

St. Vrain Water Authority
DLG I.D. No. 67144
Board of Directors Meeting
Agenda
November 13, 2023
4:00 PM at the Firestone Town Hall

- 1) **Roll Call**
- 2) **Consent Agenda**
 - a. Approval of October 9, 2023 Meeting Minutes
- 3) **Public Comment – Please limit comments to 3 minutes**
- 4) **Action Items**
 - a. Payment of Bills
 - b. Review and Acceptance of Financials
 - c. Approval of Water Treatment Plant Security Proposal
 - d. Adopt of Resolution 2023-07 Approving Hydro Resources Agreement for Services
- 5) **Public Hearing**
 - a. Adoption of 2024 Budget
 - i. Resolution 2023-08 Adopting 2024 Budget
 - ii. Resolution 2023-09 Appropriating Funds
- 6) **Discussion Items**
 - a. Financial Policies
- 7) **Reports**
 - a. Ramey Environmental – Plant Operations
 - b. Engineering Activity
 - c. Water Treatment Plant Construction Update
- 8) **Executive Session pursuant to Section 24-6-402(4)(d), C.R.S. to discuss and receive information regarding the details of the Water Treatment Plant security system.**
- 9) **Next Meeting**
 - a. December 11, 2023 at the Firestone Town Hall starting at 4:00 PM
- 10) **Any Other of Business**
- 11) **Adjournment**

Agenda Item 2

St. Vrain Water Authority
DLG I.D. No. 67144
Board of Directors Meeting Regular Meeting
Minutes
October 9, 2023
4:00 PM @ Firestone Town Hall

A regular meeting of the Board of Directors of the St. Vrain Water Authority convened on Monday October 9, 2023, at 4:00 P.M. in the Firestone Town Hall located at 9950 Park Avenue, Firestone, Colorado. Any director or consultant who was unable to physically attend the meeting could attend virtually.

The following Directors were in attendance, to wit:

Julie Svaldi (2026)	President	Present
Julie Pasillas (2024)	Vice-President	Present
Dave Lindsay (2024)	Secretary	Present
James Walker (2025)	Board Member	Present
Don Conyac (2025)	Treasurer	Present

Also, in attendance were Amber Kauffman (Little Thompson Water District), and Rusti Roberto (Town of Firestone).

Tim Flynn (Collins Cole Flynn Winn Ulmer), Brett Gracely (Leonard Rice Engineers) and Wayne Ramey (Ramey Environmental). attended via Zoom.

Agenda Item 1:

A quorum having been established, the meeting was called to order by the Authority's President, Julie Svaldi at 4:00 P.M.

Agenda Item 2:

Director Svaldi referred the Board to the meeting minutes for the September 11, 2023 Board meeting.

Motion to approve the minutes was made by Director Conyac, Second by Director Svaldi.

Motion passed unanimously by voice vote.

Agenda Item 3:

There was no public present, and no public comments were made.

Agenda Item 4a:

Director Lindsay directed the Board to the packet to the summary of current bills that were paid or are being processed for payment. Director Lindsay disclosed that the first bill on the summary was a reimbursement back to him as some lab equipment was needed for the Water Treatment Plant and he went ahead and paid by credit card. Director Lindsay noted that he was recusing himself.

Director Svaldi had a question regarding the amount of the Black Hills Energy bill. Director Lindsay explained the cost for Black Hills Energy is going to be increasing as the weather gets cooler and the water plant furnace and unit heaters are used more.

Motion to approve the payment of bills was made by Director Walker, Second by Director Svaldi.

Roll-Call Vote

	<u>Yes</u>	<u>No</u>	<u>Abstain</u>
Julie Pasillas	X		
Don Conyac	X		
James Walker	X		
Dave Lindsay			X
Director Svaldi	X		

Motion was passed.

Agenda Item 4b:

Director Lindsay directed the Board to the financial statements.

Director Pasillas mentioned that she appreciated the update to the water sales being separated out rather than lumped together in one line item.

Motion to accept the financials was made by Director Pasillas, Second by Director Conyac.

Roll-Call Vote

	<u>Yes</u>	<u>No</u>	<u>Abstain</u>
Dave Lindsay	X		
Julie Svaldi	X		
Don Conyac	X		
Julie Pasillas	X		
James Walker	X		

Motion was passed.

Agenda Item 5a:

Director Lindsay directed the Board to the packet to the 2024 Draft Budget. Director Lindsay walked through the budget worksheet and discussed Operating Revenues, and Operating Expenditures which included Administration, Facilities, and Operations and Maintenance. He pointed out that the Board has not yet established formal policies for reserves. The 2023 Budgeted expenses were very conservative and as he added in the projected actual expenses for 2023, there would be a substantial fund balance to carry over to 2024. For purposes of demonstrating an alternative, the budget work sheet presented assumed that the Water Operations Base Charge could be based on a percentage of the actual budgeted

expenses, in this case 85%, and reduce the planned carry-over from 2024. However, after discussion, the Board was comfortable leaving the Base Charge at 100% of budgeted expenses and maintaining the full carryover. It was noted the Board would like to start discussion to establish policies for reserves and what reserves would be used for. This discussion would require the input of the Budget Director, Jessica Clanton, so Director Lindsay and Director Conyac will set up a meeting her to start that effort and will have her available for a future meeting to discuss those policies and accepted standards with the Board.

It was discussed among the Board that a miscellaneous line item should be included for other services or supplies that may be needed throughout the year. It was also suggested that the budget should include Capital Equipment as a separate expense category since those items should be depreciated.

Director Lindsay noted that he would make corrections and have an updated version at the November meeting. His recommendation is that a notice get published for a public hearing for the November meeting. At that time, the Board can adopt the budget or wait until the December meeting to adopt the budget.

Agenda Item 5b:

Director Lindsay explained to the Board that he had no formal update on the Security System. He was sent information the day of the Authority meeting and did not get a chance to look through the information received. Director Lindsay let the Board know that he would go through the information and have an update at the next meeting. He did note there would potentially be an executive session to discuss detailed items of the system with the Board.

Agenda Item 6a:

Wayne Ramey with Ramey Environmental Compliance referred the Board to the monthly activity report included in the packet. It was noted that there was a line in the domestic service meter pit that did fail and was leaking. Firestone public works located and fixed the leak. Director Lindsay explained that it did not appear the meter setter had been damaged during installation and that it may have been delivered from the supplier with the damage found.

Director Svaldi did ask what the cost of the leak was, and Director Pasillas noted that the Town had not yet billed for that usage. Director Lindsay and Pasillas did note that the issue has been fixed.

Agenda Item 6b:

Director Lindsay gave the Board an update regarding the Facility Maintenance. He noted that Trash Service with Waste Connections, 2K Cleaning Service, Frontier Fire and Orkin Pest Control had all been contacted and that he received quotes for monthly services. He reviewed each of the agreements and the month costs. The Board had no objections to him proceeding to execute the contracts and begin service.

Agenda Item 6c:

Director Lindsay explained there is not much Engineering activity happening. He did say that Plummer Associates are working on developing an interactive spreadsheet to help with tracking the chemical usage for the plant. They are also doing some research into asset

management software that the Authority may want to invest in to help manage routine maintenance for equipment and track spare parts warehoused at the plant.

