



City of Fort Lupton

SPECIAL MEETING AGENDA

Thursday, February 18, 2021

6:30 PM

130 South McKinley Avenue

Zo Stieber, Mayor

Shannon Rhoda, Ward 1

Chris Ceretto, Ward 2

Mike Sanchez, Ward 3

David Crespín, Ward 1

Tommy Holton, Ward 2

Bruce Fitzgerald, Ward 3

You may join in person or join remotely by registering at:

<https://attendee.gotowebinar.com/register/4187113314974136331>

Pledge of Allegiance

Call to Order - Roll Call

Persons to Address Council - This portion of the Agenda is provided to allow members of the audience to present comments to the City Council. The City Council may not respond to your comments this evening, rather they may take your comments and suggestions under advisement or your question may be directed to the appropriate staff member for follow-up. Please limit the time of your comments to three (3) minutes - Mayor Stieber

Approval of Agenda

Action Memorandum

a. Waste Water Treatment Plant Update

Executive Session "To determine positions relative to matters that may be subject to negotiations, develop a strategy for negotiations, and/or instruct negotiators, pursuant to CRS §24-6-402(4)(e)" Related to Investigations into Matters Involving City Business.

Adjourn

RECORD OF PROCEEDINGS
FORT LUPTON CITY COUNCIL/ENTERPRISE BOARDS
February 18, 2021

The City Council of the City of Fort Lupton met in a special session at the City Complex, 130 South McKinley Avenue, the regular meeting place of the City Council, on Tuesday, February 18, 2021. Due to the COVID-19 virus, the meeting was held with remote access provided through GoToWebinar. Mayor Zo Stieber called the meeting to order at 6:30 p.m. and invited everyone to join her in the Pledge of Allegiance.

ROLL CALL

Mari Peña, City Clerk, called the roll. Those present were Mayor Zo Stieber, Councilmembers Tommy Holton, Michael Sanchez and Bruce Fitzgerald. Councilmember David Crespin participated remotely through GoToWebinar.

Also present were City Administrator, Chris Cross, Assistant City Administrator Glenda Aretxuloeta, Finance Director, Leann Perino, City Clerk, Mari Pena, Public Works Director, Roy Vestal.

The City Attorney, Andy Ausmus, participated remotely through GoToWebinar.

PERSONS TO ADDRESS COUNCIL

There was no one to address the Council

APPROVAL OF AGENDA

It was moved by Bruce Fitzgerald and seconded by Tommy Holton to approve the Agenda as presented. Motion passed unanimously on roll call vote.

ACTION AGENDA

Waste Water Treatment Plant Update

The City Administrator, Chris Cross, gave an update on the Waste Water Treatment Plant ("WWTP"). The Update included information regarding Regulation 85 ("Reg 85") and its effects on the City of Fort Lupton Treatment Plant. The presentation provided the options available which included: payment to expand the current plant; exploring purchasing services from Metro Wastewater Reclamation District ("Metro"); and exploring purchasing services from St. Vrain Sanitation District. Option 1, upgrading the WWTP included applying for time extension from the State of Colorado to meet Colorado Department of Public Health and Environment ("CDPHE") timelines for Reg 85 and working with Burns and McDonnell to adjust timelines on Engineering Project Proposal to meet State of Colorado milestone and loan regulation timelines. Option 2, included services from Metro Wastewater Reclamation District. Staff discussed the process required to connect to Metro, the costs to connect the City to Metro's system, pay tap fees and pipe construction, and using advanced technology advancement of Metro's current system. Option 3, included Services from St. Vrain Sanitation District, connecting to St. Vrain Sanitation District and entering into a partnership within the City's 208 Sanitation Region. Option 3 provided a

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challenge to construct, due to connecting pipeline to St. Vrain WWTP which runs ten (10) miles north.

The costs associated with Option 1 to upgrade the WWTP are estimated at \$38,000,000. Long term costs of operating the WWTP are approximately \$38 million in 2021-2023, \$15 million in 2027 due to Regulation 31, and \$30 Million for 2033. The total investment needed over the next 10 years is approximately \$83,000,000 plus interest over time at \$17,000,000.

The costs associated with Option 2 to connect to Metro Wastewater Reclamation District are estimated at \$44,000,000.

The costs associated with Option 3 to connect to St. Vrain Sanitation District are estimated at \$55,000,000.

A loan comparison was completed showing that the State of Colorado could provide a loan for \$38 million at an interest rate of 2.49% with an approximate annual payment of \$1,810,000 and interest at \$16,400,000. The second loan, from Stifel Financial, provided a variable interest rate between 3% - 5% with an approximate annual payment of \$1,943,100 with interest at \$32,125,000.

The presentation provided possible scenarios of a flat rate on utility bills based on lowest interest rate loan. With the WWTP Upgrade, the residential flat fee, which would need to go in effect immediately, is \$40.50. There is an estimated additional flat fee of \$15.25 in the year 2027 to meet the cost of Regulation 31. With Metro, the residential flat fee would be \$33.50, however the flat fee could increase due to the nature of the time it would take to construct the pipeline. Any future state regulations would become the responsibility of the provider. With St. Vrain, the residential flat rate would be \$53.50. Again, the flat fee could increase due to the nature of the time it would take to construct the pipeline.

As per the presentation, several unknown scenarios were discussed: revenues from new construction, pipeline construction challenges, WWTP upgrade challenges, and the cost of increase over time of operations and management for each scenario.

Discussion occurred over the options presented. Brian Kandle and Zach Harrington with Burns and McDonnell, citizens Cassie Ali, Jamie Woodward, and Steve Dickinson, all provided input.

Council discussed what it would take to decommission the WWTP. No further discussion occurred.

EXECUTIVE SESSION

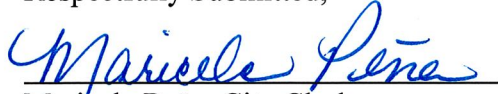
There was an Executive Session on the Agenda however, no Executive Session occurred.

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ADJOURNMENT

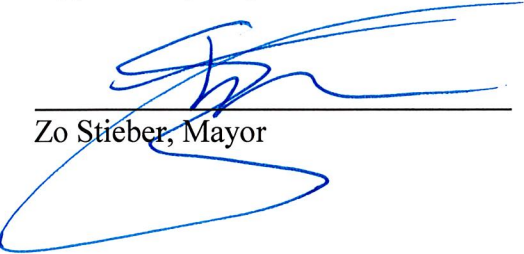
Mayor Stieber adjourned the meeting at 7:38 p.m.

Respectfully Submitted,



Maricela Peña, City Clerk

Approved by City Council



Zo Stieber, Mayor

