

**TOWN OF SILT
BOARD OF TRUSTEES REGULAR MEETING
October 24, 2022**

AGENDA ITEM SUMMARY

SUBJECT: Garfield Clean Energy Collaborative update and funding request for 2023

PROCEDURE: Presentation for the Board from GCE

SUMMARY AND BACKGROUND OF SUBJECT MATTER:

GCE representatives will be on hand to provide an update on GCE results, share next year's scope of work and submit a funding request of \$3,150 for 2023.

Please see the attached memo from GCE Staff.

ORIGINATED BY: Jeff Layman

PRESENTED BY: Jeff Layman

ATTACHMENTS: GCE Memorandum to the Board

TOWN ATTORNEY REVIEW [] YES [x] NO **INITIALS:**

SUBMITTED BY:

Jeff Layman
Jeff Layman, Town Administrator

REVIEWED BY:

Nicole Centeno, Comm Dev Mgr

BOARD OF TRUSTEES REGULAR MEETING

March 27, 2023

AGENDA ITEM SUMMARY

SUBJECT: Silt Water Treatment Plant CMAR Contract

PROCEDURE: Action Item

BACKGROUND OF SUBJECT MATTER:

It is well documented that the Silt Water Treatment Plant is not a reliable long-term facility for the Town. Our contract engineering firm, Dewberry, our contract Operator in Responsible Charge (ORC) and our Public Works Director have all recommended that the plant be substantially improved in the near future to address capacity issues, aid in turbidity filtration and treat iron and manganese issues effectively. Added to this is the urgency of not knowing how long this facility will remain operational.

SUMMARY:

We advertised for CMARs (Construction Manager at Risk) for the Silt Water Treatment Plant project and gave 30 days to respond. Two firms, Garney Construction and Hensel Phelps responded. Garney proposed doing the work for \$199,416, while Hensel Phelps proposed \$175,160.

By selecting the CMAR delivery method for this Project, the CMAR is expected to collaborate closely and transparently with the Town and its Design Engineer during Phase I to develop a design that achieves our objectives at a mutually agreeable Guaranteed Maximum Price (GMP).

With Town staff controlling the process, the Dewberry engineers and the CMAR work together to develop cost models and assistance in securing State Revolving Fund (SRF) loans, avoiding and reducing impacts to existing operations and maintenance due to construction activity, set and achieve realistic and appropriate completion dates.

On Friday, March 17, Mayor Pro Tem Kyle Knott, Trustee Jerry Siefert, Engineers Patrick Radabaugh, Tony Zancanella, Sam Franzen, Town Staffers Amie Tucker, Trey Fonner and Jeff Layman interviewed teams from both firms.

After a vigorous discussion the subcommittee adjourned to once again review submittals and met again on Monday morning, March 20. The group decided that while both firms were well-qualified to perform the work, it was more comfortable with Garney Construction.

Garney was selected primarily for the following reasons:

- Experience in building and starting plants with the technology specified for the Silt plant.
- Exclusive construction experience in water supply, wastewater, pipe, pump, tank and heavy civil projects. They do not do projects not associated with water.
- The proposed Construction Manager for this project lives 20 minutes from Silt and has extensive Western Colorado construction experience.

Contracting with Garney at this point does not obligate the Town to actually pursue building the water plant improvements. Nor does it obligate the Town to contract with Garney beyond the \$199, 416 CMAR process, which will be complete in November 2023. Only by amendment to the agreement, voted on by the Town of Silt Board of Trustees, will the contract with Garney be extended to include construction of the improvements.

RECOMMENDATION: Members of the subcommittee recommend that the Board contract with Garney for CMAR services for the Silt WTP improvements.

Town Attorney Jim Neu will be available to answer questions and concerns and help to lead the conversation.

ORIGINATED BY: Jeff Layman

PRESENTED BY: Jeff Layman/Trey Fonner/Tony Zancanella/Patrick Radabaugh

TOWN ATTORNEY REVIEW: / X / Yes / / No **MJS**

DOCUMENTS REFERENCED: https://j.b5z.net/i/u/2017580/f/Silt_WTP_Master_Plan_-_December_2022.pdf

SUBMITTED BY:

Jeff Layman
Jeff Layman, Town Administrator

REVIEWED BY:

Sheila M. McIntyre, Town Clerk

BOARD OF TRUSTEES WORK SESSION
May 8, 2023

AGENDA ITEM SUMMARY

SUBJECT: Silt Water Treatment Plant/Project Needs Assessment
Review and Response
PROCEDURE: Discussion Item

BACKGROUND OF SUBJECT MATTER:

As the Board is aware, JDS Hydro, now known as Respec, a consulting engineering firm hired by DOLA, on behalf of the Town to review the work done so far on the project, has finished its work and issued a report (attached).

SUMMARY:

Doug Schwenke, Principal Engineer with the firm, and lead engineer on this project, will present his findings to the Board. It should be noted that Mr. Schwenke has had several meetings with our project team to provide additional information and clarification over the last month or so.

RECOMMENDATION: The Board should hear from Doug Schwenke and discuss next steps.