Director Lindsay explained Firestone and the general contractor were still at odds over final issues to close out the construction contract but that discussions are ongoing.

Agenda Item 7:

Next Meeting will be November 13, 2023 at Firestone Town Hall, starting at 4:00 P.M.
Director Conyac will be absent at this meeting.

Agenda Item 8:

No other business was discussed.

Agenda Item 9:

Motion to adjourn made by Director Pasillas, Second by Director Conyac at 5:25 P.M.

Motion passed unanimously by voice vote.

Agenda Item 4(a)
Approval of Bills

CURRENT LIST OF BILLS

Firestone (water bill)	\$321.19
USA Blue Book (lab equipment)	\$82.63
St Vrain Sanitation District (4 th quarter sewer bill)	\$1,116.48
United Power (Injection Pump Station)	\$488.82
United Power (WTP)	\$3,368.36
Comcast (internet/phone)	\$912.99
Black Hills Energy (gas)	\$425.05
Harcros (chemicals)	\$1,228.00
Collins Cole Flynn Winn & Ulmer (legal)	\$1,690.00
Grainger (WTP tools/equipment)	\$1,006.89
Frontier Fire (backflow device certification)	\$875.00
Plummer (chemicals and asset management)	\$272.50
Special Districts Insurance Pool (workers comp)	\$445.00
DPC Industries (chlorine cylinder rental)	\$40.00
Ramey (monthly operations + expenses)	\$11,085.30
24K Cleaning Services (office cleaning)	\$301.00
CorKat (monthly Managed IT service charge)	\$1,438.50
Black Hills Energy (natural gas)	\$630.87
Colo. Spcl. Districts Property & Liability Pool	\$53,031.00
Collins Cole Flynn Winn & Ulmer (legal)	\$1,253.00

Agenda Item 4(b)
Balance Sheet

St. Vrain Water Authority

Balance Sheet

As of November 9, 2023

	TOTAL
ASSETS	
Current Assets	
Bank Accounts	
10.1010 - Checking	142,112.85
Total Bank Accounts	\$142,112.85
Accounts Receivable	
Accounts Receivable (A/R)	52,480.06
Total Accounts Receivable	\$52,480.06
Total Current Assets	\$194,592.91
TOTAL ASSETS	\$194,592.91
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable (A/P)	518.00
Total Accounts Payable	\$518.00
Total Current Liabilities	\$518.00
Total Liabilities	\$518.00
Equity	
Retained Earnings	56,325.89
Net Income	137,749.02
Total Equity	\$194,074.91
TOTAL LIABILITIES AND EQUITY	\$194,592.91

Budget to Actual

	2023 Proposed Budget	Year -To-Date Actual
<u>OPERATING REVENUES</u>		
Rate Revenue - Firestone	-	-
Rate Revenue - LTWD	-	-
Rate Revenue - Non-Member 1	-	-
Cash Contribution - Firestone	25,000.00	25,000.00
Cash Contribution - LTWD	5,000.00	5,000.00
Water Ops Base Charge - Firestone	348,544.17	277,097.41
Water Ops Base Charge - LTWD	69,708.83	54,218.01
Water Sales - Firestone	103,477.50	18,481.77
Water Sales - LTWD	-	-
<u>TOTAL OPERATING REVENUE</u>	\$ 551,730.50	\$ 379,797.19
<u>OPERATING EXPENDITURES</u>		
<u>Administration</u>		
Salaries and Benefits	123.00	762.00
Office Supplies	100.00	416.87
Dues and Fees	3,307.00	1,671.85
Contract Services	319,720.00	137,368.77
Rate Study	35,000.00	-
Total Administration	\$ 358,250.00	\$ 140,219.49
<u>Facilities</u>		
Insurance	2,700.00	35,440.00
Utilities	42,503.00	46,300.78
Grounds Maintenance	10,000.00	-
Building/Facility Maintenance	4,800.00	875.00
Total Facilities	\$ 60,003.00	\$ 82,615.78
<u>Operations and Maintenance</u>		
Chemicals	120,000.00	8,263.26
Utilities	8,946.00	10,949.64
Total Operations and Maintenance	\$ 128,946.00	\$ 19,212.90
<u>TOTAL OPERATING EXPENSES</u>	\$ 547,199.00	\$ 242,048.17
<u>OPERATING GAIN (LOSS)</u>	\$ 4,531.50	\$ 137,749.02
Fund Balance, Beginning of Year	\$ 11,235.43	\$ 56,326.00
Fund Balance, End of Year	\$ 15,766.93	\$ 194,075.02

Profit and Loss

St. Vrain Water Authority

Profit and Loss

January 1 - November 9, 2023

	TOTAL
Income	
10.5000 - Cash Contributions	
10-5001 - Cash Contributions - Firestone	25,000.00
10.5002 - Cash Contributions - LTWD	5,000.00
Total 10.5000 - Cash Contributions	30,000.00
Sales	349,797.19
Total Income	\$379,797.19
GROSS PROFIT	\$379,797.19
Expenses	
10.6010 - Office Supplies	416.87
10.6110 - Legal Fees	15,209.50
10.6115 - Contract Operations	118,426.75
10.6140 - Bank Charges & Fees	-93.40
10.6220 - Liability Insurance	762.00
10.6300 - Dues and Fees	1,671.85
Facilities	
10.6500 Insurance	35,440.00
10.7100 Utilities - Facilities	46,300.78
Total Facilities	81,740.78
Office/General Administrative Expenses	366.27
Operations & Maintenance	875.00
10.7110 Utilities - O & M	10,949.64
10.8100 Chemicals	8,263.26
Total Operations & Maintenance	20,087.90
Telephone System	3,459.65
Total Expenses	\$242,048.17
NET OPERATING INCOME	\$137,749.02
NET INCOME	\$137,749.02

Agenda Item 4(c)

CorKat Data Solutions
PO Box 7451
Loveland, CO 80537
9707763777
www.corkatdata.com

St Vrain Water Authority
DBL November 14, 2023
WO 2023-03



CorKat Data Solutions, LLC
infinite possibilities

Security Project - Phase 1 Only

Quote # 004572

Version 1

St. Vrain Water Authority

Quote Summary		Amount
	Equipment / Software	\$10,737.00
	Professional Services	\$1,200.00
	Total	\$11,937.00

See attached documents.

By signing this Quote Agreement, you acknowledge that you have the authority to enter into the terms of this agreement, reviewed the CorKat Data Solutions, LLC Terms & Conditions, the Service Level Agreement, and agree to be legally bound to these terms. The documents are available at <http://www.corkatdata.com/terms>

Signature

Date

Agenda Item 4(d)

RESOLUTION 2023-07

ST. VRAIN WATER AUTHORITY

BOULDER, LARIMER, AND WELD COUNTIES, COLORADO

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE ST. VRAIN WATER AUTHORITY APPROVING AN AGREEMENT FOR SERVICES BETWEEN THE ST. VRAIN WATER AUTHORITY AND HYDRO RESOURCES – ROCKY MOUNTAIN, INC.

