

**MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE  
FOUNTAIN SANITATION DISTRICT**

**February 8, 2024**

**Opening:**

Mr. Christian called the regular meeting of the Board of Directors of the Fountain Sanitation District to order at 4:30 p.m. on February 8, 2024.

**Directors Present:**

Mr. Christian  
Dr. Durbin  
Mr. Holtz  
Mr. Blankenship  
Mr. Thomas

**Also In Attendance:**

District Manager James Heckman  
Asst. District Manager Jonathan Moore (*via telephone*)  
Office Administrator Cindy Murray  
Consulting Engineer Roger Sams  
Attorney Pat Hrbacek

**Guests in attendance:** None

**A. Approval of Consent Agenda**

- a. Approval of Regular Meeting Minutes – January 11, 2024
- b. Approval of Bills for Payment – January 2024
- c. Review of Financial Statements – January 2024
- d. Approval of Investments and Transfers – January 2024
- e. Ratify Assets Purchased over \$500 – January 2024

Mr. Thomas made a motion to approve the Consent Agenda items. Second by Mr. Holtz. Motion carried.

**B. Special Business –**

1. The Board was asked to consider approval of Resolution No. 2024-02, Rates, Charges, Fees and Monetary Penalties. Mr. Heckman stated that they missed the 30-day posting requirement deadline for the January meeting, it has since been posted and is ready to approval consideration. There are no proposed increases in user rates or plant investment fees for the 2024 budget year. Mr. Blankenship made a motion to approve Resolution No. 2024-02, Rates, Charges, Fees and Monetary Penalties. Second by Mr. Holtz. Motion carried.
2. The Board was asked to consider approval of Resolution No. 2024-03, To adopt Amended Sewer Use Regulations and Standard Specifications. Mr. Heckman reported that this Resolution will formalize revisions made to the District’s Sewer Use Regulations and Standard Specifications. Most of the revisions are in Part A along with some minor corrections to a few exhibits and typos. Given the size of the Regulations, redlines were sent electronically by request. Brief discussion followed. Mr. Holtz made a motion to approve Resolution No. 2024-03, to adopt Amended Sewer Use Regulations and Standard Specifications. Second by Mr. Thomas. Motion carried.

3. Assistant District Manager Jonathan Moore reported on the Kiowa Street Sewer Main Replacement Project. He reported that he received seven (7) bids for the project. The low bidder, Conroy Excavation, Inc., had no sanitary sewer replacement experience that could be verified. He tried contacting them, but the phone number was temporarily disconnected so Conroy Excavation, Inc., was disqualified for these reasons. The remaining bidders were:
  - a. ) Miller Pipeline - \$155,842
  - b. ) Mid-City Corporation - \$158,817
  - c. ) RMS Utilities - \$174,216
  - d. ) Pate Construction - \$212,567
  - e. ) Quick Horse - \$253,579
  - f. ) RJ Gleeson - \$337,870
  - g. ) Engineers Estimate - \$220,500

He reported that Miller Pipeline (formerly KR Swerdfeger) was the next lowest bidder. He is recommending that the Board consider awarding the bid to Miller Pipeline in the amount of \$155,842. He stated that he did not include a contingency. Mr. Blankenship stated that it would be wise to include management’s standard ask of a 20% contingency. Mr. Holtz made a motion to award the bid to Miller Pipeline with a not to exceed amount of \$186,842 which includes the 20% contingency. Second by Mr. Thomas. Motion carried.

**C. General Business –**

1. Assistant District Manager Jonathan Moore reported that he is working with Entech to get a bid for the planned upper Biosolids Holding Facility at the RJCII facility. He will keep the Board updated.
- He reported on a meeting he had with the Ben Sheets and Bob McDonald from the City of Fountain as well as their Consulting Engineer for their Clover Ditch Project in regards to cost alternatives based on different rip rap types. The District has a sanitary main crossing at this location. The City will be using resources from NRCS for this project to include the sanitary sewer line crossing. The District will be reimbursing the City under its NRCS project. He will be following up with the City and will keep the Board updated.
2. Consulting Engineer Roger Sams reported that the Water Quality Control Commission’s next rulemaking hearing in May should have no impact on the District because they are dealing setting fees for drinking water fees assessed on public water systems and commerce and industry sector permitting fees. The Arkansas River Basin Water quality stream classification rulemaking hearing is scheduled for June. He will keep the Board updated.
3. Attorney Pat Hrbacek from Scott Johnson’s office reported that he has been tracking HB 24-1168 that would require all public meetings to be accessible in real time video or audio to the public, with required auxiliary aids for people with disabilities. Failure to comply constitutes disability discrimination with remedies: actual monetary damages, statutory fine of \$3,500 for each violation, plus attorney’s fees. The proposed implementation date would be July 1, 2025. He will keep the Board updated as it moves through the legislative process.
4. District Manager James Heckman asked for the Board’s indulgence and consideration on again changing the regular meeting from 4:30 pm to 5:00 pm. He stated that with the establishment of the Consent agenda, it seems that the 4:30 pm meeting time is too early. He stated that staff usually knows in advance if more meeting time is required, and the time can