ORIGINATED BY: Jeff Layman

PRESENTED BY: Doug Schwenke

DOCUMENTS ATTACHED: Respec Review and Response

SUBMITTED BY:

REVIEWED BY:

Jeff Layman
Jeff Layman, Town Administrator

Sheila McIntyre, Town Clerk

BOARD OF TRUSTEES REGULAR MEETING

November 14, 2022

AGENDA ITEM SUMMARY

SUBJECT: Silt Water Treatment Plant Contract Amendment for Design Engineering Services

PROCEDURE: Action Item

SUMMARY AND BACKGROUND OF SUBJECT MATTER:

It is well documented that the Silt Water Treatment Plant is not a reliable long-term facility for the Town. Our contract engineering firm, Dewberry, our contract Operator in Responsible Charge (ORC) and our Public Works Director have all recommended that the plant be replaced in the near future to address capacity issues, aid in turbidity filtration and treat iron and manganese issues effectively. Added to this is the urgency of not knowing how long this facility will remain operational. (Please see the attached Dewberry Executive Summary for additional information).

Also attached please find a contract amendment with Dewberry for WTP Design Engineering Services. The contract is for \$1.8 M and will see us through all of the important phases of the project including project management, site investigation, predesign engineering services, design, CMaR preparation and selection and coordination with all of the State of Colorado agencies involved with a water treatment plant project and its financing.

The cost of design can be rolled into State Revolving Fund (SRF) financing and may be eligible for up to a \$300,000 grant.

“Sole Sourcing” Alternative: The State of Colorado requires that engineering services for a water treatment plant be selected based solely on qualifications, rather than cost. That is, the Town must select the engineering firm based on its qualifications and then negotiate with the firm as to fee. In a perfect world, we would recommend issuing a Request for Qualifications (RFQ) for engineering services and evaluating those received. The staff sees only disadvantage in that course of action at this time and recommends “sole sourcing” with Dewberry.

Issuing an RFQ will slow the process by weeks, if not months, and undoubtedly cause us to miss the loan application deadline of January 17, 2023. This would result in a scenario in which we may miss out on the maximum amount of “loan forgiveness” we may qualify for in the “Bipartisan Infrastructure Law” (BIL) funds available. Our next opportunity to apply will be June of 2023 and we have been told that the BIL funds may be exhausted by then. It should be noted that the BIL funds will be distributed for five consecutive years, but we are convinced that the Town of Silt cannot wait for the next tranche of these funds to be released.

Staff is recommending that the Board contract with Dewberry immediately on the water plant contract amendment proposal.

The Town’s Charter is silent on the use of “sole sourcing” contractors, that is, to select contractors without using a bid process to compare and contrast bidders. The Charter’s only

direction on competitive bidding is at 8-22 and directs that the Board must establish procedures that ensure “fair and competitive” bidding practices. The Town’s Financial Policies, adopted last year, at 4.1.4 (II) (a) address a sole source process by allowing “procurements.....without competition when the Purchasing Agent reasonably determines, after conducting a good faith review of available sources, that there is only one (1) viable source within the relevant supply area for the requiredservice....” and 4.1.4 (III) (f) allow for the Town to “waive the request for proposal requirement” when one vendor “clearly has exceptional expertise in the required service area”.

Dewberry has performed well for the Town thus far and has “gone above and beyond” to assist the Town in moving this process forward, including helping with the Project Needs Assessment (PNA), a technical document required by the State. They have shown themselves to be knowledgeable, reliable and trustworthy.

Finances: The Town has nearly \$800,000 in American Rescue Plan funds and over \$3 M in the Water/Wastewater Fund reserve, including \$590,000 in bond refunding proceeds. We will be prepared on Monday night to address issues such as how this might impact the bond reserve requirements for our outstanding bonds, whether/how much the General Fund might be able to “give” and/or loan to the project and if the General Fund paying off our Urban Renewal Authority debt to the W/WW Fund would be helpful.

RECOMMENDATION: Staff is recommending that the Board contract with Dewberry immediately on the water plant contract amendment proposal.

Town Attorney Michael Sawyer will be on hand to answer questions and concerns and help to lead the conversation.

ORIGINATED BY: Jeff Layman

PRESENTED BY: Jeff Layman/Trey Fonner/Tony Zancanella/Patrick Radabaugh

TOWN ATTORNEY REVIEW: / X / Yes / / No **MJS**

DOCUMENTS ATTACHED: Silt Water Treatment Plant Contract Amendment for Design Engineering Services; Silt Water Treatment Plant Executive Summary

SUBMITTED BY:

Jeff Layman
Jeff Layman, Town Administrator

REVIEWED BY:

Sheila M. McIntyre, Town Clerk

**TOWN OF SILT
BOARD OF TRUSTEES REGULAR MEETING
October 24, 2022**

AGENDA ITEM SUMMARY

SUBJECT: Selection of Environmental Assessment Services

PROCEDURE: Action Item: Board of Trustees Approval of Contract

SUMMARY AND BACKGROUND OF SUBJECT MATTER:

Staff has reviewed the proposals of two companies which have submitted for this work for the environmental assessment for the State Revolving Fund (SRF) process for the new water plant.