WHEREAS, the Board of Directors (“Board”) of the St. Vrain Water Authority (“Authority”) has the power and authority pursuant to its Establishing Agreement and C.R.S. 29-1-204.2 *et. seq.*, to enter into contracts and agreements effecting the affairs of the Authority; and

WHEREAS, the Authority will be operating a reverse osmosis water treatment plant, deep injection well, and related facilities (“Water Treatment Facilities”); and

WHEREAS, the Authority has requested and received a proposal from Hydro Resources – Rocky Mountain, Inc., a Delaware corporation (“Hydro Resources”) to perform a Step Rate Test of the Firestone SWD #1 brine injection well for the Water Treatment Facilities; and

WHEREAS, the Authority has been presented with an Agreement for Services (“Agreement”) whereby Hydro Resources will provide the services in the Scope of Work attached to the Agreement which is acceptable to the Authority; and

WHEREAS, the Authority’s Board, after reviewing Hydro Resources proposal and the Agreement, desires to enter into the Agreement with Hydro Resources for a Step Rate Test of the Firestone SWD #1 brine injection well for the Water Treatment Facilities.

NOW, THEREFORE, BE IT RESOLVED BY the Board of Directors of the St. Vrain Water Authority that:

1. **Approval of Agreement.** The Agreement between the Authority and Hydro Resources in substantially the form attached hereto as Exhibit 1 is hereby approved. The Authority’s President and Secretary, or if one or both of them are unavailable, any other appropriate officer of the Authority is hereby authorized to execute the Agreement by and on behalf of the Authority.

PASSED, APPROVED AND ADOPTED this 13th day of November, 2023 by the Board of Directors of the St. Vrain Water Authority by a vote of _____ FOR and _____ AGAINST.

ST. VRAIN WATER AUTHORITY

By: _____
Julie Pasillas, Vice-President

Attest:

Dave Lindsay, Secretary

AGREEMENT FOR SERVICES

THIS AGREEMENT FOR WELL STEP RATE TEST SERVICES (“Agreement”) is made and entered into this ___ day of _____, 20___, to be effective as of the ___ day of _____, 20___ (“Effective Date”), between the **ST. VRAIN WATER AUTHORITY**, a political subdivision of the State of Colorado (“Authority”), whose address is 9950 Park Avenue, Firestone, Colorado 80504 and **Hydro Resources-Rocky Mountain, Inc.**, a Delaware corporation, (“Contractor”), whose address is 13027 WCR 18, Building C, Fort Lupton, CO 80621. Authority and Contractor may hereinafter singularly be referred to as a “Party” and collectively as the “Parties.”

RECITALS

WHEREAS, the Authority was established for the purpose of operating potable water treatment systems and facilities that are capable of furnishing a potable water supply for the benefit of the Authority’s members, and their constituents, and end users; and

WHEREAS, in furtherance of that purpose, the Authority operates the St Vrain Water Treatment Plant, a reverse osmosis water treatment plant with a deep injection well and related facilities (“Water Treatment Facilities”) having an initial capacity of treating up to 1.5 million gallons per day of water, and having the capability of being expanded in phases in future years to a water treatment capacity of 5 million gallons per day; and

WHEREAS, the Authority is in need of performing a Step Rate Test of the Firestone SWD #1 brine injection well for the Water Treatment Facilities (“Project”); and

WHEREAS, at the request of Authority, Contractor submitted a proposal for the Project; and

WHEREAS, Contractor represents that it has the personnel and expertise necessary to perform the Project in a competent and timely manner; and

WHEREAS, the Authority’s Board of Directors, after reviewing Contractor’s proposal dated October 31, 2023, and based upon the recommendation of its consultants, the Authority has decided to retain Contractor to perform the Project upon the terms and conditions set forth in this Agreement.

NOW THEREFORE, in consideration of the promises set forth herein, Authority and Contractor agree as follows:

1. **Scope of Work.** Contractor shall perform the work, as more particularly described in **Exhibit A** (consisting of 1 page) and incorporated herein by this reference

("Scope of Work"), together with all necessary labor, materials, scheduling, procurement, and related work and services as may be necessary and reasonably inferable from the Scope of Work to complete the totality of the obligations imposed upon Contractor by this Agreement (collectively the "Services" or the "Project").

2. **Notice to Proceed.** As soon as practical, after Authority has received satisfactory certificate of insurance as required by paragraph 16 below, Authority shall issue a written Notice to Proceed to Contractor.

3. **Completion Date.** Contractor shall give this Agreement and the Services to be performed hereunder such priority as is necessary to cause the authorized Services to be timely and promptly performed in accordance with the time periods contemplated or expressly provided for in the Scope of Work and in future Work Orders. At any time during the term of this Agreement, Authority may request, and Contractor shall, within twenty (20) days of such request, submit for Authority's approval a written schedule for the completion of the work which comprises the Project. Unless delayed by acts or the failure to act of Authority or other causes beyond the control of Contractor, and without extending any deadline established elsewhere in this Agreement, all Services shall be completed to the Authority's reasonable satisfaction and all deliverables that are a part of the Project shall be delivered to the Authority no later than the dates identified in specific Work Orders.

3.1 **Deliverables.** Without in any way limiting the deliverables as described in the Scope of Work, Contractor shall provide the Authority with an electronic and one (1) hard copy of all final product documents and reports prepared by Contractor pursuant to this Agreement. In addition, all deliverables shall comply with such reasonable requirements as the Authority may establish from time to time, provided those requirements are communicated in writing to Contractor.

4. **Responsibility for Services.** The Authority shall not supervise the work of Contractor or instruct Contractor on how to perform the Services. Contractor shall be fully responsible for the professional quality, technical accuracy, timely completion, and coordination of the Services including all work and reports that are a part thereof, whether such work is performed directly by Contractor or by any subcontractor hired by Contractor and approved by Authority in accordance with paragraph 12 below. Without entitling Contractor to additional compensation and without limiting Authority's remedies, Contractor shall promptly remedy and correct any errors, omissions, or other deficiencies in the Services. Contractor warrants that all Services provided under this Agreement shall be performed with competence and in accordance with the standard of care of Contractor's profession prevailing in Colorado.

5. **Compensation.** Authority shall compensate Contractor in accordance with Contractor's proposal as set forth on **Exhibit B** (consisting of 1 page) as attached hereto and incorporated herein by this reference.

(a) Compensation for Services may be billed monthly to the Authority based on the percentage completed of the tasks identified in **Exhibit B**.

(b) The compensation to be paid Contractor under this Agreement is entire and complete and includes any and all reimbursable and other costs as set forth, and only as set forth, on **Exhibit B**. Contractor further represents and agrees that except as set forth on **Exhibit B** the reimbursable costs to Contractor together with any approved subcontractor costs are at Contractor's actual cost and do not include any additional mark-up whatsoever. It is understood and agreed that Contractor will contract with and pay directly any and all approved subcontractors retained by Contractor for any Services or portion thereof provided under this Agreement.

6. **Method of Payment.** Contractor shall provide an invoice no later than the tenth (10th) day of each month for Services completed through the last day of the preceding month. Each invoice shall be submitted only for those Services actually performed during the period for which the invoice is submitted. Contractor shall submit with each invoice such supporting documentation as Authority may reasonably request. Each invoice submitted by Contractor shall constitute a representation to Authority that the Services are completed to the point as represented in the billing invoice. Unless Contractor does not properly perform the Services, invoices will be paid within thirty (30) to forty-five (45) days after receipt. Authority shall have the right to refuse to pay all or any portion of an invoice that is inconsistent with this Agreement. Authority may delay payment until it can verify the accuracy of an invoice, obtain releases or waivers with respect to Services covered in the invoice, or resolve a dispute with Contractor regarding an invoice.

