

METRO WATER RECOVERY

Minutes of the Regular Meeting of the Board of Directors

January 18, 2022

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 in-person and via conference call at 6450 York Street, Denver, Colorado, Tuesday, January 18, 2022 at 5:30 p.m. in the Boardroom.

Chairman Pro Tem Johnston called the meeting to order on behalf of Chairman Twombly.

1. ROLL CALL

Secretary Niyork called the roll.

Officers Present:

Scott Twombly, Thornton*
Andrew Johnston, Denver
Sarah Niyork, South Adams
Jo Ann Giddings, Aurora

Chairman
Chairman Pro Tem
Secretary
Treasurer

Directors Present:

Peter Baertlein, Denver
Greg Baker, Aurora
Phil Burgi, Wheat Ridge
Nadine Caldwell, Aurora
John Chavez, Berkeley*
Deborah Crisp, East Lakewood
Clark Davenport, Northwest Lakewood
John Dingess, Aurora*
Robert Duncanson, Denver
Joan Iler, Westridge
Janet Kieler, Denver
Craig Kocian, Arvada*
Laura Kroeger, Lakewood
Kathy Laurienti, Crestview

Doug Lazure, Denver*
Bob LeGare, Aurora
Charles Long, Thornton
Steve Pott, Applewood
Michael Sapp, Denver
Greg Sekera, Lakewood*
Del Smith, Bancroft-Clover
Peter Spanberger, Denver
Mary Beth Susman, Denver
Amerigo Svaldi, North Washington Street
Dennis Towndrow, North Pecos *
Jennifer Williams, Denver
Ronald Younger, Denver*

Directors Absent:

David Councilman, Pleasant View
Marv Falconburg, Brighton
Martin Majors, Fruitdale

Bill Ray, Arvada
Bob Roth, Aurora

Others Present:

Mickey Conway*
Emily Jackson*
Liam Cavanaugh
Ruth Kedzior
Yvonne Kohlmeier
Lydia Nkem
Other staff attended via conference call

Chief Executive Officer (CEO)
General Counsel
Deputy CEO/Chief Operating Officer (COO)
Assistant to the CEO
Senior Administrative Assistant
Executive Assistant

*Attended via conference call

2. PUBLIC COMMENT

There was no comment.

3. APPROVAL OF MINUTES

3.a Minutes of the Board of Directors Meeting on December 21, 2021

Chairman Twombly asked if there were any corrections, deletions, or additions to the minutes of the Regular Meeting of the Board of Directors held December 21, 2021.

Director Spanberger moved and Director Kieler seconded the motion to approve the minutes of the Regular Meeting of the Board of Directors held December 21, 2021.

The motion carried unanimously.

4. PROGRESS AND PROJECTION REPORTS

4.a Report by CEO

Deputy CEO Cavanaugh asked Directors who have not yet returned their executed Acknowledgement of Ethical Standards, Code of Conduct, and Expense Voucher to do so. He also noted the upcoming Connector Annual Charge webinar during his report highlights.

4.b Report by General Counsel

General Counsel Jackson first stated there were no new litigation updates and then mentioned the new contract template which has been created for smaller construction projects. Ms. Jackson stated the National Association of Clean Water Agencies (NACWA) Legal Affairs Committee was held in person, a great success, and her presentation is posted in BoardEffect.

Director Caldwell complimented General Counsel Jackson on the expansion of information in her reports.

Director Kroeger passed along a compliment from Public Works Director Jay Hutchison of Lakewood who was impressed with how General Counsel Jackson ran the December 2021 Rooney Valley meeting with developers.

General Counsel Jackson answered a question on thermal credits and noted her outside work with environmental groups.

5. REPORTS OF OFFICERS AND COMMITTEES

5.a Meeting Minutes

There were no additions to the following meeting minutes:

Operations Committee	January 4, 2022
Finance Committee	January 6, 2022
Executive Committee	January 11, 2022

6. NEW BUSINESS

Consent Agenda

6.a Consideration of Designation of Place for Posting Meeting Notices

Director Iler moved and Director Davenport seconded the motion to adopt the following resolution:

WHEREAS, the Colorado Open Meetings Law, C.R.S. § 24-6-402(2)(c), requires Metro Water Recovery, hereinafter referred to as “Metro,” to designate the public place for posting meeting notices at its first regular meeting of each calendar year; and

WHEREAS, Metro staff recommends the lighted, glass-enclosed bulletin board located at the turnaround outside of the security guard house at the main entrance to the Metro facility located at 6450 York Street, Denver, Colorado, be designated as the public place for posting meeting notices; and

WHEREAS, the Operations, Finance, and Executive committees, after having reviewed the matter, concur in the recommendation of staff;

NOW, THEREFORE, BE IT RESOLVED the lighted, glass-enclosed bulletin board located at the turnaround outside of the security guard house at the main entrance to the Metro Water Recovery facility located at 6450 York Street, Denver, Colorado, be and hereby is designated as the public place for posting meeting notices.