The staff, led by Dewberry Engineer Patrick Radabaugh and Public Works Director Trey Fonner, has chosen for a total contract cost of \$

ORIGINATED BY: Jeff Layman

PRESENTED BY: Jeff Layman

DOCUMENTS ATTACHED: Proposal Evaluation

TOWN ATTORNEY REVIEW [] YES [x] NO INITIALS:

SUBMITTED BY:

Jeff Layman
Jeff Layman, Town Administrator

REVIEWED BY:

Nicole Centeno, Comm Dev Mgr

**TOWN OF SILT
BOARD OF TRUSTEES REGULAR MEETING
October 24, 2022**

AGENDA ITEM SUMMARY

SUBJECT: Selection of Water Enterprise Revenue and Rate Modeling Consulting Services

PROCEDURE: Action Item: Board of Trustees Approval of Contract

SUMMARY AND BACKGROUND OF SUBJECT MATTER:

Staff has reviewed the proposals of two companies which have submitted for this work for the revenue and rate modeling for the State Revolving Fund (SRF) process for the new water plant.

The staff, led by Dewberry Engineer Patrick Radabaugh and Public Works Director Trey Fonner, has chosen for a total contract cost of \$

ORIGINATED BY: Jeff Layman

PRESENTED BY: Jeff Layman

DOCUMENTS ATTACHED: Proposal Evaluation

TOWN ATTORNEY REVIEW [] YES [x] NO INITIALS:

SUBMITTED BY:

Jeff Layman
Jeff Layman, Town Administrator

REVIEWED BY:

Nicole Centeno, Comm Dev Mgr

BOARD OF TRUSTEES REGULAR MEETING
March 27, 2023

AGENDA ITEM SUMMARY

SUBJECT: Silt Water Rate Option Analysis

PROCEDURE: Discussion Item

BACKGROUND OF SUBJECT MATTER:

The Board of Trustees has asked staff to develop an updated water rate structure for the Town that will address both the current state of affairs and future needs. Financial Analyst Jim Mann will be on hand to introduce a couple of options and to discuss others.

SUMMARY:

Basic information included in the proposal:

- 91% of revenues generated from the base rate (includes 2,000 gallons)
- 79% of all usage falls in the Base and Tier 1 charges
- Volumetric rate vs. Base rate vs. “Combination rate” conversation: charge based on what people use/everyone the same/a combination of the two.
- **“Current Rate Structure”** produces an approximate \$200,000 annual deficit, paid for by wastewater revenue.
- **“Status Quo”** proposal covers this water operation shortfall and pays for current costs of operation and maintenance. Does not:
 - Average rate: \$94.89
 - Upgrade water plant and is a gamble as to the longevity of plant
 - Provides zero capacity for growth and questionable capacity to serve what’s already been approved
 - May carry legal consequences if no plans are being considered to remedy capacity issues
- **Options 1, 2 and 3** are different ways to accomplish the same thing
 - All scenarios based on a loan amount of about \$28 M
 - All scenarios based on a loan forgiveness package of \$5 M
 - All scenarios would eliminate some stand-by rates
 - All are a combination of base + volumetric charges
 - All retain \$ for annual main replacement
 - All anticipate a loss of 50% of bulk water revenue
- All meet recommended reserve target in 2023. This means developing a reserve level of six months operating expenses and an additional amount to cover the following years debt service payment.
- **Option 1**
 - Average rate: \$138.86
 - Accomplishes 88% of revenue in the base rate
 - relies on current rate structure

- **Option 2**
 - Average rate: \$137.60
 - Accomplishes 97% of revenue in the base rate
 - does not encourage conservation
 - has fewer rate categories
- **Option 3**
 - Average rate: \$142.27
 - Accomplishes 82% of revenue in the base rate
 - does encourage conservation
 - base rate includes zero gallons

RECOMMENDATION: Discuss with staff and provide guidance. Since materials were prepared for this meeting, we've discussed a new idea that would change "Tier 1" to an upper limit of 4,000 gallons. We'll be prepared to discuss this, too.

ORIGINATED BY: Jeff Layman

PRESENTED BY: Jim Mann/Jeff Layman/Trey
Fonner/Amie Tucker

TOWN ATTORNEY REVIEW: / / Yes /X/ No

DOCUMENTS ATTACHED: Water Rate Options Power Point

SUBMITTED BY:

REVIEWED BY:

Jeff Layman
Jeff Layman, Town Administrator

Sheila M. McIntyre, Town Clerk

BOARD OF TRUSTEES REGULAR MEETING

February 14, 2022

AGENDA ITEM SUMMARY

SUBJECT: Silt Water Treatment Facility Master Plan Project and Agreement

PROCEDURE: Action Item

SUMMARY AND BACKGROUND OF SUBJECT MATTER: As you know, over the last year, we have been working with our contract Operator in Responsible Charge (ORC) Tony Zancanella, PE, to bring our water plant up to some acceptable level of operation to allow a reliable assessment of its capabilities and limitations to be completed. At the same time, we were concerned with the levels of TTHM and manganese in the produced water, made worse by the mudslide in Glenwood Canyon.