7. **Conflict of Interest.** Contractor agrees that it shall not accept any employment during the term of this Agreement that creates a potential conflict of interest or compromises the effectiveness of Contractor or otherwise interferes with the ability of Contractor to perform the Services required by this Agreement.

8. **Records and Audits.** Contractor shall at all times maintain a system of accounting records in accordance with its normal billing procedures, together with supporting documentation for all work, purchases, Services and billings under this Agreement. Contractor shall make available for audit and reproduction by Authority all records, in whatever form, related to the Services. Contractor shall provide such availability during the term of this Agreement and for two (2) years after final payment. Contractor shall refund to Authority any charges determined by Authority's audit to be inconsistent with this Agreement.

9. **Confidentiality of Information.** Except as required by law or as is necessary for the performance of the Services, Contractor shall retain in strictest confidence all information furnished by Authority and the results of any reports or studies conducted as a result of this Agreement, along with all supporting work papers and any

other substantiating documents. Contractor shall not disclose such information to others without the prior written consent of Authority's representative. Notwithstanding the foregoing, Contractor shall have no confidentiality obligation with respect to information that: (i) becomes generally available to the public other than as a result of disclosure by Contractor or its agents or employees; (ii) was available to Contractor on a non-confidential basis prior to its disclosure by Authority; and (iii) becomes available to Contractor from a third party who is not, to the knowledge of Contractor, bound to retain such information in confidence.

10. **Ownership of Work Product and Documents.** All printed materials and electronic documents produced as a result of the Services performed under this Agreement shall be the sole property of Authority after payment to Contractor and may not be used, sold or disposed of in any manner without prior written consent of Authority's representative. All documents applicable to the work identified in the Scope of Work shall be delivered and turned over to Authority as and when such work is completed; provided, however, that under no circumstances shall any printed or electronic material, or other documents produced as a result of the Services performed under this Agreement be retained by Contractor from and after the date Contractor has been paid in full all monies due Contractor hereunder. Notwithstanding the foregoing, Contractor may retain a copy of all printed material, electronic or other documents prepared under this Agreement.

11. **Changes in Services.** The Authority shall have the right to order non-material additions, deletions, or changes in the Services at any time, so long as such changes are within the Scope of Work covered by this Agreement. Requests for material changes in the Services may be made by Authority's representative orally or in writing; provided, however, that oral requests shall be confirmed by a written request within ten (10) days after the oral request. If Authority directs Contractor to proceed with the material change, Contractor shall be paid for the change as agreed to by the Parties.

12. **Approval of Subcontractors.** Contractor shall not employ any subcontractor without the prior written approval of Authority's representative, nor shall Contractor assign any rights or obligations under this Agreement in whole or in part without the Authority's prior written approval which may be withheld for any reason. Contractor shall be responsible for the coordination, accuracy, and completeness of all Services in accordance with generally accepted principles and practices of Contractor's profession, regardless of whether the Services are performed by Contractor or one or more subcontractors. Contractor shall endeavor to bind any of its approved subcontractors, if any, to the terms of this Agreement. In the event that any subcontractor is unwilling or unable to comply with any term or provision of this Agreement, Contractor will inform Authority of the specific term or provision at issue. Authority may accept the lack of compliance to the terms of this Agreement on the part of the subcontractor or may request that a different subcontractor be retained. This Agreement

may be terminated by Authority if subcontracted or assigned, either in whole or in part, by Contractor without the express written consent of Authority's representative.

13. **Independent Contractor.** In the performance of the Services, Contractor shall be, for all purposes, an independent contractor and not an employee or agent of Authority. Contractor and its employees and subcontractors shall in no way represent themselves to third parties as agents or employees of Authority.

14. **No Unemployment Insurance or Workers' Compensation Benefits.** Contractor agrees that it is not entitled to unemployment insurance or workers' compensation benefits as a result of performance of the Services for Authority. Contractor is required to provide workers' compensation and unemployment insurance benefits for its employees and/or subcontractors as required by law.

15. **Payment of Taxes.** Contractor is solely liable for any federal, state, and local income and withholding taxes, unemployment taxes, FICA taxes and workers' compensation payments and premiums applicable to the performance of the Services under this Agreement. Contractor shall indemnify Authority for any liability resulting from nonpayment of such taxes and sums.

16. **Insurance.** Neither Contractor nor any subcontractor, agent, or employee thereof, shall continue work on any Services until the following minimum insurance coverages have been obtained:

(a) **Workers' Compensation Insurance.** Contractor and each subcontractor, if any, shall carry workers' compensation insurance to cover liability under the laws of the State of Colorado in connection with the Services performed pursuant to this Agreement. Contractor and each subcontractor shall carry separate policies.

(b) **Commercial General Liability Insurance.** Contractor and each subcontractor, if any, shall carry commercial general liability insurance, which shall include blanket contractual liability coverage. Such insurance shall be in an amount \$5,000,000 per occurrence for bodily injury and property damage.

(c) **Automobile Liability Insurance.** Contractor and each subcontractor, if any, shall carry automobile liability insurance to include owned, non-owned and hired vehicles used in the performance of Services under this Agreement. Such insurance shall be in the amounts \$2,000,000 per occurrence for bodily injury and property damage.

17. **Compliance with Laws and Workers Without Authorization.** In performing this Agreement, Contractor shall comply with all applicable laws, rules and regulations, including but not limited to all federal, state and local laws.

18. **Communications.** It is understood by Authority and Contractor that successful progress under this Agreement requires frequent, concise, and documented communication between the Party's representatives. Authority hereby designates Dave Lindsay (Secretary of the Board of Directors), as Authority's representative, who may give information to and receive information from Contractor. Authority may change its designated representative or add additional representatives from time to time.

Contractor hereby designates Fred Rothauge, as Contractor's representative who may give information to and receive information from Authority and may separately bind Contractor. Contractor may change its designated representative only with the prior written approval of Authority. Each designated representative shall have full authority to not only accept and receive information but also to accept notices, give approvals and to fully represent its respective Party for all purposes under this Agreement.

19. **Liability.** Contractor agrees to provide a defense and pay any damages and costs for any liability or claim of whatsoever kind or nature arising in any way out of this Agreement, to the extent caused by any negligent or wrongful act or omission of Contractor, or Contractor's officers, agents, or employees, or any of Contractor's Subcontractors, or their officers, agents or employees. This paragraph 19 shall survive termination of this Agreement.

20. **Acceptance Not a Waiver.** The Authority's approval of studies, drawings, designs, plans, specifications, reports, computer programs and other work or material shall not in any way relieve Contractor of responsibility for the technical accuracy of the Services. The Authority's approval or acceptance of, or payment for, any Services shall not be construed to operate as a waiver of any rights under this Agreement, or of any cause of action arising out of the performance of this Agreement.