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be adjusted accordingly with proper notice. Discussion followed. It was the consensus of the Board to move the meeting time from 4:30 pm to 5 pm starting with the March 14, 2024, regular meeting of the Board. Mr. Heckman will post the required notice.

- He reported that the Morgan Stanley Smith Barney, LLC (MSSB) investment management group has completed their legal review of the District and are ready to move forward with opening an account for the District. Mr. Heckman asked the Board if they had any objections before moving forward. The Board had no objections. Mr. Heckman will have attorney Pat Hrbacek review before moving forward.
- Mr. Heckman reported that he is currently drafting a formal Investment Policy for the District.
- Mr. Heckman reported on the following FSD items:
  - Staff if in the process of soliciting bids or purchasing the following items:
    - The UV system replacement banks are ready to be ordered with parts costing \$137,970. They are soliciting bids for an electrical contractor for the installation of the new equipment.
    - Skid loader addition for the RJCII Facility- 2 bids have received; Bobcat of the Rockies and 4 Rivers (John Deere), they will get one more from Case and report the costs and preferences from staff at the next meeting.
    - Replacement Utility Truck, working with Daniels Chevrolet
    - Dissolved Oxygen probe replacements that are set to SCADA have been ordered.
    - A muffle furnace has been ordered.
    - Replacement tires for the front-end loader.
  - He reported that RH Borden has completed with the acoustic SL-RAT inspection on the District's wastewater collection system. They are only performing an assessment on roughly half of the District's system which includes all of the older sections of the system.
  - He and Tim Long met with RH Borden on where to install the initial 10 flow monitoring probes for the I&I discovery program.
  - He reported that there were 197 locates in January and 8 sewer inspections.
- Mr. Heckman reported on the following LFMSDD/HDT items:
  - As Colorado Springs Utilities (CSU) requested, the District provided a response letter in an agreement form restating the Board's consent given to CSU pursuant to Section 304 "Competing System" of the Service and Treatment Agreement at their December 13, 2023, meeting. He will present a formal Consent and Agreement for the Board's approval consideration at their February Board Meeting.
- Mr. Heckman reported on the recent 4<sup>th</sup> Quarter Whole Effluent Toxicity (WET) test result failures. Since the 2nd quarter of 2023, the District has been receiving repetitive failures on the reproductive rate of ceriodaphnia test. To rule out any lab errors, staff performed a split sample between two different laboratories. The District's regularly used lab indicated a

“Pass” result and contract control lab produced a “Fail”. Mr. Heckman discussed the results and situation with the WQCD enforcement division and agreed that the District could use the Pass result of the District’s regularly used lab. However, provide the results from both labs and provide an explanation letter. Another stipulation would be that if there is a “failure” during the 1st Qtr. Test of 2024, the District would continue the TIE process. CDPHE Compliance Division accepted the results and letter of explanation on the 4<sup>th</sup> Qtr. WET test results. They are now participating in a larger workgroup of entities sharing the same concern of receiving sporadic failures with WET testing from different laboratories. He will keep the Board informed.

**D. New Business –**

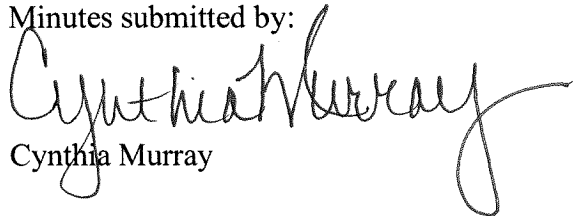
1. Mr. Blankenship informed the Board that he was selected to participate in the SDA’s Leadership Academy to represent the District. He wanted to thank the Board for the opportunity.

**E. Other Business – None**

**Adjournment:**

Dr. Durbin made a motion to adjourn the meeting at 5:06pm. Second by Mr. Thomas. Motion carried. The next regular meeting will be at 5:00 pm. on March 14, 2024.

Minutes submitted by:



Cynthia Murray