Under Tony's guidance, the staff has performed numerous clean-ups, repairs and replacements in the plants. The most important changes made in the water plant, which will make it possible to better assess its capabilities include calibration of the effluent flow meter measuring produced water leaving the plant, replacement of the raw water metering entering the plant, a new chlorinator system, replacement of many pumps, blowers, valves, actuators, relays, meters and breakers in the skids (and elsewhere in the plant), increased hydrant flushing, not to mention the increased attention to replacing inefficient and non-functional meters in homes around Town.

This work has gotten us to the point where we can now have confidence to go forward with an analysis of the plant's ability to address physical demands and remain in compliance with the primary drinking water regulation of CDPHE.

Zancanella and Associates has engaged Dewberry Engineers, Inc. of Denver, a firm chosen for another of Zancanella's clients, the Town of Gypsum, to conduct a technical study of the Silt W/WW plants and produce master plans to be used to develop costs for implementing improvements. Attached please find two proposals: 1. Town of Silt Water Treatment Plant Master Plan Scope of Services Proposed Agreement and 2. Town of Silt Wastewater Treatment Facility Master Plan Scope of Services Proposed Agreement, both submitted by Dewberry. Zancanella brought Dewberry in as consulting engineers to provide technical analysis and short- and long-term recommendations. This work is critical to getting the grants and loans necessary to improve the plants by completing the "Project Needs Assessment" (PNA) for the State of Colorado by their June 30, 2022 deadline.

"Sole Sourcing" Alternative: Staff is recommending that the Board contract with Dewberry immediately on the water plant proposal and to consider doing the same with the wastewater plant proposal.

The Town's Charter is silent on the use of "sole sourcing" contractors, that is, to select contractors without using a bid process to compare and contrast bidders. The Charter's only direction on competitive bidding is at 8-22 and directs that the Board must establish procedures that ensure "fair and competitive" bidding practices. The Town's Financial Policies, adopted last year, at II (a) address a sole source process by allowing "procurements.....without competition when the

Purchasing Agent reasonably determines, after conducting a good faith review of available sources, that there is only one (1) viable source within the relevant supply area for the requiredservice....” and III (f) allow for the Town to “waive the request for proposal requirement” when one vendor “clearly has exceptional expertise in the required service area”.

I have spoken to the Town Manager and Assistant Town Manager in Gypsum about Dewberry’s capabilities and heard about the rigorous selection process they used to select Dewberry, Patrick Radabaugh, PE, Dewberry’s Senior Associate about the approach they plan to use and Tony Zancanella, principal at Zancanella and Associates and the Town’s current ORC about the necessity to hire a quality consulting engineering firm to complete the work in time for a PNA to be completed by June 30.

Town Attorney Joely Denkinger has reviewed this procurement and is comfortable with the use of sole sourcing for this contract with Dewberry as described.

RECOMMENDATION: After this “good faith review of available sources”, I suggest we contract with Dewberry, 1. for \$99,835 the Town of Silt Water Treatment Plant Master Plan-Scope of Services Proposed Agreement and 2. for \$99,855 the Town of Silt Wastewater Treatment Plant Master Plan-Scope of Services Agreement. The most pressing of the two is the water treatment plant master planning process.

ORIGINATED BY: Jeff Layman

PRESENTED BY: Jeff Layman/Trey Fonner/
Tony Zancanella/Patrick Radabaugh

TOWN ATTORNEY REVIEW: / / Yes / / No **JRD**

DOCUMENTS ATTACHED: Town of Silt Water and Wastewater
Treatment Plant Master Plans-Scopes
of Services Proposed Agreements

SUBMITTED BY:

Jeff Layman,
Jeff Layman, Town Administrator

REVIEWED BY:

Sheila M. McIntyre, Town Clerk

BOARD OF TRUSTEES REGULAR MEETING
June 27, 2022

AGENDA ITEM SUMMARY

SUBJECT: Silt Water/Wastewater Treatment Facilities Master Plan
Project: Dewberry Report

PROCEDURE: Information Item

SUMMARY: Dewberry Principal Patrick Radabaugh, selected Dewberry staff and contract Operator in Responsible Charge (ORC) Tony Zancanella will present the findings of the studies. The anticipated cost and time frame for accomplishing the improvements are:

1. Water Treatment Plant: \$25-30 M over the next 24 months
2. Wastewater Treatment Plant: \$42-62 M by between 2028 and 2032

There are financing options that we are now exploring. We are optimistic that we will identify and be able to use alternatives that are acceptable to the community.

REVIEW: The Town contracted with Dewberry for:

1. \$99,835 for the Town of Silt Water Treatment Plant Master Plan
2. \$99,855 for the Town of Silt Wastewater Treatment Plant Master Plan

The most pressing of the two is the water treatment plant master planning process.

BACKGROUND OF SUBJECT MATTER:

We worked with contract ORC Tony Zancanella, PE, to bring our water plant up to an acceptable level of operation to allow a reliable assessment of its capabilities and limitations to be completed. Under Tony's guidance, the staff has performed numerous clean-ups, repairs and replacements in the plants. The work got us to the point where we felt comfortable and had confidence to go forward with an analysis of the plant's ability to address physical demands and remain in compliance with the primary drinking water regulation of CDPHE.

