

PLUM CREEK WATER RECLAMATION AUTHORITY
4255 N. US Hwy 85, Castle Rock, CO 80108
REGULAR MEETING MINUTES
Held Via GoToMeeting
June 22, 2021

CALL TO ORDER:

7:31 a.m.

ATTENDEES:

Jim Worley, Mark Marlowe, and Burt Knight, Board Members; Tim Friday and Dick Munday, Alternate Board Members; Wes Martin, Authority Manager; Natalie Hopkins, Administrative Assistant; Darryl Farrington, Semple, Farrington, Everall & Case, PC; Brent Turner, Colotrust. (exited 7:46 a.m.).

ANNOUNCEMENT OF QUORUM:

Quorum present.

PUBLIC COMMENT:

None.

APPROVAL OF AGENDA:

Dir. Marlowe moved to approve the agenda. Dir. Knight seconded the motion. The motion was unanimously approved.

ACTION ITEMS:

MINUTES OF MAY 25, 2021, REGULAR BOARD MEETING:

Dir. Marlowe moved to approve the minutes of the May 25, 2021, regular board meeting. Dir. Knight seconded the motion. The motion was unanimously approved.

PAYABLES FOR THE PERIOD ENDING MAY 31, 2021:

Mr. Martin mentioned the following payables: \$10,500 to Alfa Laval to replace a conveyor bearing for Centrifuge 2; \$4,344.80 to Radiation Pros for TENORM consulting which was considered in the 2021 budget; and \$3,465.00 to Stantec Consulting for the cost-of-service model which is nearing completion. Dir. Marlowe moved to approve the May 31, 2021, payables for PCWRA in the amount of \$316,393.80 and the 3.0 Capacity Expansion expenditures in the amount of \$68,461.84. Dir. Knight seconded the motion. The motion was unanimously approved.

UNION PACIFIC RAILROAD LEASE:

Mr. Martin notified the Board that the current 20-year lease with the Union Pacific Railroad for the property in front of the facility, as well as the railroad crossing, is expiring May 2022. Once the new land lease agreement is received, Mr. Farrington and the insurance company will review for accuracy. It was noted that the last lease renewal cost approximately \$17,500 and will likely cost more given the date it was originally signed. Dir. Knight inquired as to whether the railroad would offer a lease longer than 20-years. Mr. Martin will check on lease options with the railroad. Dir. Knight moved to approve moving forward with the lease application. Dir. Marlowe seconded the motion. The motion was unanimously approved.

THE BACKYARD INTERCEPTOR INSTALLATION:

The Backyard has signed an agreement with a contractor for the installation of the grease interceptor and have procured a grant from the Town of Castle Rock. However, as of yesterday, the final plans show a requirement set

forth in the original agreement has been removed. Mr. Martin recommended that The Backyard is given until June 30, 2021, to be in compliance with the agreement at which time the situation will be evaluated for further action. Dir. Marlowe moved to approve the deadline of June 30, 2021. Dir. Knight seconded the motion. The motion was unanimously approved.

OTHER ACTION ITEMS:

None.

DISCUSSION ITEMS:

CONSIDERATION TO MOVE CAPITAL REPLACEMENT RESERVES TO COLOTRUST EDGE:

Brent Turner, Vice President, Investment Advisory Services with Colotrust, presented three different portfolios offered by Colotrust. Currently, the Authority has all its funds in Colotrust Plus. Staff is recommending to move Capital Reserve Funds into the new portfolio, Colotrust Edge, to diversify without losing liquidity while gaining a slight increase in dividend returns. This specific account would offer weekly liquidity and a \$10 transactional share price. While this share price can fluctuate, Mr. Turner noted that this is a strategic move for capital reserves. Mr. Farrington noted that he reviewed the investment policy and there are no issues with PCWRA moving capital funds into this type of account. With the Board being in favor of this portfolio, Mr. Martin stated he would bring it back as an action item in the July Board Meeting.

