

## **MINUTES**

### **Supervisory Committee Meeting**

**Thursday, July 27, 2023; meeting held via Teams – 9 a.m.**

**South Platte Renew (SPR)**

**2900 South Platte River Drive, Englewood, CO 80110**

### **COMMITTEE MEMBERS PRESENT:**

Jim Becklenberg	City of Littleton, City Manager
Shawn Lewis	City of Englewood, City Manager
Victor Rachael	City of Englewood, Public Works Director
Keith Reester	City of Littleton, Public Works & Utilities Director

### **COMMITTEE MEMBERS ABSENT BUT EXCUSED:**

None

### **STAFF PRESENT:**

Kacie Allard	SPR Deputy Director – Business Solutions
Erin Bartlett	SPR Public Outreach & Marketing Specialist
Sam Bazarov	SPR Engineering Intern
Santiago Castillo	SPR Engineering Intern
Blair Corning	SPR Deputy Director – Environmental Programs
Angela Hager	SPR Asset Manager
Alyssa Hoffman	SPR Business Services Specialist
Zeena Williss Kohr	SPR Engineering Supervisor
Izaiah Kruenegel	SPR Deputy Director – Operations & Maintenance
Sydney Litchfield	SPR Engineering Intern
Jackie Loh	City of Englewood, Finance Director
Chloe Lopez-Jauffret	SPR Engineer I
Victoria McDermott	City of Englewood, Deputy City Attorney
Matthew Montgomery	SPR Attorney, Hill & Robbins
Trudi Peepgrass	City of Englewood, Procurement Supervisor
David Robbins	SPR Attorney, Hill & Robbins
Jamie Safulko	SPR Deputy Director – Engineering
Bryan Schmerber	SPR Process/Midstream Engineer
Anna Schroeder	SPR Engineering Supervisor
Brent Soderlin	City of Littleton, Deputy Public Works & Utilities Director
Tyson Thornburg	City of Englewood, Budget and Financial Analyst
Pieter Van Ry	SPR Director

**GUESTS:**

Cynthia Lane

Platte Canyon Water & Sanitation District General Manager

**I. Call to Order**

The July Supervisory Committee meeting was called to order by Pieter Van Ry, SPR Director. Director Van Ry welcomed everyone to the meeting.

**II. Consideration of Minutes for Previous Supervisory Committee Meetings**

***ACTION TAKEN – The Supervisory Committee considered the recommendation to approve the June 22, 2023, Supervisory Committee meeting minutes.***

***Committee Member Lewis moved to approve the minutes, Committee Member Becklenberg seconded the motion, four ayes, and zero nays. Minutes approved.***

**III. Action Item(s)**

**SPR Proposed 2024 Budget**

Kacie Allard, SPR Deputy Director – Business Solutions, presented the Supervisory Committee with a recommendation to forward the Draft 2024 Budget, in the amount of \$39,975,049, to the City of Englewood (COE) and City of Littleton (COL) Councils for their consideration and approval.

The Draft 2024 Budget provides a concise summary of SPR's Enterprise expenses and revenue for the 2024 fiscal year to ensure that both Cities' sewer funds are prepared to cover the proposed expenses. In 2022 and 2023, SPR experienced a significant increase in personnel costs and commodity expenses, particularly in employee salaries and the price of treatment chemicals and gas and electric. The Draft 2024 Budget reflects a leveling out of operational expenses, with an increase of 5.7% from 2023 to 2024. The increase in the Draft 2024 Budget is largely due to capital projects, particularly the execution and construction of the Operation Complex and Admin Building Remodel and the SCT Enhancements projects. SPR has discussed the increased SPR budget with both Cities to ensure it fits with the capabilities of both Cities' sewer funds.

SPR will present the Draft 2024 Budget to the COE and COL City Councils at the Joint Council Study Session on Thursday, August 17, 2023, 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 approve the forwarding of the Draft 2024 Budget for SPR, in the amount of \$39,975,049, to the City of Englewood and City of Littleton Councils for their consideration and approval.***

***Committee Member Becklenberg moved to approve the recommendation, Committee Member Lewis seconded the motion, four ayes, and zero nays. Motion approved.***

Methanation Research Project – Gas Compressor Purchase Order

Bryan Schmerber, SPR Process/Midstream Engineer, presented the Supervisory Committee with a recommendation to approve a Purchase Order with Sauer Compressors USA (Sauer), in the not-to-exceed amount of \$112,755, for the National Renewable Energy Laboratory (NREL) and the University of Virginia (UVA) Carbon Dioxide Methanation Research Project (Project).

SPR has partnered with NREL and UVA on the Department of Energy (DOE) project to research the catalytic conversion of carbon dioxide to methane. If successful, the results could yield up to two (2) times the renewable natural gas production as the current technology, resulting in further reduction in emissions and greater potential revenue.

SPR will provide consulting on the Project and supply NREL and UVA with partially treated biogas from SPR's Pipeline Injection System. To pressurize the gas for transportation, SPR will need to purchase a gas compressor. To do so, this Project was awarded funding as part of a DOE Grant. SPR will be reimbursed \$53,070 for the purchase following acceptance and installation of the equipment. SPR has submitted to DOE for potential additional reimbursement.