Zancanella and Associates recommended that the Town engage Dewberry Engineers, Inc. of Denver, to conduct a technical study of the Silt W/WW plants and produce master plans to be used to develop costs for implementing improvements. The Town did so via a "sole source" agreement. Dewberry will report its findings and recommendations to the Board at this meeting.

This work is critical to getting the grants and loans necessary to improve the plants by completing the "Project Needs Assessment" (PNA) for the State of Colorado by their June 30, 2022 deadline. Dewberry will file this document.

ORIGINATED BY: Jeff Layman

PRESENTED BY: Tony Zancanella/Patrick Radabaugh

TOWN ATTORNEY REVIEW: / / Yes / X / No

DOCUMENTS ATTACHED:

Town of Silt Water and Wastewater
Treatment Plant Master Plan power
point presentation

SUBMITTED BY:

Jeff Layman

Jeff Layman, Town Administrator

REVIEWED BY:

Sheila M. McIntyre, Town Clerk

TOWN OF SILT
BOARD OF TRUSTEES REGULAR MEETING
August 23, 2021
AGENDA ITEM SUMMARY

SUBJECT: Water Quality Report

PROCEDURE: Information Item

RECOMMENDATION: Provide feedback to Staff

SUMMARY AND BACKGROUND OF SUBJECT MATTER: Staff will present and take questions and comments regarding recent concerns expressed about water quality. The Board will hear information on:

- Frequency and volume of community concerns
 - The Town has received fewer than 15 expressions of concern about the quality of the water Silt is delivering. Most of those concerned were customers of the bulk water stations.
- Reassurance that the water is safe to use
 - The Colorado Department of Health and Environment, the State agency charged with regulating water quality requires a testing regimen that the Town rigorously follows. There are no known health concerns with the Town's water quality.
 - The brown coloring that is occasionally and recently present is the mineral manganese that is present in the Town's old ductile iron water pipes. When it comes in contact with chlorine, which is used to sanitize the water, it colors the water brown.
 - Manganese is not harmful in the amounts present in the Silt water supply.
 - The Colorado River is the source of drinking water for Silt. The recent mudslides in Glenwood Canyon have made the process of treating water more challenging.
- The Town's response to the concerns
 - Town crews have increased "flushing" water lines in areas of Town known to be impacted by these brown water concerns.
 - The Town contracted with its tank cleaning contractor to dive, inspect and clean both the "clear well" at the water plant and the Mesa View water tank.
 - Town staff has moved up its recommendation to replace its main water line from the plant, under I-70 to "Old Town".
 - Town staff continues to study water pre-treatment alternatives, i.e., settling pond and/or sand filtration.

ORIGINATED BY:

Jeff Layman/ Trey Fonner

PRESENTED BY:

Jeff Layman/ Trey Fonner/ Tony
Zancanella

DOCUMENTS ATTACHED:

TOWN ATTORNEY REVIEW [] YES [x] NO INITIALS _____

SUBMITTED BY:

REVIEWED BY:

Jeff Layman
Jeff Layman, Town Administrator

Sheila M. McIntyre, Town Clerk

BOARD OF TRUSTEES REGULAR MEETING
February 14, 2022

AGENDA ITEM SUMMARY

SUBJECT: Silt Water Treatment Facility Master Plan Project and Agreement

PROCEDURE: Action Item

SUMMARY AND BACKGROUND OF SUBJECT MATTER: As you know, over the last year, we have been working with our contract Operator in Responsible Charge (ORC) Tony Zancanella, PE, to bring our water plant up to some acceptable level of operation to allow a reliable assessment of its capabilities and limitations to be completed. At the same time, we were concerned with the levels of TTHM and manganese in the produced water, made worse by the mudslide in Glenwood Canyon.

Under Tony's guidance, the staff has performed numerous clean-ups, repairs and replacements in the plants. The most important changes made in the water plant, which will make it possible to better assess its capabilities include calibration of the effluent flow meter measuring produced water leaving the plant, replacement of the raw water metering entering the plant, a new chlorinator system, replacement of many pumps, blowers, valves, actuators, relays, meters and breakers in the skids (and elsewhere in the plant), increased hydrant flushing, not to mention the increased attention to replacing inefficient and non-functional meters in homes around Town.

This work has gotten us to the point where we can now have confidence to go forward with an analysis of the plant's ability to address physical demands and remain in compliance with the primary drinking water regulation of CDPHE.

Zancanella and Associates has engaged Dewberry Engineers, Inc. of Denver, a firm chosen for another of Zancanella's clients, the Town of Gypsum, to conduct a technical study of the Silt W/WW plants and produce master plans to be used to develop costs for implementing improvements. Attached please find two proposals: 1. Town of Silt Water Treatment Plant Master Plan Scope of Services Proposed Agreement and 2. Town of Silt Wastewater Treatment Facility Master Plan Scope of Services Proposed Agreement, both submitted by Dewberry. Zancanella brought Dewberry in as consulting engineers to provide technical analysis and short- and long-term recommendations. This work is critical to getting the grants and loans necessary to improve the plants by completing the "Project Needs Assessment" (PNA) for the State of Colorado by their June 30, 2022 deadline.