The motion carried unanimously.

6.b Consideration of Transmission-Level Service Substation Project (PAR 1265) – Preconstruction Agreement

Director Iler moved and Director Davenport seconded the motion to adopt the following resolution:

WHEREAS, it is necessary Metro Water Recovery, hereinafter referred to as “Metro,” enter into an Agreement for Preconstruction Services for the Electrical Transmission-Level Service Substation Project (PAR 1265) (Project); and

WHEREAS, the Robert W. Hite Treatment Facility (RWHTF) currently has distribution-level power service and experiences several power outages per year due to several factors outside of Metro’s control; and

WHEREAS, the Project will transition Metro from distribution-level power service to transmission-level power service through the design and construction of a new electrical service substation interconnected to Xcel Energy; and

WHEREAS, the Project is intended to be delivered through the Construction Manager-At-Risk (CMAR) delivery approach; and

WHEREAS, on September 7, 2021, Metro posted a Request for Proposals on the Rocky Mountain E-Purchasing site (*BidNet*) for the Preconstruction Services for the Project, and received three proposals on October 8, 2021; and

WHEREAS, through a standard CMAR selection process, the proposals were reviewed by Metro staff, and two firms were invited to participate in interviews on November 3, 2021, with a Selection Committee of Metro staff and Board Directors; and

WHEREAS, the Selection Committee recommended selecting PCL Construction, Inc. (PCL) to provide Preconstruction Services for the Project and, on behalf of the Board of Directors, Directors on the Selection Committee instructed staff to negotiate an agreement; and

WHEREAS, Metro staff has negotiated an agreement with PCL in the amount of \$330,000, to provide Preconstruction Services for the Project; and

WHEREAS, the Operations and Finance committees, after having reviewed the matter, recommend authorizing the Chief Executive Officer to enter into an Agreement for Preconstruction Services with PCL in the amount of \$330,000 to provide preconstruction phase services 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 Chief Executive Officer be and hereby is authorized to enter into an Agreement for Preconstruction Services with PCL Construction, Inc. (PCL) in the amount of \$330,000 to provide preconstruction phase services for the Electrical Transmission-Level Service Substation Project; and

BE IT FURTHER RESOLVED the sum of \$131,000 (35 percent) from the General Fund Capital Project Account and \$243,000 (65 percent) from the Fixed Asset Replacement Fund Capital Project Account be and hereby is appropriated for this Project.

The motion carried unanimously.

6.c Consideration of Cogeneration Equipment Replacement (PAR 1395)

Director Iler moved and Director Davenport seconded the motion to adopt the following resolution:

WHEREAS, it is necessary Metro Water Recovery, hereinafter referred to as "Metro," enter into an Agreement for Professional Services for the Cogeneration Equipment Replacement Project (PAR 1395) (Project); and

WHEREAS, Metro Water Recovery has beneficially used biogas produced in the digestion process as a fuel source for the cogeneration facility (Cogen Facility) combined heat and power (CHP) system since 1984;

WHEREAS, because Metro's cogeneration facility (Cogen Facility) has aged beyond its useful life; and

WHEREAS, Metro initiated a study to evaluate the best method to continue to beneficially use its biogas, exploring the benefits of continuing with CHP along with

several other gas conditioning technologies to treat biogas to a Renewable Natural Gas (RNG) quality; and

WHEREAS, the study concluded moving to an RNG system provides the best value to Metro; and

WHEREAS, Metro requires the support of a consultant to design the improvements necessary for converting to an RNG system; and

WHEREAS, on October 15, 2021, Metro posted a Request for Proposals on the Rocky Mountain E-Purchasing site (*BidNet*) for consulting services for the Project, and received four proposals on November 18, 2021; and

WHEREAS, through a standard consultant selection process, the proposals were reviewed by Metro staff, and two firms were invited to participate in interviews on December 15, 2021, with a Selection Committee of Metro staff and Board Directors; and