SPR utilized Tetra Tech to complete a compressor selection evaluation as part of the existing On-Call Engineering Agreement. During their evaluation, Tetra Tech contacted four (4) qualified compressor vendors for design criteria and pricing. Only one (1) manufacturer could provide a compressor that would meet the desired design specifications and was willing to provide a viable quote. Based on the responses from the vendors and evaluation and recommendation from Tetra Tech, SPR recommends purchasing the equipment from Sauer.

***ACTION TAKEN – The Supervisory Committee considered the recommendation to approve a Purchase Order with Sauer Compressors USA, in the not-to-exceed amount of \$112,755, for the procurement of a gas compressor for the Methanation Research Project.***

***Committee Member Rachael moved to approve the recommendation, Committee Member Reester seconded the motion, four ayes, and zero nays. Motion approved.***

SCT Enhancements Project – GMP 1

Anna Schroeder, SPR Engineering Supervisor, presented the Supervisory Committee with a recommendation to approve a Construction Manager/General Contractor (CMGC) Agreement with PCL Construction, Inc (PCL), in the amount of \$7,697,000, for Construction

Phase Services related to the Solids Contact Tank (SCT) Enhancements Project (Project). The CMGC is for Guaranteed Maximum Price 1.

This Project will replace infrastructure at the end of its useful life and upgrade the treatment process to maximize nutrient removal and increase the resiliency of the SCT process. In January 2021, SPR selected Carollo Engineers (Carollo) to provide Professional Services to complete an Infrastructure Condition Assessment to identify assets to replace, repair, and upgrade. Additionally, Carollo evaluated future nutrient treatment scenarios to aid in the Project's Design Phase.

In October 2022, SPR selected PCL to provide CMGC Services through a competitive bid process for a package of four (4) construction projects at SPR. PCL has provided Preconstruction Phase Services since the beginning of the Project's design. The Project has reached 100% design with a total project cost (conceptual, design, and construction) of \$8,393,700. The team has extensively identified and investigated cost-saving opportunities through value engineering, data analysis, construction sequencing and phasing, scope reduction, and materials alternatives and believes that SPR is getting best value.

PCL has extensive CMGC project delivery experience and has proven to be a trusted partner through the Design and Preconstruction Phases of the Project. PCL has provided cost savings and design optimization solutions and understands the Project goals and objectives.

***ACTION TAKEN – The Supervisory Committee considered the recommendation to approve a Construction Manager/General Contractor Agreement with PCL Construction, Inc, in the amount of \$7,697,000, for Construction Phase Services related to the Solids Contact Tank Enhancements Project.***

***Committee Member Lewis moved to approve the recommendation, Committee Member Reester seconded the motion, four ayes, and zero nays. Motion approved.***

#### **IV. Informational Items**

SPR staff discussed these informational items with the Committee:

- PARC Update
  - Anna Schroeder presented an update on the Pilot and Research Center (PARC), which reached substantial completion in June 2023. SPR hosted the first pilot trailer at PARC in July 2023, and the pilot results will be used in the Headworks Improvements Project's Design Phase. Completion of the PARC construction is critical in SPR's long-term strategy to find solutions to future regulations and to increase resiliency. SPR will continue to conduct outreach and build partnerships with industry leaders to expand the PARC Program further.



- 2023 Engineering Internship
  - The SPR Engineering Division completes its fifth year of the SPR Engineering Internship Program in August 2023. The selected interns, Sydney Litchfield, Santiago Castillo, and Samuel Bazarov, presented an overview of their initiatives, experiences, and key takeaways from their time at SPR.
- Director's Update
  - Deputy Director Allard discussed a recent successful tour and workshop held with the Environmental Protection Agency.
  - Blair Corning, SPR Deputy Director – Environmental Programs, informed the Committee that SPR's recent Whole Effluent Testing results exceeded the expected limitations, which require the facility to conduct accelerated testing. SPR is complying with all testing requirements and monitoring the results closely.
  - Izaiah Kruenegel, SPR Deputy Director – Operations & Maintenance (O&M), reported that Facilities Maintenance recently installed an air compressor in-house, which resulted in an estimated \$200,000 in savings and was critical to the schedule of the Operations Complex and Admin Building Remodel Project. The Division continues to increase its in-house capabilities.
  - Jamie Safulko, SPR Deputy Director – Engineering, announced that SPR was awarded the Rocky Mountain Water Environment Association's Sustainability Award.
  - Director Van Ry presented the 2023 Joint Council Study Session presentation for Committee review.
- SPR Influent Flow and Load Summary
  - The measured flow to SPR averaged 22.1 mgd in June 2023, which is an increase of 5.1 mgd from June 2022. The measured flow split was 46.0 / 54.0 percent between the Cities of Littleton and Englewood.
- Fiscal Management and Reporting
  - Deputy Director Allard presented the financial report for May 2023 and the financial report and aggregate purchases report for June 2023.

**V. Adjournment**

The annual Joint Council Study Session is scheduled for Thursday, August 17, 2023, at 7:30 a.m. at SPR. The meeting will take the place of the regularly scheduled Supervisory Committee meeting for August 2023.

Adjourned at 10:29 a.m.  
Recording Secretary Signature \_\_\_\_\_

**Elizabeth  
DeWaard**

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DeWaard  
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Elizabeth DeWaard

***The SPR Supervisory Committee approved the July 27, 2023 meeting minutes during the September 14, 2023 Supervisory Committee Meeting. Committee Member Lewis moved to approve the minutes, Committee Member Becklenberg seconded the motion, four ayes, and zero nays. Minutes approved.***