"Sole Sourcing" Alternative: Staff is recommending that the Board contract with Dewberry immediately on the water plant proposal and to consider doing the same with the wastewater plant proposal.

The Town's Charter is silent on the use of "sole sourcing" contractors, that is, to select contractors without using a bid process to compare and contrast bidders. The Charter's only direction on competitive bidding is at 8-22 and directs that the Board must establish procedures that ensure "fair and competitive" bidding practices. The Town's Financial Policies, adopted last year, at II

(a) address a sole source process by allowing “procurements.....without competition when the Purchasing Agent reasonably determines, after conducting a good faith review of available sources, that there is only one (1) viable source within the relevant supply area for the requiredservice....” and III (f) allow for the Town to “waive the request for proposal requirement” when one vendor “clearly has exceptional expertise in the required service area”.

I have spoken to the Town Manager and Assistant Town Manager in Gypsum about Dewberry’s capabilities and heard about the rigorous selection process they used to select Dewberry, Patrick Radabaugh, PE, Dewberry’s Senior Associate about the approach they plan to use and Tony Zancanella, principal at Zancanella and Associates and the Town’s current ORC about the necessity to hire a quality consulting engineering firm to complete the work in time for a PNA to be completed by June 30.

Town Attorney Joely Denkinger has reviewed this procurement and is comfortable with the use of sole sourcing for this contract with Dewberry as described.

RECOMMENDATION: After this “good faith review of available sources”, I suggest we contract with Dewberry, 1. for \$99,835 the Town of Silt Water Treatment Plant Master Plan-Scope of Services Proposed Agreement and 2. for \$99,855 the Town of Silt Wastewater Treatment Plant Master Plan-Scope of Services Agreement. The most pressing of the two is the water treatment plant master planning process.

ORIGINATED BY: Jeff Layman

PRESENTED BY: Jeff Layman/Trey Fonner/
Tony Zancanella/Patrick Radabaugh

TOWN ATTORNEY REVIEW: / X / Yes / / No **JRD**

DOCUMENTS ATTACHED: Town of Silt Water and Wastewater
Treatment Plant Master Plans-Scopes
of Services Proposed Agreements

SUBMITTED BY:

Jeff Layman
Jeff Layman, Town Administrator

REVIEWED BY:

Sheila M. McIntyre, Town Clerk

**TOWN OF SILT
BOARD OF TRUSTEES EXECUTIVE SESSION
July 27, 2020**

AGENDA ITEM SUMMARY

SUBJECT: Water Treatment Improvement Update

PROCEDURE: Information

SUMMARY AND BACKGROUND OF SUBJECT MATTER:

At our last Board of Trustees meeting, some Trustees had some questions about the progress we were making in addressing various concerns at the Silt Water Treatment Plant (WTP). In an effort to answer those questions more directly, we are bringing this subject back to the Board, along with Town Engineer Deric Walter.

We continue to be concerned about the level of total trihalomethanes (TTHM) in the water distribution system. Mr. Walter and consulting engineer Tony Zancanella have been working with the Town to identify causes, solutions, alternatives and costs.

Mr. Zancanella's inspection of the plant prompted him to make a couple of suggestions in the operation of the plant, i.e., chlorine dosage. TTHM are formed when chlorine and the organics mix within the system. Elevated chlorine residual could be adding to the problem. These adjustments have been made and another round of TTHM testing will be completed shortly.

Mr. Zancanella also noted that some critical electronics used in the plant to produce drinking water ought to be replaced. The current systems are no longer supported and have not been replaced since the installation of the plant. In discussions with plant personnel and Engineers, it is agreed that this is a priority. This improvement is estimated to cost between \$40,000 - \$80,000. We are working with Mr. Zancanella to come up with an RFP to get some solid pricing.

The research into installing a sand filtration system at the plant is ongoing. One aspect of this research is to insure that what is already in place is operating optimally. It is believed that sand filtration equipment is ultimately what will best reduce the TTHM in the system and prevent future problems. Questions at this point revolve around what kinds of equipment and its specifications. Part of getting the plant to operate optimally is improving the electronic control systems that will continue to be valuable even after the installation of a sand filtration capability.

ORIGINATED BY: Jeff Layman

PRESENTED BY: Jeff Layman, Trey Fonner, Deric Walter

SUBMITTED BY:

REVIEWED BY:

Jeff Layman
Jeff Layman, Town Administrator

Sheila M. McIntyre, Town Clerk

BOARD OF TRUSTEES WORK SESSION
April 10, 2023

AGENDA ITEM SUMMARY

SUBJECT: Silt Water Rate Option Analysis

PROCEDURE: Discussion Item

BACKGROUND OF SUBJECT MATTER:

At the last BoT meeting, Trustees heard from Jim Mann on several options for water rates. Importantly, Jim reviewed some of the basic assumptions in developing the rate models. After discussion, the Trustees asked for more analysis on options including base rates of 2,000 and 3,000 gallons. Additionally, staff has added some analysis on water use among the largest class of user, i.e., class 101.