WHEREAS, the Selection Committee recommended selecting Carollo Engineers (Carollo) to provide design phase services for the Project and, on behalf of the Board of Directors, Directors on the Selection Committee instructed staff to negotiate an agreement; and

WHEREAS, Metro staff has negotiated a standard Professional Services Agreement with Carollo in the amount of \$2,029,000 to provide design phase services for the Project; and

WHEREAS, the Operations and Finance committees, after having reviewed the matter, recommend authorizing the Chief Executive Officer to enter into an Agreement for Professional Services with Carollo in the amount of \$2,029,000 to provide design phase services 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 Chief Executive Officer be and hereby is authorized to enter into an Agreement for Professional Services with Carollo Engineers in the amount of \$2,029,000 to provide design phase services for the Cogeneration Equipment Replacement Project; and

BE IT FURTHER RESOLVED the sum of \$2,720,976 (100 percent) be and hereby is appropriated from the General Fund Capital Project Account for this Project.

The motion carried unanimously.

6.d **Consideration of Switchgear and Protective Relay Maintenance Contract**

Director Iler moved and Director Davenport seconded the motion to adopt the following resolution:

WHEREAS, it is necessary Metro Water Recovery, hereinafter referred to as “Metro,” enter into an agreement for service and maintenance of the switchgear and protective relays of the electrical power distribution systems at Metro; and

WHEREAS, proper maintenance and testing of the electrical power distribution systems at Metro is essential to provide continuous, reliable, and safe operation of all equipment and facilities; and

WHEREAS, because of the specialized nature of this work Metro contracts with a qualified contractor with the training, experience, and equipment to perform these highly specialized services; and

WHEREAS, the current switchgear and protective relay maintenance contract has expired; and

WHEREAS, on October 15, 2021, Metro posted a Request for Proposals on the Rocky Mountain E-Purchasing site (*BidNet*) for service and maintenance of the switchgear and protective relays of the electrical power distribution systems services, and received five proposals; and

WHEREAS, through a standard selection process, the proposals were reviewed by Metro staff, and the Selection Committee recommended Magna IV, USA (Magna IV) provide service and maintenance of the switchgear and protective relays of the electrical power distribution systems services; and

WHEREAS, the Operations and Finance committees, after having reviewed the matter, recommend authorizing the Chief Executive Officer to enter into a five-year agreement with Magna IV for the service and maintenance of the switchgear and protective relays beginning immediately on approval in 2022 through December 31, 2026; 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 enter into a five-year agreement with Magna IV, USA for the service and maintenance of the switchgear and protective relays beginning immediately on approval in 2022 through December 31, 2026.

The motion carried unanimously.

6.e **Consideration of Information Technology Wireless Infrastructure**

Director Iler moved and Director Davenport seconded the motion to adopt the following resolution:

WHEREAS, it is necessary Metro Water Recovery, hereinafter referred to as “Metro,” appropriate \$1,062,000 for implementation of Phase 1 of the Metro Water Recovery Wireless Infrastructure Project (PAR 1364) (Project); and

WHEREAS, Metro has identified wireless network infrastructure fixed assets which have reached the end of their useful life; and

WHEREAS, the Project is broken into two phases: Phase 1 includes replacement of existing infrastructure and enhancement of wireless network infrastructure in all personnel buildings at both plant sites and throughout the Northern Treatment Plant (NTP) campus, and Phase 2 includes implementation of wireless network infrastructure across the Robert W. Hite Treatment Facility (RWHTF) process areas which currently have either limited or no wireless infrastructure; and

WHEREAS, the Project appropriation will be used for purchasing equipment, software, and installation services under Job Order Contracts; and

WHEREAS, the Operations and Finance committees, after having reviewed the matter, recommend appropriating \$1,062,000 from the Fixed Asset Replacement Fund for implementation of Phase 1 of 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 \$1,062,000 (100 percent) be and hereby is appropriated from the Fixed Asset Replacement Fund for implementation of Phase 1 of the Metro Water Recovery Wireless Infrastructure Project.

The motion carried unanimously.