21. **Termination or Suspension.** The Authority reserves the exclusive right to terminate or suspend all or a portion of the Services under this Agreement by giving fourteen (14) days written notice to Contractor. If any portion of the Services shall be terminated or suspended, the Authority shall pay Contractor equitably for all services properly performed pursuant to this Agreement. If the work is suspended and Contractor is not given an order to resume work within sixty (60) days from the effective date of the suspension, this Agreement will be considered terminated. Upon termination, Contractor shall immediately deliver to the Board any documents then in existence, that have been prepared by Contractor pursuant to this Agreement.

22. **Default.** Each and every term and condition of this Agreement shall be deemed to be a material element of this Agreement. In the event either Party shall fail or refuse to perform according to the material terms of this Agreement, such Party may be declared in default by the other Party by a written notice.

23. **Remedies.** In the event a Party has been declared in default, such defaulting Party shall be allowed a period of fifteen (15) days within which to correct or commence correcting the default. In the event that the default has not been corrected or begun to be corrected, or the defaulting Party has ceased to pursue the correction with due diligence, the Party declaring default may elect to (i) terminate this Agreement and seek damages; (ii) treat the Agreement as continuing and require specific performance; or (iii) avail itself of any other remedy at law or in equity. In the event Contractor fails or neglects to perform the Services in accordance with this Agreement, the Authority may elect to correct such deficiencies and charge Contractor for the full cost of the corrections.

24. **Term.** Unless sooner terminated in accordance with the provisions of paragraph 21 above, this Agreement shall remain in effect until the Services are fully performed, at which time the Agreement shall terminate and be of no further force and effect, except as to those provisions which expressly survive termination, including but not limited to paragraphs 8, 9, 10, and 19.

25. **Force Majeure.** The Parties shall not be responsible for any failure or delay in the performance of any obligations under this Agreement caused by acts of God, flood, fire, war or public enemy or the failure of Authority to furnish timely information or to approve or disapprove Contractor's instruments of service within a reasonable period of time.

26. **Assignment.** Subject to the provisions of paragraph 12, this Agreement shall bind and inure to the benefit of the Parties and their respective successors and assigns. This Agreement is intended to benefit only the Parties and neither subcontractors nor suppliers of Contractor nor any other person or entity is intended by the Parties to be a third-party beneficiary of this Agreement.

27. **Governing Law.** This Agreement shall be governed by and construed under the laws of the State of Colorado.

28. **Notice.** All notices required or given under this Agreement shall be in writing and shall be deemed effective: (i) when delivered personally to the other Party; or (ii) seven (7) days after being deposited in the United States mail, first-class postage prepaid, properly addressed as follows; or (iii) when sent by facsimile transmission and receipt is confirmed by return facsimile transmission.

If to Contractor:

Fred Rothauge
Hydro Resources – Rocky Mountain, Inc.
13027 WCR 18, Building C
Fort Lupton, CO 80621

With a copy to:

If to Authority:

Dave Lindsay, Secretary
St. Vrain Water Authority
9950 Park Avenue
Firestone, Colorado 80504

And a copy to:

Timothy J. Flynn
Collin Cole Flynn Winn Ulmer, PLLC
165 South Union Boulevard, Suite 785
Lakewood, Colorado 80228

Or such other persons or addresses as the Parties may designate in writing.

29. **Governmental Immunity.** The Parties understand and agree that the Authority is relying upon, and has not waived, the monetary limitations of \$424,000 per person, \$1,195,000 per occurrence, and all other rights, immunities and protections provided by the Colorado Governmental Immunity Act § 24-10-101 *et seq.*, C.R.S., as it may be amended from time to time.

30. **Entire Agreement.** This Agreement constitutes the entire agreement between the Authority and Contractor and replaces all prior written or oral agreements and understandings. It may be altered, amended, or repealed only by a duly executed written instrument.

31. **Effective Date.** This Agreement shall be effective as of the date and year set forth above.

AUTHORITY:

ST. VRAIN WATER AUTHORITY, a political subdivision of the State of Colorado

By: _____
Julie Svaldi, President

This Agreement is accepted by:

CONTRACTOR:

Hydro Resources-Rocky Mountain, Inc., a Delaware corporation

By: _____
Name: _____
Title: _____
Date: _____

By execution, signer certifies that he/she is authorized to accept and bind Contractor to the terms of this Agreement.

EXHIBIT A

SCOPE OF WORK

Contractor shall perform a Step Rate Test on the Firestone SWD #1 injection well subject to the procedure outlined in EPA Permit CO12413-11960. The test shall be performed, and the data logged, in such a manner as to be compliant with EPA requirements and protocols and with expectation that the data collected will be submitted to EPA by the Authority as part of an application to increase the Maximum Allowable Injection Pressure for the well.

Contractor shall remove the existing fiberglass shelter that protects the well head. The Authority will disconnect all of the interior conduits cabling, and anchors. When the work is completed, the Contractor shall reinstall the fiberglass shelter over the well head. The Authority shall reinstall the conduits, cabling, and anchors.

Contractor shall provide and install down hole pressure gages at the bottom of the well that shall include instantaneous surface readout and data logging at 1 second intervals or less.

Contractor shall supply frac tanks and injection fluid, injection pumps, and associated plumbing to perform the step rate test at the rates and volumes identified in the Contractors Proposal, attached as Exhibit B to this Agreement. Contractors' equipment shall meter and continuously log flow rates and volumes of injected fluid.

- In connection with the above, contractor shall ensure that the step rate test may be conducted at a rate of 40 barrels per minute with 4,500 psig of pressure.
- Contractor, post step rate test and retrieval of gauges, shall acidize well with 10,000 gallons of 15% equivalent HCl concentration of non-corrosive synthetic acid. (Enviro-SYN® HCR-7000-WL-FRTM Modified Acid). Acid shall be displaced at a rate of 40 barrels per minute.

Work shall be coordinated with IPT Well Services to ensure that all of data required for submittal to the EPA is collected and logged. Prior to the start of the work, Contractor, IPT, and the Authority will meet to review the work plan.

Contractor shall NOT be responsible for revegetation of the work area but is to restore the surface grade to pre-construction grades if they are disturbed to eliminate ruts or low areas that would hold water.

EXHIBIT B

CONTRACTOR'S PROPOSAL

(see attached 1 page)



Hydro Resources - Rocky Mountain Inc.

13027 CR 18
 Fort Lupton Colorado 80621
 (303) 857-7540 Fax: (303) 857-3826
 Contractors License Colorado 1469

Customer			Town of Firestone	Quote #:	110923
Address			151 Grant Ave	Job #:	
			Firestone , Colorado 80520	Date:	11/09/23
				State	Zip
Contact:			David B. Lindsay, PE	Co	
Project:			Firestone SWD1 SRT	Phone:	970 290-1092
			SW 1/4 SW1/4 Sec 31-3N-67W	Fax:	
Amount	Unit	Part Number	Description	Price Each	Total Price
1			Provide equipment and services to perform SRT of 12 steps at 30 minutes per step.		
2					
3			Step 2 1 bpm 1,260 gal		
4			Step 3 2 bpm 2,520 gal		
5			Step 4 4 bpm 5,040 gal		
6			Step 5 6 bpm 7,560 gal		
7			Step 6 8 bpm 10,080 gal		
8			Step 7 12 bpm 15,120 gal		
9			Step 8 16 bpm 20,160 gal		
10			Step 9 20 bpm 25,200 gal		
11			Step 10 25 bpm 31,500 gal		
12			Step 11 30 bpm 37,800 gal		
13			Step 12 40 bpm 50,400 gal		
14			Total Est Volume 207,270 gal		
			10 frac tanks with manifold and hoses will be set and filled prior to the start of the SRT		
15					
16			Production Logging services will set up and install down hole gauges to record bottom hole pressure with surface read out.		
17			Liberty Well Service will set up and pump the 12 steps while providing surface pressure and volume data.		
18			A rental manlift will be used to rig up and rig down the lubricator		
19					
20			This test requires 10 frac tanks, 4 pump trucks, Data truck, Service truck and other needed equipment which requires adequate space. Hydro will not be responsible for damage to grass or landscape beyond our control.		
21					
22			10,000 gallons of Halliburton Green (Safe) acid to be pumped following SRT and retrieving pressure transducers		
23					
			Quote good for 30 days		
					\$198,840.00
				Total	\$198,840.00

This bid must be signed and returned to Hydro Resources in order to be placed on the schedule.

