson, and Weld, and the City and County of Denver, State of Colorado, met in regular session at 6450 York Street, Denver, Colorado, Tuesday, February 20, 2024 at 5:30 p.m. in the Boardroom.

Chair Johnston called the meeting to order.

1. ROLL CALL

Secretary Giddings called the roll.

Officers Present:

Andrew Johnston, Denver
Sarah Niyork, South Adams
Jo Ann Giddings, Aurora
Del Smith, Bancroft-Clover

Chair
Chair Pro Tem
Secretary
Treasurer

Directors Present:

Curt Aldstadt, Westminster
Greg Baker, Aurora
Mike Barrett, Crestview
Cody Berg, Applewood*
Clint Blackhurst, Brighton*
Travis Bogan, Denver
Phil Burgi, Wheat Ridge
Nadine Caldwell, Aurora
John Chavez, Berkeley
David Councilman, Pleasant View
Deborah Crisp, East Lakewood
Clark Davenport, Northwest Lakewood
James DeHerrera, Aurora
Joan Iler, Westridge
Sharon Israel, Arvada*
Janet Kieler, Denver

Craig Kocian, Arvada
Laura Kroeger, Lakewood
Doug Lazure, Denver*
Bob LeGare, Aurora
Marena Lertch, Aurora
Martin Majors, Fruitdale*
Jamie Miller, North Table Mountain
Josh Redman, Thornton*
Thomas Roode, Denver
Greg Sekera, Lakewood
Peter Spanberger, Denver
Amerigo Svaldi, North Washington Street
Dennis Towndrow, North Pecos
Scott Twombly, Thornton
Jennifer Williams, Denver
Ronald Younger, Denver

Directors Absent:

Bonnie Baird, Alameda
Mary Gearhart, Denver

Charlie Miller, Fort Lupton
Mary Beth Susman, Denver

Others Present:

Mickey Conway
Emily Jackson
Ruth Kedzior
Yvonne Kohlmeier
Lydia Nkem

Chief Executive Officer (CEO)
General Counsel
Senior Administrative Manager
Executive Assistant
Assistant to the CEO

*Attended virtually

2. PUBLIC COMMENT

There was no comment.

3. APPROVAL OF MINUTES

3.a Minutes of the Board of Directors Meeting on January 16, 2024

Chair Johnston asked if there were any corrections, deletions, or additions to the minutes of the Regular Meeting of the Board of Directors held January 16, 2024

Director Bogan moved and Director Younger seconded the motion to approve the minutes of the Regular Meeting of the Board of Directors held January 16, 2024

The motion carried unanimously.

4. PROGRESS AND PROJECTION REPORTS

4.a Report by CEO

CEO Conway reviewed his written report, highlighting the opportunity to host, meet, and present to the National Association for the Advancement of Colored People (NAACP) at Metro Water Recovery, appreciated Director Younger for his assistance, and noted if anyone else is interested in other opportunities for Metro to present to community groups to let him know. Mr. Conway also remarked on the upcoming Listening Tour with Metro staff in small meetings to discuss how to make Metro better, the recently received National Air Clean Water Association (NACWA) awards won for Metro's Virtual Classroom Experience and the Journeyman Trainee Programs, and if Directors plan on attending the Finance Committee Budget Workshop scheduled on March 7, 2024, which is open to all Directors, to RSVP in BoardEffect as soon as possible.

4.b Report by Chief Legal Officer

Chief Legal Officer Jackson provided an update on HB24-1062: administrative inspection warrants for metropolitan sewage disposal districts which passed out of Committee and through the House and is now awaiting a schedule hearing in the Senate. She also commented on a bill that would expand per- and polyfluoroalkyl substances (PFAS) source control but is receiving opposition.

Ms. Jackson noted both of the litigation cases have been assigned to a new judge and the trial for the Ditch Companies litigation has been rescheduled to January 2025.

Director Younger asked whether there would be financial impacts associated with changing judges. Ms. Jackson responded there would be minimal increases. Director Keiler asked about the scope of the PFAS bill and Ms. Jackson responded it would expand textiles and a few other domestic sources of PFAS.

Ms. Jackson also provided an update on a new project to create guidelines on open meeting requirements which is targeted to be in her March report.

5. REPORTS OF OFFICERS AND COMMITTEES

5.a Rules and Regulations Committee

Chair of the Rules and Regulations Committee Director Twombly noted the first meeting was held earlier today and Committee members included Directors Marena Lertch, Jamie Miller, Sarah Niyork, and Peter Spanberger. He informed the Board that the Committee wants to hire a consultant to look at Metro Water Recovery's Annual Charges process and methodology. He asked Directors to submit any questions, concerns, or comments that could be used in the scope of service and noted there would be regular updates with a report by the end of the year and a recommendation early in 2025.

