

RECORD OF PROCEEDINGS

MINUTES

SOUTH FORT COLLINS SANITATION DISTRICT

OCTOBER 11, 2017

The Regular Meeting of the South Fort Collins Sanitation District was held on October 11, 2017 at 7:00 p.m., at 5150 Snead Drive, Fort Collins, Colorado 80525.

1. *Roll Call*

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

Excused Absence: Director Robert Underhill

Others Present: Chris Matkins, District Manager, Amanda Proctor, District Controller, Terry Farrill, District Engineer, Eric Bailey Plant Superintendent, Kile Snider and Dave Oerke of CH2M

Business Conducted:

2. *Reading of the Minutes*

The Minutes of the Regular Meeting of September 20, 2017 were read and approved.

3. *Public Comments*

None

4. *Construction Manager at Risk Request for Proposal for Final 6 MGD Expansion of Wastewater Reclamation Facility*

Dave Oerke and Kile Snider from CH2M presented the ATAD system performance guarantee strategy.

Board members requested an updated single guarantee document clearly stating the process guarantee for their review at the next meeting.

CH2M presented CMAR selection criteria and timeline for the proposed RFP. Two Board members, Jim Ling and Gary Young agreed to be on the contractor selection committee. After discussion it was:

**Moved by Director Irelan and seconded
by Director Young to proceed with the
CMAR RFP process as presented.
*Motion carried 4-0***

Lastly, CH2M requested Board approval of their final design contract. CH2M stated that they had worked with District staff and the District's attorney on all comments. They are excited to work with the District staff and Board on the project.

The Board approved the final design contract with CH2M, contingent on the Thermal Process providing a stronger written performance guarantee. In the event the Thermal Process is unable to provide a guarantee to the Board's satisfaction, aerobic digestion will be pursued instead.

**Moved by Director Young and seconded
by Director Irelan
Motion carried 4-0**

5. Flow Monitoring Program Results

Terry Farrill, District Engineer, presented the Ayres flow monitoring results in the Airport and Highlands Meadow Basin areas. The study found that the District has about 16-18% additional capacity than what was expected.

The Board discussed the infiltration into the system, and if this area was susceptible to it. Terry stated that there was minimal infiltration found in those areas of the system. He stated that the area of the District that runs along Fossil Creek does have significant infiltration, but District Operations is working on lining those areas.

6. Health Insurance Options and Staff Recommendation

Amanda Proctor, District Controller, discussed the need to change employee health insurance options, due to increasing health care costs and claims exceeding the Districts' funding ability to insure a portion of the plan. She stated that due to lack of time in regards to Open Enrollment and insurance paperwork, a new broker has been selected. Working with the new broker, the employees will be presented with two health insurance options: a high deductible plan with an HSA option, and a traditional PPO based plan. These plans are excellent, offering benefits to valuable District employees that surpass 90% of most companies' health care packages. She and Chris are working together to finalize the District's contribution towards employees' HSA accounts and premiums. Currently, it is expected that there will be no cost increase to the District.

7. Draft Budget Review and Hearing Setting

District Manager, Chris Matkins, presented the Budget to the Board for the Budget hearing. He also presented a ten-year projection to the Board. With the assumptions that the District will continue to see growth and that the District will raise rates, the District will be able to fund the Treatment Plant expansion without borrowing money.

The Board set the public hearing for November 8, 2017 at the regularly scheduled Board meeting.

**Moved by Director Irelan and seconded
by Director Stewart to present the
Budget for public hearing on 11/8/17.
Motion carried 4-0**

8. Manager's Update

A. Plant Operations Report – Eric Bailey

Eric noted that the Hydro project is about 40% complete. District staff has enjoyed working with Hydro and their subcontractor, Interstate.

Eric stated that he is currently obtaining official proposals from one of the roofing contractors for the shop and admin buildings. Once he gets the official proposal, he can then provide it to a roofing inspector to ensure the roofing work is done properly.

B. General Information – Chris Matkins

District Manager, Chris Matkins, followed up on the requested rate study. He stated that the District staff is developing the scope of the project with Raftelis Financial Consultants in order to get an accurate proposal.

Chris announced that the annual joint Board holiday celebration for Board Members and spouses will be at the Candlelight Dinner Theatre on December 6, 2017 at 6:00 pm.

Lastly, Chris informed the Board that he will be taking a vacation from November 4-14th, 2017.

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 33 taps were sold for the month of September with revenues totaling \$308,250. 363 taps have been sold for the year for a total of \$1,962,000. The District Manager noted that tap purchases continue to be more than the District budgeted.

9. Other Business

None

10. Disbursements

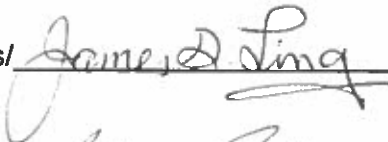
The Manager presented disbursements for September 2017 in the amount of \$292,619.31. After discussion, it was:

**Moved by Director Irelan and seconded
by Director Young to approve the
disbursements for September 2017.
Motion carried 4-0**

11. Adjournment

There being no further business to come before the Board, the meeting was adjourned at 9:45 PM.

Respectfully,

/s/  _____

/s/  _____

Date Approved

11/8/17