Quote good for 30 days
 Terms of sale are governed by Hydro Resources - Rocky Mountain, Inc.

Signed: _____

Date: _____

Agenda Item 5(a)

CERTIFICATION OF BUDGET

**TO: THE DIVISION OF LOCAL GOVERNMENT
Department of Local Affairs
1313 Sherman Street, Room 520
Denver, Colorado 80203**

This is to certify that the budget, as attached hereto, is a true and accurate copy of the budget for the St. Vrain Water Authority, Counties of Boulder, Larimer and Weld, Colorado, for the budget year beginning January 1, 2024 and ending December 31, 2024, as adopted by the Board of Directors on November 13, 2023.

Adopted on the 13th day of November, 2023.

ST. VRAIN WATER AUTHORITY

By: _____
Dave Lindsay, Secretary

**St. Vrain Water Authority
Comparative Budget Statement
2024 Budget**

	2022 Actual	2023 Adopted Budget	2023 Year-End Forecasts	2024 Proposed Budget
<u>OPERATING REVENUES</u>				
Cash Contribution - Firestone	50,080.00	25,000.00	25,000.00	-
Cash Contribution - LTWD	10,016.00	5,000.00	5,000.00	-
Water Ops Base Charge - Firestone	-	348,544.17	348,544.17	527,181.67
Water Ops Base Charge - LTWD	-	69,708.83	69,708.87	105,436.33
Water Sales - Firestone	-	103,477.50	40,950.00	95,062.50
Water Sales - LTWD	-	-	-	-
TOTAL OPERATING REVENUE	\$ 60,096.00	\$ 551,730.50	\$ 489,203.04	\$ 727,680.50
<u>OPERATING EXPENDITURES</u>				
<u>Administration</u>				
Salaries and Benefits	-	123.00	425.00	-
Office Supplies	829.00	100.00	555.00	500.00
Dues and Fees	1,446.00	3,307.00	2,120.00	7,203.00
Contract Services	51,138.00	319,720.00	183,400.00	356,205.00
Telephone System	-	-	3,460.00	-
Rate Study	-	35,000.00	-	35,000.00
Permit and Licensing	-	-	-	35.00
Misc. Administration	-	-	-	1,000.00
Total Administration	\$ 53,413.00	\$ 358,250.00	\$ 189,960.00	\$ 399,943.00
<u>Facilities</u>				
Insurance	-	2,700.00	35,757.00	53,476.00
Utilities (electric, natural gas, sewer)	5,930.00	42,503.00	62,764.97	81,280.00
Grounds Maintenance	-	10,000.00	10,000.00	10,000.00
Building/Facility Maintenance	-	4,800.00	3,821.00	10,719.00
Misc. Facilities	-	-	-	1,000.00
Total Facilities	\$ 5,930.00	\$ 60,003.00	\$ 112,342.97	\$ 156,475.00
<u>Operations and Maintenance</u>				
Chemicals	-	120,000.00	5,000.00	54,000.00
Utilities	-	8,946.00	14,510.00	26,454.00
Equipment Maintenance	-	-	-	2,000.00
Misc. Tools/Lab Supplies	-	-	6,000.00	5,000.00
Misc. O&M Expenses	-	-	115,000.00	1,000.00
Total Operations and Maintenance	\$ -	\$ 128,946.00	\$ 140,510.00	\$ 88,454.00
<u>Capital Equipment</u>				
Electric Pallet Jack	-	-	-	6,200.00
Security System	-	-	10,000.00	70,000.00
Misc. Capital Equipment	-	-	-	5,000.00
Total Capital Equipment	\$ -	\$ -	\$ 10,000.00	\$ 76,200.00
TOTAL OPERATING EXPENSES	\$ 59,343.00	\$ 547,199.00	\$ 452,812.97	\$ 721,072.00
OPERATING GAIN (LOSS)	753.00	\$ 4,531.50	36,390.07	\$ 6,608.50
<u>NON-OPERATING REVENUES</u>				
Subscription Fee - LTWD	-	-	-	-
Total Non Operating Revenue	\$ -	\$ -	\$ -	\$ -
<u>NON-OPERATING EXPENSES</u>				
Repayment of Capital Contributions	-	-	-	-
Total Non-Operating Expenses	\$ -	\$ -	\$ -	\$ -
NON-OPERATING NET GAIN (LOSS)	\$ -	\$ -	\$ -	\$ -
Fund Balance, Beginning of Year	\$ -	\$ 11,235.43	\$ 15,766.93	\$ 52,157.00
Fund Balance, End of Year	\$ 753.00	\$ 15,766.93	\$ 52,157.00	\$ 58,765.50

Agenda Item 5(a)(i)

RESOLUTION 2023-08

ST. VRAIN WATER AUTHORITY
BOULDER, LARIMER AND WELD COUNTIES, COLORADO

**A RESOLUTION SUMMARIZING THE EXPENDITURES AND REVENUES
AND ADOPTING A BUDGET FOR THE ST. VRAIN WATER AUTHORITY,
BOULDER, LARIMER AND WELD COUNTIES, COLORADO, FOR THE
CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY 2024 AND
ENDING ON THE LAST DAY OF DECEMBER 2024**

WHEREAS, the Board of Directors of the St. Vrain Water Authority appointed David B. Lindsay, a Board Member of the Authority, to prepare and submit a proposed budget to said governing body at the proper time; and

WHEREAS, a proposed budget was submitted to the Board of Directors of the St. Vrain Water Authority on or before October 15, 2023 for its consideration; and

WHEREAS, upon due and proper notice, published in accordance with law, a hearing was held on said proposed budget on Monday, November 13, 2023; and

WHEREAS, the proposed budget has been prepared to comply with all terms, limitations and exemptions, including but not limited to reserve transfers and expenditure exemptions under Article X, Section 20, of the Colorado Constitution, and other laws or obligations which are applicable to or binding upon the Authority; and

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues so that the budget remains balanced, as required by law.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the St. Vrain Water Authority, Counties of Boulder, Larimer and Weld, Colorado:

Section 1. That the estimated expenditures for each fund for the calendar year beginning on the first day of January 2024, and ending on the last day of December 2024, are as follows:

General Fund:	
Operating and Non-Operating	\$721,072
Total Expenditures	<u>\$721,072</u>

Section 2. That the estimated revenues for each fund for the calendar year beginning on the first day of January 2024, and ending on the last day of December 2024, are as follows:

General Fund:	
From Reserve Fund Balance	\$ 0
From sources other than general property tax revenue	\$727,680
From general property tax revenue	<u>\$ 0</u>
Total General Fund Revenues:	\$727,680

Section 3. That the budget, as submitted, amended, and herein summarized by fund, be and the same hereby is, approved and adopted as the budget of the St. Vrain Water Authority for the calendar year 2024.

