

RECORD OF PROCEEDINGS

MINUTES

SOUTH FORT COLLINS SANITATION DISTRICT

JULY 11, 2018

The Regular Meeting of the South Fort Collins Sanitation District was held on July 11, 2018 at 9:00 a.m., at 5150 Snead Drive, Fort Collins, Colorado 80525.

1. Roll Call

Present: Directors James Ling, Gary Young, James Stewart, Ernie Brown and Wayne Irelan

Excused Absence:

Others Present: Chris Matkins, District Manager, Terry Farrill, District Engineer, Amanda Proctor, District Controller, Eric Bailey, Plant Superintendent, Dave Oerke and Steve Tamburgini of CH2M Hill/Jacobs, Stan Javernick and Jim Eurich of Hydro Construction, and Joe Fonfara, the District's Attorney

2. Reading of the Minutes

The Minutes of the Regular Meeting of June 13, 2018 were read and approved.

3. Public Comments

None

4. CMAR Contract Review

Joe Fonfara, the District's Attorney, informed the Board of the CMAR contract process that was taking place between the District and Hydro Construction. There are two contracts that will require Board approval in August. The General Manager will email out the general conditions prior to the next Board meeting for Board review. These will have been reviewed and approved by the District Engineer, District Manager and Joe Fonfara prior to distribution.

5. Cost Task Order 1a with Hydro Construction for \$3.4 Million in Early Procurement of Plant Expansion and Ferric Dosing

Terry Farrill, District Engineer, stated that due to the schedule and market risk for some of the equipment for expansion, he is recommending that the District enter into contract amendment with Hydro Construction to order the equipment. The equipment that Terry is recommending to order is: the ATAD system (approximately \$2.9 million), and tanks and pumps for the Ferric Dosing System (approximately \$500,000). Stan Javernick, Hydro Construction, stated that the lead time for fabrication of these items could take 6-8 months and are critical to the project being completed on time. After discussion, it was:

**Moved by Director Young and seconded by Director Irelan to authorize Chris Matkins to enter into a contract amendment with Hydro Construction to procure equipment costing up to \$3,400,000.
Motion carried 5-0**

6. Wastewater Reclamation Facility Design Review

Dave Oerke, CH2M Hill/Jacobs, stated that CH2M/Jacobs is on track to deliver the 60% design to Hydro Construction by the end of the day.

He stated that as of today, the CDPHE has not approved the project. CDPHE has been provided preliminary information throughout the process in order to expedite the approval process. In December, CH2M Hill will provide the 90% design to CDPHE. This set of design will be what CDPHE will use to approve the project. The Board expressed concern regarding the lack of approval from CDPHE and pre-ordering equipment of the project. Dave Oerke stated that CH2M Hill has no reason to believe the project, or ATAD, will not be approved due to several wastewater projects in the state using the system.

Steve Tamburgini then went through the 3D design model of the ATAD system.

7. Cost of Service Update

Amanda Proctor, District Controller, provided the Board an update in regards to the Cost of Service Study and monthly service fees. She stated that Raftelis has explored volumetric rates, based on winter quarter average water usage, and updating the District's current rate structure.

The Board discussed the options for the monthly service charges and the potential impacts to customers. The Board advised Amanda to maintain the District's current rates and rate structure.

8. Resolution Correcting Board Member Terms of Office

Chris stated that currently there are four Board members with four-year terms, and one Board member with a two-year term. Chris recommended that one Board member with a four-year term change to a two-year term for Board continuity purposes. After discussion, the Board tabled the item.

9. Manager's Update

A. Plant Operations Report – Eric Bailey

Eric Bailey's (Plant Superintendent) written report was submitted to the Board for review and included in the Board packet. Eric also reported to the Board that the mixing zone study was complete. The study will be submitted to the state for new permitting for the dilution factors.

B. General Information – Chris Matkins

Chris provided an update on re-designing the website. Both Districts will be hosted on the same website still, but we will be adding more specific SFCSO information to it.

Chris reminded the Board members of the July 13, 2018 joint Board meeting with Fort Collins-Loveland Water District.

Lastly, the SDA conference is in Keystone from September 12-15, 2018, The District has reserved rooms for all Board members and staff.

C. Financial Statements

Financial Statements prepared by District Controller, Amanda Proctor, were included in the Board's packet.

D. Tap Purchases

The Manager reported that 109 taps were sold for the month of June with revenues totaling \$495,000. 339 taps have been sold for the year for a total of \$1,716,750.

10. Other Business

The Board discussed the advantages of delaying Regulation 31 by using savings found within the wastewater expansion project. After discussion, it was:

**Moved by Director Stewart and seconded by Director Brown to authorize the District to enter into the State's voluntary program to delay Regulation 31 and add necessary changes to the current expansion project.
Motion carried 5-0**

11. Disbursements

The Manager presented disbursements for June 2018 in the amount of \$343,130.84. After discussion, it was:

**Moved by Director Irelan and seconded by Director Young to approve the disbursements for June 2018.
Motion carried 5-0**

12. Adjournment

There being no further business to come before the Board, the meeting was adjourned at 11:35 AM.

Respectfully,

/s/ James D. Ling

/s/ Clair White

Date Approved

8/8/2018