Roll Call Agenda

6.f Consideration of Investment Advisory Services

Director LeGare moved and Director Susman seconded the motion to adopt the following resolution:

WHEREAS, it is necessary Metro Water Recovery, hereinafter referred to as "Metro," enter into an agreement for investment advisory services for Metro's investment portfolio; and

WHEREAS, it is a best financial management practice to invest government funds in allowable investments in accordance with safety, liquidity, and yield principles to maximize value to rate payers; and

WHEREAS, the current agreement for investment advisory services expires on February 28, 2022; and

WHEREAS, on September 17, 2021, Metro issued a Request for Proposals (RFP) for investment advisory services and received proposals from five consultants; and

WHEREAS, through a standard consultant selection process, the proposals were reviewed by Metro staff and Board Directors, and two firms were invited to participate in interviews on December 2, 2021; and

WHEREAS, the Selection Committee recommended selecting PFM Asset Management LLC (PFMAM) to provide investment advisory services for Metro's investment portfolio and, on behalf of the Board of Directors, Directors on the Selection Committee instructed staff to negotiate an agreement; and

WHEREAS, the Operations and Finance committees, after having reviewed the matter, recommend authorizing the Chief Executive Officer to enter into a one-year agreement with PFMAM, with the option to continue with one-year annual extensions for a maximum of five years to provide investment advisory services for Metro's investment portfolio; 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 enter into a one-year agreement with PFM Asset Management LLC, with the option to continue with one-year annual extensions for a maximum of five years to provide investment advisory services for Metro's investment portfolio.

Chairman Twombly called for a roll call vote which carried with 31 Directors voting Yes:

Peter Baertlein	Andrew Johnston	Michael Sapp
Greg Baker	Janet Kieler	Greg Sekera
Phil Burgi	Craig Kocian	Del Smith
Nadine Caldwell	Laura Kroeger	Peter Spanberger
John Chavez	Kathy Laurienti	Mary Beth Susman
Deborah Crisp	Doug Lazure	Amerigo Svaldi
Clark Davenport	Bob LeGare	Dennis Towndrow
John Dingess	Charles Long	Scott Twombly
Robert Duncanson	Sarah Niyork	Jennifer Williams
Jo Ann Giddings	Steve Pott	Ronald Younger
Joan Iler		

7. DIRECTOR RECOGNITION

Chairman Pro Tem Johnston recognized Director Kathy Jensen who retired January 1, 2022 after 36 years of service to Metro Water Recovery, stating Director Jensen was appointed to the Metro Board of Directors in January 1986 representing North Table Mountain Water and Sanitation District and served on multiple specialty committees during her tenure on the Board; some of which included Advisory, Affirmative Action, AMSA Publication, Annual Charges, Board Activities, Budget, Ethics, Executive, Finance, Manager's Search, and numerous others. He went on to note how Director Jensen led the Personnel Committee from 1989 to 1991 and 1997 to 2001, chaired the METROGRO Farm Committee from 2001 to 2003, served as the Board's Treasurer from 2003 to 2005 and Chairman Pro Tem in 2005. Chairman Pro Tem Johnston stated it is an impressive list of accomplishments, and Metro has benefited from Director Jensen's wealth of knowledge and experience.

CEO Conway asked the record to reflect his thankfulness for Director Jensen's 36-year service, as she has been personally a good friend, counsel, and resource on many occasions for the good of Metro Water Recovery.

Director Kocian applauded Director Jensen for her service as an extraordinary Board member, who also cracked the whip and kept the Arvada neighbors in check.

Director Baertlein thanked Director Jensen for her service, experience, and always telling it like it is.

Director Burgi appreciated Director Jensen, saying she is a special lady, with an interesting personality and he appreciates her always stating what's on her mind and her little sly comments like if Directors would read the material sent by Metro Water Recovery, they would not be asking the questions they ask. Director Burgi went on to say she always had Metro's interest as a priority.

Chairman Pro Tem Johnston remarked it was sad to see Director Jensen stepping down and congratulated her and wished her all the best in what lies ahead.

Director Baertlein asked to give Director Jensen a round of applause and the Board members gave a standing ovation.

8. INDIVIDUAL DIRECTOR COMMENTS

Deputy CEO Cavanaugh answered questions regarding the Omicron variant trending down, completion status of the hybrid Boardroom, and any impacts from the 5G roll out.

Director Towndrow stated his phone dropped during the Roll Call Agenda item 6.f Consideration of Investment Advisory Services and wanted the record to reflect his yes vote.

9. OTHER INFORMATION

There was none.

10. ADJOURNMENT

Chairman Pro Tem Johnston adjourned the meeting at 5:59 p.m.

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