

MINUTES

Supervisory Committee Meeting

Tuesday, June 28, 2022; meeting held virtually through Microsoft Teams – 2 p.m.

South Platte Renew (SPR)

2900 South Platte River Drive, Englewood, CO 80110

COMMITTEE MEMBERS PRESENT:

Shawn Lewis	City of Englewood, City Manager
Keith Reester	City of Littleton, Public Works & Utilities Director
Doug Stephens	City of Littleton, Interim City Manager

COMMITTEE MEMBERS ABSENT:

Maria D'Andrea	City of Englewood, Director of Public Works
----------------	---

STAFF PRESENT:

Kacie Allard	SPR Deputy Director – Business Solutions
Blair Corning	SPR Deputy Director – Environmental Programs
Elizabeth DeWaard	SPR Government Communications Specialist
Alyssa Hoffman	SPR Business Services Specialist
Tiffany Hooten	City of Littleton, Finance Director
Zeena Williss Kohr	SPR Engineering Supervisor
Jackie Loh	City of Englewood, Director of Finance
Matt Montgomery	Hill & Robbins, SPR Attorney
Kaitlin Parker	City of Englewood, Assistant City Attorney
Trudi Peepgrass	City of Englewood, Procurement Supervisor
David Robbins	Hill & Robbins, SPR Attorney
Jamie Safulko	SPR Deputy Director – Engineering
Anna Schroeder	SPR Engineering Supervisor
Brent Soderlin	City of Littleton, Deputy Public Works Director
Pieter Van Ry	SPR Director

GUESTS:

Cynthia Lane	Platte Canyon Water & Sanitation District General Manager
--------------	---

I. Call to Order

The June Supervisory Committee meeting was called to order by Pieter Van Ry, SPR Director. Director Van Ry welcomed everyone to the Microsoft Teams conference call.

II. Consideration of Minutes for Previous Supervisory Committee Meetings

ACTION TAKEN – The Supervisory Committee considered the recommendation to approve the May 24, 2022, Supervisory Committee meeting minutes.

Committee Member Reester moved to approve the recommendation, Committee Member Lewis seconded the motion, three ayes, and zero nays. Committee Member D’Andrea excused. Motion approved.

III. Action Item(s)

SPR Proposed Draft 2023 Budget

Kacie Allard, SPR Deputy Director – Business Solutions, presented the Supervisory Committee with a recommendation to forward the Draft 2023 Budget, in the amount of \$34,840,608.00, to the City of Englewood (COE) and City of Littleton (COL) Councils for their consideration and approval.

The proposed Draft 2023 Budget provides a concise summary of SPR’s Enterprise expenses and revenue for the 2023 fiscal year to ensure that both Cities’ sewer funds are prepared to cover the proposed expenses. In 2022, SPR has seen a significant increase in personnel costs and commodity expenses, particularly in the price of treatment chemicals and gas and electric. The Draft 2023 Budget reflects these cost increases. In order to align the SPR budget with the revenue constraints of both Cities’ sewer funds, SPR deferred some 2023 anticipated capital expenditures. This reduction allowed the total SPR budget to fit within the financial means of the Cities.

SPR will present the Draft 2023 Budget to the COE and COL City Councils at the Joint Council Study Session on Thursday, July 28, 2022, as an informational item and has shared it with both Cities to incorporate into the sewer fund budgets.

ACTION TAKEN – The Supervisory Committee considered the recommendation to forward the Draft 2023 Budget, in the amount of \$34,840,608.00, to the City of Englewood and City of Littleton Councils for their consideration and approval.

Committee Member Lewis moved to approve the recommendation, Committee Member Reester seconded the motion, three ayes, and zero nays. Committee Member D’Andrea excused. Motion approved.

Chemical Purchase Orders

Blair Corning, Deputy Director – Environmental Programs, presented the Committee with a recommendation to approve an increase to the Purchase Order (PO) amounts for process treatment chemicals:

- \$229,000 to Chemtrade Chemicals US LLC for ferric sulfate
- \$74,000 to KubWater Resources, Inc. for polymer
- \$72,000 to DPC Industries for sodium hypochlorite

- \$52,000 to Southern Ionics for sodium bisulfite
- \$29,500 to Industrial Chemical Corporation for methanol

SPR creates open POs at the beginning of each fiscal year to purchase bulk treatment chemicals and issues an open PO to a specific vendor to apply individual purchases against the PO. In December 2021, SPR received approval from the Supervisory Committee for partial authorization of the 2022 Bulk Chemicals budget. The Committee authorized the full PO amounts in March 2022. The current request will authorize additional PO increases for five (5) process chemicals.