WATER RIGHTS COURT CASE NO. 21CW3083:

Mr. Martin notified the Board that a legal notification was received regarding water rights referencing some wells which are located on PCWRA property. There is no impact on PCWRA. Discussion ensued among the Board.

REUSE WATER INFRASTRUCTURE:

Mr. Martin inquired as to whether any progress has been made regarding the current reuse infrastructure. Castle Pines Metro District and the Town of Castle Rock have been in contact regarding these pipelines. Dir. Marlowe stated that there are many different options, and it has become more complicated than originally anticipated. There is a concern that abandoning reuse may have a severe impact on golf course rates. Mr. Martin stated that Regulation 84 is being reviewed and may require the golf course to evaluate and make improvements to their impoundments. Additionally, if the members decide to continue with reuse, the reservoir rehabilitation project will be necessary. Discussion ensued among the Board.

REGIONAL WASTEWATER UPDATE:

Staff is planning another site visit to the Dominion facility. Based on engineering plans, this facility will require staffing similar to PCWRA where operations are concerned. At this time, Mr. Martin is unsure whether lab analysis or lab staff will be required at the facility. Mr. Martin is hoping to have more information after the meeting on June 24, 2021. Discussion ensued among the Board.

MANAGEMENT REPORT:

3.0 Expansion Update

Mr. Martin stated that construction is complete and is hopeful that a final completion and certificate of occupancy will be provided soon. Engineering issues are still being evaluated regarding the influent and effluent flumes with Burns & McDonnell. The issues with the blowers and UL Listings have been completed by TPS at no additional cost. Mr. Martin stated that he is confident there will be funds left in the escrow after all retainage is paid.

The feed pumps are still experiencing issues and staff is currently waiting on supplies to resolve those. As mentioned in the previous meeting, the flumes are still an issue due to poor engineering. Burns & McDonnell is working on a solution that could raise the flumes; however, this could present a new issue with backing up the lines. Mr. Martin is awaiting the engineering report to understand more.

Staff has yet to accept the Parkson filters as they are still not meeting the promised phosphorous level of .05. There is concern that this will be the requirement for future permitting and retainage is being held until this guarantee is met.

Plant Update

The polymer shortage is worsening as there are strikes with dock workers as well as a shortage of raw materials and truck drivers across the country. Staff contacted the vendor to arrange sending an employee to pick up the polymer directly, however it is against their policy to allow customers to pick up the totes. Staff is currently modifying operations to utilize less polymer by decreasing the feed to the ATAD system and dewatering the WAS holding tank. Arrangements have been made with Denali Water Solutions to accept the sludge that is a result of this process. If chemical procurement continues to be an issue, there is potential for severe odors and significant solids handling challenges.

CDPHE Update

Shaun McGrath, the new Environmental Health and Protection Director is currently not meeting with any stakeholders. Many have attempted to arrange a meeting; however, he will not meet until there is a new Water Quality Control Division Director on board.

PFAS is still an issue with the Division and several utilities in Colorado received compliance letters. The Division is currently following Michigan's PFAS regulatory structure which is very low. Mr. Martin noted he expects to see monitoring requirements in the new PCWRA permit. This testing to monitor PFAS is very expensive at an approximate cost of \$1,400 per sample.

Mr. Martin and Vranesh & Raisch testified during the Regulation 31 hearing for table standards recommending the new aluminum standard be moved to 2031 as opposed to 2022. On behalf of CWWUC, Mr. Martin testified the Division did not follow proper procedures regarding the antidegradation rule. The technical advisory group plans to discuss how aluminum regulations would have negative impacts on wastewater as it is important for phosphorus removal.

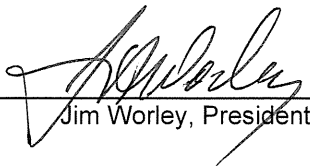
Mr. Martin noted that Chatfield Watershed Authority may increase their dues by 11%-17%, however this will not have a large impact on PCWRA.

OTHER DISCUSSION ITEMS:

None.

ADJOURNMENT

There being no further business to come before the board, Dir. Worley declared the regular meeting adjourned at 8:34 a.m.



Jim Worley, President