Section 4. That the budget, as herein above approved and adopted, shall be a part of the public record of the St. Vrain Water Authority, a copy of which is attached hereto as Exhibit "A", and shall be certified by the treasurer, secretary or president of the Authority to all appropriate agencies.

Adopted this 13th day of November, 2023.

ST. VRAIN WATER AUTHORITY

By: _____
Julie Svaldi, President

Attest:

Dave Lindsay, Secretary

Agenda Item 5(a)(ii)

RESOLUTION 2023-09

ST. VRAIN WATER AUTHORITY
BOULDER, LARIMER AND WELD COUNTIES, COLORADO

A RESOLUTION APPROPRIATING SUMS OF MONEY FOR THE ST. VRAIN WATER AUTHORITY IN THE AMOUNT AND FOR THE PURPOSES SET FORTH BELOW FOR THE 2024 BUDGET

WHEREAS, the Board of Directors of the St. Vrain Water Authority adopted the annual budget for 2024 and does not certify a mill levy; and

WHEREAS, the Board of Directors of the St. Vrain Water Authority has made provision in the budget for revenues in an amount equal to or greater than the total proposed expenditures as set forth therein; and

WHEREAS it is not only required by law but also necessary to appropriate the revenues provided in the budget to and for the purposes described below, thereby establishing a limitation on expenditures for the operation of the St. Vrain Water Authority for calendar year 2024.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the St. Vrain Water Authority, Counties of Boulder, Larimer and Weld, Colorado, as follows:

Section 1. That the following sums of money are hereby appropriated from the revenues of each fund and for the purposes set forth below:

General Fund:	
Operating and Non-Operating	\$721,072
Total Expenditures	<u>\$721,072</u>

[REMAINDER OF PAGE LEFT INTENTIONALLY BLANK]

Adopted this 13th day of November, 2023.

ST. VRAIN WATER AUTHORITY

By: _____
Julie Svaldi, President

Attest:

Dave Lindsay, Secretary

Agenda Item 6(a)

TOWN OF FIRESTONE WORKING RESERVE POLICY ADOPTED FEBRUARY 2021

INTENT

The Town of Firestone (Town) Board of Trustees (Board) has determined it to be prudent financial practice to maintain adequate levels of working reserve in the Town's General Fund in order to mitigate current and future risks such as revenue shortfalls and unanticipated expenditures as well as to buffer the Town from downturns in the economy and to provide an additional source of accumulated funding for major capital improvement projects. The Town believes that establishing and maintaining adequate working reserve levels will assist the Town in taking greater advantage of the “pay as you go” philosophy and is a critical consideration to the Town’s long-term financial planning.

POLICY

The Town has established the following fiscal policy related to its working reserve.

Minimum, Maximum and Target Levels

The Town will maintain a minimum working reserve of at least 25% of the current year's General Fund operating appropriations. The Town's maximum working reserve shall not exceed 100% of the General Fund budgeted operating appropriations. In the event the Town has excess funds of over the 100% maximum amount, the Town will reserve such excess funds for future capital projects or for such other purposes as designated by the Board. The working reserve levels will be determined by the Board annually during the budget process.

Use of Funds

The Town understands that circumstances may arise that may warrant the Town using its working reserve temporarily. The Town has determined the following circumstances to be permissible instances where it may elect to use its working reserve:

- An economic downturn in which revenues are significantly/materially under budget
- Unexpected and unappropriated price increases to service and maintain essential Town operations
- Non-budgeted and unexpected emergencies, natural disaster costs, or litigation
- Early retirement of Town debt or loans
- Grant matching and public/private partnership matching
- Provide coverage to other funds due to a shortfall in budgeted revenues
- Capital asset acquisition, construction and improvement projects

The use of the working reserve in a given budget year will require approval by a simple majority vote by the entire Board.

Terms for Replenishment

In the event the Town elects to use its working reserve for the aforementioned purposes, the Town will concurrently establish a formal plan to replenish its working reserve to the minimum working reserve level. It will be the policy of the Town to replenish the working reserve to its minimum level as follows:

- As soon as revenues are reasonably available, and
- With priority given to replenishment over any future budgeted, new discretionary spending by the Board (either capital or operational in nature), and
- With replenishment complete no later than 5 years subsequent to the utilization of such funds.

Policy Review

The Finance Director will be responsible for reviewing the Working Reserve Policy annually in connection with the Town's annual budgeting process to ensure that the Town is maintaining adequate levels of working reserve funds as set forth in this policy. Furthermore, the Finance Committee and Finance Director will be responsible for reviewing the Working Reserve Policy every two years and will make recommendations for revisions to the policy as deemed appropriate. Adoption and modifications to this policy will require the approval of a simple majority vote by the entire Town Board.



Bobbi Sindelar

Bobbi Sindelar, Mayor

Jessica Koenig

Attest: Jessica Koenig, CMC, Town Clerk

RESOLUTION NO. 23-86

**A RESOLUTION OF THE BOARD OF TRUSTEES OF THE TOWN OF
FIRESTONE, COLORADO, ADOPTING THE TOWN OF FIRESTONE
CAPITALIZATION AND DEPRECIATION POLICY**

WHEREAS, the Town of Firestone has previously adopted the Capitalization and Depreciation Policy for the Town; and

WHEREAS, the Board of Trustees finds that such Policy should be updated and that the adoption of a current Capitalization and Depreciation Policy will promote and support the efficient and effective use of Town resources and promote the best interests of the Town; and

WHEREAS, there has been presented to the Board of Trustees for adoption a proposed Capitalization and Depreciation Policy, which has been developed through the collaborative efforts of the Town Manager, Director of Finance and consultants; and

WHEREAS, the Board of Trustees finds that the proposed Capitalization and Depreciation Policy is solely in support of the Town's fiscal responsibilities; and

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE TOWN OF FIRESTONE, COLORADO:

Section 1. The Board of Trustees hereby approves and adopts the Town of Firestone Capitalization and Depreciation Policy, in substantially the same form as the copy attached hereto and made a part of this resolution.

Section 2. All prior Capitalization and Depreciation Policies or amendments thereof adopted by the Town are repealed in their entirety.

INTRODUCED, READ, and ADOPTED this 23rd day of August, 2023.

TOWN OF FIRESTONE, COLORADO



Drew Peterson, Mayor


ATTEST:



Kristi K Bashor, CMC, Town Clerk



APPROVED AS TO FORM:



William P. Hayashi, Town Attorney

**TOWN OF FIRESTONE
CAPITALIZATION AND DEPRECIATION POLICY
ADOPTED AUGUST 2023**

The Town of Firestone (Town) understands the importance of being in compliance with generally accepted accounting principles as established by the Governmental Accounting Standards Board (GASB) by reporting capital asset information in the Town’s year-end government-wide financial statements. Reporting capital asset activity accurately and consistently, provides the readers of the Town’s audited financial statements an economic measurement focus of the Town’s position. The Town has established the following fiscal policy related to capitalization thresholds and capital asset depreciation method.