Financial Analyst Jim Mann will be on hand to introduce a couple of options and to discuss others.

*Agenda Item Summary from the March 27th meeting is attached for review and for those who were not in attendance.

SUMMARY:

It bears repeating that rates are recommended to increase by 86% just to operate the water utility in a manner that balances revenue with expenses. An additional 40% increase is necessary to fund the water plant improvements.

RECOMMENDATION: Discuss with staff the idea of **adjusting rates now to operate the utility to break even OR wait** until more is known about the cost of the plant and amount of financing that will be awarded.

Be prepared now to await the final cost estimates that are now being developed for the June 15 loan application. Staff and consultants will share them with the Board at the first meeting in June.

ORIGINATED BY: Jeff Layman

PRESENTED BY: Jim Mann/Jeff Layman/Trey
Fonner/Amie Tucker

DOCUMENTS ATTACHED: Water Rate Options Power Point

SUBMITTED BY:

REVIEWED BY:

Jeff Layman
Jeff Layman, Town Administrator

Lori Malsbury, Deputy Town Clerk

**TOWN OF SILT
BOARD OF TRUSTEES WORK SESSION
February 27, 2023**

AGENDA ITEM SUMMARY

SUBJECT: Silt Water Plant Discussion

PROCEDURE: Discussion Item

SUMMARY AND BACKGROUND OF SUBJECT MATTER: Trustees will recall that we had represented in an earlier meeting that a reduction in the water plant project's total cost by \$1 MM would result in a lower monthly average ratepayer's bill of around \$3.25. Upon further review, staff decided that we should provide some additional clarification around this concept.

DISCUSSION TOPICS:

- Historic budget shortfalls in Operation and Maintenance of the current plant
 - The cost to fix it
- Current Operation and Maintenance shortfall and water rates
 - Should we increase rates at our next BoT meeting on March 13th?
- Exploring pros and cons of various scopes of the project
 - Status Quo
 - Reduced Scope
 - Full Project
- Bulk Water Discussion

ORIGINATED BY: Jeff Layman

PRESENTED BY: Jim Mann, Trey Fonner

DOCUMENTS ATTACHED:

- Jim Mann Power Point Presentation
- Bulk Water Station Data

TOWN ATTORNEY REVIEW [] YES [x] NO INITIALS

SUBMITTED BY:

REVIEWED BY:

Jeff Layman, Town Administrator

Sheila McIntyre, Town Clerk

BOARD OF TRUSTEES WORK SESSION
December 12, 2022
AGENDA ITEM SUMMARY

SUBJECT: Silt Water Treatment Plant Review and Update

PROCEDURE: Discussion Item

BACKGROUND OF SUBJECT MATTER: It is well documented that the Silt Water Treatment Plant (WTP) is not a reliable long-term facility for the Town. Our contract engineering firm, Dewberry, our contract Operator in Responsible Charge (ORC) and our Public Works Director have all recommended that the plant be replaced in the near future to address capacity issues, aid in turbidity filtration and treat iron and manganese issues effectively. Added to this is the urgency of not knowing how long the current facility will remain operational. (Please see the attached Dewberry Executive Summary for additional information).

SUMMARY: The Town of Silt has signed a contract amendment with Dewberry Engineers for WTP Design Engineering Services. The contract is for \$1.8 M and will see us through all of the important phases of the project including project management, site investigation, predesign engineering services, design, CMaR preparation and selection and coordination with all of the State of Colorado agencies involved with a water treatment plant project and its financing.

Much of the cost of design can be rolled into State Revolving Fund (SRF) financing and may be eligible for up to a \$300,000 grant.

The purpose of this briefing is to summarize to the Board and the Community a description of the issues faced by the WTP, a summary of the alternatives that were investigated, the reason for selecting the preferred alternative, an update on funding and strategies for attaining the best value for the Town through a practice known as “value engineering” in a Construction Manager at Risk (CMaR) process. We will also update the Board on financing efforts.

Staff and consultants wish to engage the Board of Trustees on their thoughts regarding:

- the impacts and benefits of the selected alternative over others
- identifying a reasonable and/or acceptable monthly rate for customers

ORIGINATED BY: Jeff Layman

PRESENTED BY: Jeff Layman/Trey Fonner/Tony Zancanella/Patrick Radabaugh

DOCUMENTS ATTACHED: Silt WTP Executive Summary
Silt Newsletter Article/News Release

SUBMITTED BY:

Jeff Layman
Jeff Layman, Town Administrator

REVIEWED BY:

Sheila M. McIntyre, Town Clerk

**TOWN OF SILT
BOARD OF TRUSTEES WORK SESSION
January 23, 2023**

AGENDA ITEM SUMMARY

SUBJECT: Silt Water Plant Discussion

PROCEDURE: Discussion Item

SUMMARY AND BACKGROUND OF SUBJECT MATTER: At our meeting of January 9, 2023, Board members had several questions regarding the project. This work session is intended to answer some of them and to pose some questions to the Board for staff clarification.