Inflation and supply chain issues have caused chemical cost increases since March 2021 that were not anticipated and thus were not planned for in the current budget. The additional funds will be reallocated from 2022 salary savings and capital project deferment.

ACTION TAKEN – *The Supervisory Committee considered the recommendation to approve the following additional Purchase Order funds for chemical purchases:*

- ***\$229,000 to Chemtrade Chemicals US LLC for ferric sulfate***
- ***\$74,000 to KubWater Resources, Inc. for polymer***
- ***\$72,000 to DPC Industries for sodium hypochlorite***
- ***\$52,000 to Southern Ionics for sodium bisulfite***
- ***\$29,500 to Industrial Chemical Corporation for methanol***

Committee Member Reester moved to approve the recommendation, Committee Member Lewis seconded the motion, three ayes, and zero nays. Committee Member D’Andrea excused. Motion approved.

On-Call HVAC Services – Change Order #1

Zeena Williss Kohr, SPR Engineering Supervisor, presented the Committee with a recommendation to approve a Change Order to the Job Order Contract (JOC) with Colorado Mechanical Systems (CMS), in the amount of \$30,000, for On-Call Heating, Ventilation, and Air Conditioning (HVAC) Services.

In 2020, SPR completed a facility-wide HVAC Master Plan, which evaluated the condition and functionality of all units on-site and provided a proposed schedule of repair or replacement. SPR determined that unit ACU-03-880 was at the end of its useful life and identified it for immediate replacement.

SPR selected CMS through a competitive bid process to provide HVAC Services. In January 2022, the Committee approved the 2022 On-Call HVAC Services JOC with CMS, in the amount of \$100,000. With the work completed to date and the replacement cost for unit ACU-03-880, in the amount of \$74,996, SPR will utilize the entire On-Call HVAC services budget. SPR still requires an on-call contractor for the remainder of 2022 for general repairs, inspections, and cleanings as there is no certified HVAC personnel on staff. This Change

Order will provide additional funds for On-Call HVAC Services in 2022, allowing SPR to purchase and install the new HVAC unit needed.

ACTION TAKEN – The Supervisory Committee considered the recommendation to approve the Change Order to the Job Order Contract with Colorado Mechanical Systems, in the amount of \$30,000, for On-Call HVAC Services.

Committee Member Lewis moved to approve the recommendation, Committee Member Reester seconded the motion, three ayes, and zero nays. Committee Member D’Andrea excused. Motion approved.

IV. Informational Items

SPR staff discussed these informational items with the Committee:

- Director's Update
 - Deputy Director Allard announced the return of SPR’s annual Open House, which will take place on August 10, 2022, from 3-6 p.m.
 - Deputy Director Corning updated the Committee on an Environmental Protection Agency health advisory regarding PFAS and SPR’s monitoring efforts surrounding this topic. Deputy Director Corning also discussed routine maintenance on the trickle filter and nitrifying trickle filters, and other repairs on-site.
 - Jamie Safulko, SPR Deputy Director – Engineering, informed the Committee of SPR’s plan to combine four (4) smaller-scoped capital projects into one (1) Construction Manager/General Contractor package to solicit more interest from qualified bidders.
 - Director Van Ry presented the 2022 Joint Council Study Session PowerPoint for the Committee’s review and feedback.
- SPR Influent Flow and Load Summary
 - The measured flow to SPR averaged 16.9 mgd in May 2022, which is a decrease of 2.1 mgd from May 2021. The measured flow split was 45.8 / 54.2 percent between the Cities of Littleton and Englewood.
- Fiscal Management and Reporting
 - Deputy Director Allard presented the financial report and aggregate purchases report for May 2022.

V. Adjournment

The annual Joint Council Study Session is scheduled for Thursday, July 28, 2022, at 7:30 a.m. at SPR. The meeting will take the place of the regularly scheduled Supervisory Committee meeting for July 2022.

The next Supervisory Committee meeting is scheduled for Thursday, August 25, 2022, at 9 a.m., held virtually through Microsoft Teams.

Adjourned at 3:17 p.m.

Recording Secretary Signature _____

Elizabeth DeWaard

The SPR Supervisory Committee approved the June 28, 2022 meeting minutes during the August 25, 2022 Supervisory Committee Meeting. Committee Member Lewis moved to approve the minutes, Committee Member D’Andrea seconded the motion, two ayes, two abstentions, and zero nays. Committee Member Reester excused. Minutes approved.