Chair Johnston noted this would be a regular standing item for the Board.

5.b Meeting Minutes

There were no additions to the following meeting minutes:

Operations Committee	February 6, 2024
Finance Committee	February 8, 2024
Executive Committee	February 13, 2024

6. NEW BUSINESS

Consent Agenda

6.a **Consideration of Ten-inch Potable Water Line Replacement Project (PAR 1408) Supplemental Funding Appropriation**

Director Sekera moved and Director DeHerrera seconded the motion to adopt the following resolution:

WHEREAS, it is in the best interest of Metro Water Recovery, hereinafter referred to as "Metro," to provide a supplemental appropriation for additional work associated for the Ten-inch Potable Water Line Replacement Project (PAR 1408) (Project); and

WHEREAS, one of two potable water supply lines to the Robert W. Hite Treatment Facility, the ten-inch water line which runs under Franklin Street from 54th Avenue to 58th Avenue and under 58th Avenue from Franklin Street to York Street, has reached the end of its useful life and needs replacement; and

WHEREAS, in August 2021 in Resolution 0821-B7.e, Metro's Board of Directors authorized the Chief Executive Officer to enter into an Intergovernmental Agreement (IGA) with Adams County (County) under which the parties agreed to explore replacing and, where necessary, relocating the water line and to appropriate \$815,000 from the Fixed Assets Replacement Fund; and

WHEREAS, Metro entered into an IGA with the County where the County agreed to pay for replacement of approximately 800 feet of Metro's ten-inch water line and Metro has the option to replace the remaining portions of the line using the County's design consultant and construction contractor; and

WHEREAS, in October 2023, following installation of 4,700 linear feet of new pipe, utility conflicts on Franklin Street near 54th Avenue at the existing water meter vault prohibited replacement of approximately 50 linear feet of existing asbestos cement pipe and connection and reuse of the existing vault; and

WHEREAS, a cost estimate was generated to remove the existing water meter vault and construct a new water meter vault; and

WHEREAS, Metro staff recommends this approach to complete the work in a timely manner and take advantage of using the County's design consultant and construction contractor for the work; and

WHEREAS, the Operations and Finance committees, after having reviewed the matter, recommend authorizing the appropriation of \$400,000 from the Fixed Asset Replacement Fund to supplement the previous appropriation of \$1,825,000 (for a total appropriation of \$2,225,000) 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 the sum of \$400,000 (100 percent) be and hereby is appropriated from the Fixed Asset Replacement Fund to supplement the previous appropriation of \$1,825,000 (for a total appropriation of \$2,225,000) for the Ten-inch Potable Water Line Replacement Project.

The motion carried unanimously.

6.b Consideration of North Secondary Upgrades and Intensification Project (PAR 1411) Construction Manager-at-Risk Agreement, Work Authorization No. 1, and Appropriation

Director Sekera moved and Director DeHerrera seconded the motion to adopt the following resolution:

WHEREAS, it is necessary for Metro Water Recovery, hereinafter referred to as "Metro," to enter into a Construction Manager-at-Risk (CMAR) Agreement for preconstruction and procurement services for the North Secondary Upgrades and Intensification Project (PAR 1411) (Project) and enter into Work Authorization No. 1 to acquire material and provide construction services to replace failing fixed assets within the North Secondary Complex (NSEC); and

WHEREAS, the NSEC was part of the original "Central Treatment Plant" construction in the mid-1960s and is approaching its process capacity; and

WHEREAS, to address the capacity issue in the NSEC, it is necessary to replace aging fixed assets in the NSEC and implement the densified activated sludge (DAS)

process, to increase the NSEC treatment capacity without constructing additional aeration basins and clarifiers; and

WHEREAS, PCL Construction, Inc. (PCL) has nearly completed their CMAR services through the end of preliminary design under an existing Preconstruction Services Agreement and this contracting mechanism requires separate Construction Agreements for each Work Package; and

WHEREAS, Metro staff has developed a new CMAR Agreement adapted from an industry standard which streamlines the contracting mechanism into a single contract with work authorizations to initiate procurement or construction activities; and

WHEREAS, a Preconstruction Services Agreement with PCL was initiated during January 2023 and will be terminated following preliminary design, and the remaining funds previously appropriated will be used in the new CMAR Agreement with PCL upon authorization; and

WHEREAS, the work associated with Work Authorization No.1 is related to the rehabilitation and/or replacement of fixed assets (material acquisition and associated construction costs) and has been negotiated as a stipulated price of \$8,400,000; and

WHEREAS, the Operations and Finance committees, after having reviewed the matter, recommend:

1. Authorize the Chief Executive Officer (CEO) to enter into a CMAR Agreement with PCL in the amount of \$1,700,000 to provide preconstruction and procurement services for the Project,
2. Authorize the CEO to enter into Work Authorization No.1 with PCL in the amount of \$8,400,000 to acquire material and provide construction services to replace failing fixed assets within the NSEC,
3. Appropriate \$9,810,000 from the Fixed Asset Replacement Fund Capital Project Account and \$1,090,000 (10 percent) from the General Fund Capital Project Account for this Project; and

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

NOW, THEREFORE, BE IT RESOLVED the Chief Executive Officer be and hereby is authorized to:

1. Enter into a Construction Manager-at-Risk Agreement with PCL Construction, Inc. in the amount of \$1,700,000 to provide preconstruction and procurement services for the North Secondary Upgrades and Intensification Project (PAR 1411) (Project),
2. Enter into Work Authorization No.1 with PCL in the amount of \$8,400,000 to acquire material and provide construction services to replace failing fixed assets within the North Secondary Complex; and

BE IT FURTHER RESOLVED the sum of \$9,810,000 (90 percent) from the Fixed Asset Replacement Fund Capital Project Account and \$1,090,000 (10 percent) from the General Fund Capital Project Account be and hereby is appropriated for this Project.

The motion carried unanimously.

Roll Call Agenda

6.c Consideration of Board of Director Policy Changes

Director Baker moved and Director DeHerrera seconded the motion to adopt the following resolution:

WHEREAS, it is in the best interest of Metro Water Recovery, hereinafter referred to as “Metro,” to make changes to the Board of Director policies; and

WHEREAS, routinely, Metro staff reviews the Board’s General Information Manual (Manual); and

WHEREAS, staff has reviewed the Board Policies (Policies) included in the manual and found a few requiring rescission or amendment; and

WHEREAS, Metro staff recommends the following changes:

- Amend the Clean Water Act Grants and Loans Policy to include the language “if it is in the best interest of Metro Water Recovery,”
- Rescind the Colorado Amendment No. 1 The Taxpayer’s Bill of Rights Policy because the exemption is captured within Resolution 1292-6.j, and
- Rescind the Metro Water Recovery Goals and Objectives Policy because it is obsolete due to the adoption of the 2023 Strategic Plan adopted into Resolution 0523-B7.g; and

WHEREAS, the Operations and Finance committees, after having reviewed the matter, recommend authorizing the Chief Executive Officer to:

- Amend the Clean Water Act Grants and Loans Policy (as attached),
- Rescind the Colorado Amendment No. 1 The Taxpayer’s Bill of Rights Policy, and
- Rescind the Metro Water Recovery Goals and Objectives Policy; and

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

NOW, THEREFORE, BE IT RESOLVED the Chief Executive Officer be and hereby is authorized to:

- Amend the Clean Water Act Grants and Loans Policy,
- Rescind the Colorado Amendment No. 1 The Taxpayer’s Bill of Rights Policy, and
- Rescind the Metro Water Recovery Goals and Objectives Policy.

Chair Johnston called for a roll call vote which carried with 36 Directors voting Yes:

Curt Aldstadt	James DeHerrera	Jamie Miller
Greg Baker	Jo Ann Giddings	Sarah Niyork
Mike Barrett	Joan Iler	Josh Redman
Cody Berg	Sharon Israel	Thomas Roode
Clint Blackhurst	Andrew Johnston	Greg Sekera
Travis Bogan	Janet Kieler	Del Smith
Phil Burgi	Craig Kocian	Peter Spanberger
Nadine Caldwell	Laura Kroeger	Amerigo Svaldi
John Chavez	Doug Lazure	Dennis Towndrow
David Councilman	Bob LeGare	Scott Twombly
Deborah Crisp	Marena Lertch	Jennifer Williams
Clark Davenport	Martin Majors	Ronald Younger

7. INDIVIDUAL DIRECTOR COMMENTS

Director Younger expressed appreciation for a job well done hosting the NAACP meeting, noted there was a lot of interest, and noted the group would like to schedule a tour of the Robert W. Hite Treatment Facility at a later date.

Director Smith appreciated CEO Conway taking time to attend and present to the Bancroft-Clover Water and Sanitation District Board of Directors, which was well received.

8. OTHER INFORMATION

Chair Johnston remarked the Spring Workshop will be held at the Northern Treatment Plant on May 2, 2024 and the upcoming Finance Committee Budget Workshop was open to everyone and Directors were to RSVP in BoardEffect if planning on attending.

9. ADJOURNMENT

Chair Johnston adjourned the meeting at 5:54 p.m.

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