Topics:

- **Grants:** We intend to apply for both Garfield County Federal Mineral Lease District (FMLD) and Energy Impact Assistance Fund (EIAF) Grants within the next few months. In order to make the most of our efforts, we are asking the Board for guidance. Should we apply for:
 - FMLD: \$1 M (likelihood of getting \$400,000) for WTP or Grand Avenue W/WW/Road Improvements
 - EIAF: \$750,000 for additional drinking water boring project or WTP

*The question here is that if we apply for both to support the WTP project and then do not pursue a project, we will lose the funding, thereby making Grand Avenue and the boring project better options.

- **Resolution 4:** This resolution does not obligate us to spend \$28 M for the WTP. It simply allows the Town to reimburse itself with loan proceeds for expenses incurred up to 60 days prior to the loan being issued.
- **Dewberry Contract:** The Town has the option of terminating the Dewberry agreement at this time. Please see Michael Sawyer's memo attached.
- **Construction Manager at Risk (CMaR) Process:** This process:
 - Helps lock in a cost (GMP) sooner than the traditional "Design/Bid/Build" process by getting a contractor on the project earlier and working together to develop costs.
 - Why is this important? The loan package we get MUST be of the adequate amount to fund the project. Going back for more if it's not enough will delay the project, potentially raising costs. We can always give money back if it's not needed to pay down principal.
 - Is approved by the State. According to a primary contact at CDPHE, they are seeing a shift away from the traditional process to CMaR. CDPHE has adapted processes to accommodate CMaR.
 - Encourages contractor, engineer and staff to work together keep each other "honest" by questioning conclusions and subcontractor bids.
 - Allows "off-ramps" for the Town and contractor to terminate contract, if appropriate. The Town is not stuck with a contractor that has been chosen.
 - Is not impacted by the fact that Federal Bipartisan Infrastructure Law funding is involved in the "loan forgiveness" program.

Please review the attached information.

ORIGINATED BY: Jeff Layman

PRESENTED BY: Jeff Layman, Trey Fonner

DOCUMENTS ATTACHED: Project Names, Budgets and Timelines

TOWN ATTORNEY REVIEW [] YES [x] NO INITIALS

SUBMITTED BY:

REVIEWED BY:

Jeff Layman, Town Administrator

Sheila McIntyre, Town Clerk

**TOWN OF SILT
BOARD OF TRUSTEES WORK SESSION
January 23, 2023**

AGENDA ITEM SUMMARY

SUBJECT: Silt Water Plant Discussion

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- **Grants:** We intend to apply for both Garfield County Federal Mineral Lease District (FMLD) and Energy Impact Assistance Fund (EIAF) Grants within the next few months. In order to make the most of our efforts, we are asking the Board for guidance. Should we apply for:
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- **Resolution 4:** This resolution does not obligate us to spend \$28 M for the WTP. It simply allows the Town to reimburse itself with loan proceeds for expenses incurred up to 60 days prior to the loan being issued.
- **Dewberry Contract:** The Town has the options of terminating the Dewberry agreement at this time, on 30 days-notice. Some points the Board should consider are:
 - The Town entered the contract without conducting an RFQ process because we were pressed by a January 17 loan application deadline. We needed Dewberry to prepare the application. We were told by State representatives that loan forgiveness funds may not be available if we waited until the June deadline. We have been told since that there will be loan forgiveness funds available in June, and that there is likely to be Federal funds released for this purpose in annual tranches for four years following this one.
 - It is well documented that the plant is inadequate for Silt's needs and that something should be done soon. No one can predict when the plant will have a breakdown.
 - If we terminate Dewberry's contract, it will likely take 3-4 months to have a new contractor on board.
 - The new contractor will take some to get up to speed and the Town will likely be paying them for work already completed.
 - The staff recommends that the Town continue to work with Dewberry on the June 1 application.
 - We have paid Dewberry about \$80,000 to date, mostly for the 2022 study and anticipate owing about 15% of the \$1.8 M contract, or approximately \$270,000 at

this point. This expenditure will come directly from the Water/Wastewater fund balance.

- Please see attached memo from Attorney Michael Sawyer.
- **Construction Manager at Risk (CMaR) Process:** This process:
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 - Allows “off-ramps” for the Town and contractor to terminate contract, if appropriate. The Town is not stuck with a contractor that has been chosen.
 - Is not impacted by the fact that Federal Bipartisan Infrastructure Law funding is involved in the “loan forgiveness” program.

Please review the attached guidance from the State regarding the CMaR process.

- **Information regarding the current plant and its development in the mid-2000’s**
 - Please see Public Works Director Fonner’s description of his research, attached.

ORIGINATED BY: Jeff Layman

PRESENTED BY: Jeff Layman, Trey Fonner

DOCUMENTS ATTACHED:

- Two alternative versions of Resolution 3 regarding FMLD grant;
- Resolution 4 allowing the Town to reimburse itself;
- Memo from Attorney Michael Sawyer;
- State guidance regarding CMaR process;
- Director Fonner’s description of the information discovered regarding the current plant and its development in the mid-2000’s.

TOWN ATTORNEY REVIEW [] YES [x] NO INITIALS

SUBMITTED BY:

REVIEWED BY:

Jeff Layman, Town Administrator

Sheila McIntyre, Town Clerk