CAPITALIZATION THRESHOLD

The monetary threshold for capitalization purposes will be established for capital assets with an initial, individual cost of \$5,000 or more and having a useful life in excess of one year.

- The cost of commissions, delivery, setup, and or accessories should be included in the final cost of the capital asset.
- All capital assets shall be recorded and tracked via a perpetual inventory system. The Town will perform a physical inventory of its capital assets, either simultaneously or on a rotating basis, so that all of the assets are physically accounted for at least once every three years.
- The Town has developed a Fleet Purchase/Surplus Policy in accordance with accepted professional standards and best practices. This policy is utilized to commit adequate funding of re-investment in the Town’s machinery, vehicles and equipment, so as to prevent the deferment of required ongoing maintenance and replacement.

DEPRECIATION OF CAPITAL ASSETS

For year-end financial statement purposes, the Town will calculate depreciation expense on its capital assets utilizing the straight line method over the following estimated useful lives:

Infrastructure and Improvements	5-50 years
Buildings and Improvements	10-50 years
Machinery and Equipment	3-30 years

The Town will not calculate depreciation expense in the year that the capital asset is purchased.

POLICY REVIEW

The Finance Committee and Finance Director will be responsible for reviewing the Capitalization and Depreciation Policy every two years and will make recommendations for revisions to the policy as deemed appropriate. Adoption and modifications to this policy will require the approval of a simple majority vote by the entire Town Board.



A handwritten signature in blue ink, appearing to read "Drew Peterson".

Drew Peterson, Mayor

A handwritten signature in blue ink, appearing to read "Kristi K Bashor".

Attest: Kristi K Bashor, CMC, Town Clerk



MEMORANDIUM OF RECOMMENDATION

TO: Board of Trustees

FROM: Finance Committee

CC:

DATE: August 16, 2023

RE: Capitalization Policy

The proposed Capitalization Policy has been reviewed by the Finance Committee at the August 16, 2023 meeting. With a vote of 4 for and 0 against, the Finance Committee of the Town of Firestone recommends the approval of the Capitalization Policy.

FINANCE COMMITTEE



Frank A. Jimenez, Chair

ATTEST:



Kristi K Bashor, Secretary

Agenda Item 7(a)



St. Vrain Water Authority Monthly Activity Report October 2023

Daily Operations include recording daily flow totals and chemical levels, record daily process control data. Completion of plant start-up and visual inspection of plant equipment. Collect and analyze daily lab samples. Completion of end of day shutdown and lock up.

10/2/23: Completed daily operations. Met Plummer Associates, Inc., and Estes Park guests for plant tour.

10/3/23: Completed daily operations. Attend weekly progress meeting. Filled and heated CIP tank.

10/4/23: Completed daily operations. Complete September MOR. Completed Acid CIP on UF #1.

10/5/23: Completed daily operations. Neutralized acid CIP waste. Completed Chlorine CIP on UF #1. Neutralize chlorine CIP waste.

10/6/23: Completed daily operations.

10/9/23: Completed daily operations. Met Dave Lindsay and Town of Firestone Engineering Department for plant tour.

10/10/23: Completed daily operations. Filled CIP tank.

10/11/23: Completed daily operations. Completed UF #2 acid maintenance wash. Neutralized MW waste.

10/12/23: Completed daily operations.

10/13/23: Completed daily operations.

10/16/23: Completed daily operations. Set aside extra chairs for disposal. Flushed and cleaned UF filtrate turbidimeter.

10/17/23: Completed daily operations. Attended weekly construction meeting. Completed UF #1 acid maintenance wash.

10/18/23: Completed daily operations. Met with Dave Lindsay and the IWS Project Manager onsite to evaluate issues with UF Feed Pump #2. Completed UF #1 chlorine maintenance wash.

10/19/23: Completed daily operations. Neutralized CIP tank waste.

10/20/23: Completed daily operations.

10/23/23: Completed daily operations.

10/24/23: Completed daily operations. Attend weekly construction meeting. Changed out the sulfuric acid tote, then primed sulfuric acid pump.

10/25/23: Completed daily operations. The RO Auto Flush sequence stopped overnight due to high inlet pressure alarm. Attempted to start up plant and RO feed conductivity probe was blown out of the pipe. Called Hyperion and Wigen for assistance restarting RO safely. Instructed by Wigen to open RO inlet valve manually and restart RO. RO restarted successfully manually and shutdown. The RO was restarted successfully in auto. Cleaned up water on the floor.

10/26/23: Completed daily operations. Picked up sample bottles from Colorado Analytical. Met Orkin onsite for pest control. Collected quarterly compliance samples and delivered to Colorado Analytical.

10/27/23: Completed daily operations. Changed out sodium hydroxide barrel. Checked outdoor piping and heat trace in preparation for freezing temperatures.

10/30/23: Completed daily operations. Checked outdoor piping for freezing and leaks.

10/31/23: Completed daily operations. Calibrated pH probe on UF CIP line. Met Dave Lindsay onsite and discussed options for rerouting RO concentration.

Summary Chart

Monthly Water Totals	October 2023
Raw (MG)	1.6873
Filtrate (MG)	1.5264
Finished (MG)	1.3697
Concentrate (MG)	0.1764
Finished Water Quality	
Average Entry Point Free Chlorine Residual (mg/L)	1.98
Average Entry Point pH (SU)	7.62
Average Entry Point Conductivity (μ S/m)	326
Average Entry Point Fluoride (mg/L)	0.57
Average Entry Point Alkalinity (mg/L)	167



Ramey Environmental Compliance, Inc.
Management and Operation Solutions for
Water and Wastewater Treatment
303-833-5505

PO Box 99, Firestone, Colorado 80520
email: contact.us@RECinc.net
www.RECinc.net

To Our Valued Clients and Colleagues:

Ramey Environmental Compliance, Inc. has been purchased by PERC Water Corporation (<https://percwater.com>). Perc Water is a long established and innovative company that designs, builds, operates, and finances a multitude of water and wastewater facilities in California, Arizona, Hawaii, and Utah. PERC Water has Headquarters in California and Florida. PERC was established in 1998 and has either designed, built and/or operated 61 facilities. PERC Water is a subsidiary of Consolidated Water (<https://cwco.com>) located in Coral Springs, Florida.

CWCO is an international water solutions company, that supplies potable water and water for reuse in the Cayman Islands, the Bahamas, the United States and the British Virgin Islands.

Linda and I are excited to be joining the PERC/CWCO team and will continue to provide award-winning service to our clients in Colorado and the Eastern Plains as we have done for more than 25 years. Although we had considered other options for REC, we were impressed with the PERC/CWCO company culture which, like REC, promotes passion for water treatment, excellent service to its customers and innovation. It is really all about the people and the company culture, and we believe that combining REC with PERC/CWCO was the best way to maintain and look after all of REC's stakeholders while preserving our legacy for the long term.

You'll not even notice any difference in how we conduct business. REC will still be there when you need us the most and we'll also be there when no one notices.

If you have any concerns, please contact Wayne or Linda at your earliest convenience.