



**SOUTH PLATTE
RENEW**

OWNED BY LITTLETON/ENGLEWOOD

**Supervisory Committee Meeting (Virtual Meeting)
September 24, 2020**

South Platte Renew (SPR)
2900 South Platte River Drive, Englewood, CO 80110
9:00 – 10:30 a.m.

SEPTEMBER 2020 MONTHLY PROGRESS REPORT

**Presented to the Supervisory Committee – by email
on September 18, 2020**

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September 24, 2020**

South Platte Renew (SPR)
2900 South Platte River Drive,
Englewood, CO 80110

Meeting held by using Microsoft Teams
9 – 10:30 a.m.

AGENDA

- | | |
|---|---|
| Welcome | Pieter Van Ry |
| 1. Action Items | |
| <ul style="list-style-type: none">• USGS Water Monitoring Station Agreement• SPR Farm Lease Agreement Renewals• Crane Truck – Purchase Recommendation | Blair Corning
Blair Corning
Brian Tracy |
| 2. Business Group Spotlight & Informational Items | |
| <ul style="list-style-type: none">• CSU Biosolids Research Partnership• Director's Update• Three (3)-Month Outlook for Supervisory Committee Action Items | Blair Corning
Pieter Van Ry
Pieter Van Ry |
| 3. Required Reporting | |
| <ul style="list-style-type: none">• Influent Flow & Load Summary• Financial Management & Reporting• Schedule for Next Supervisory Committee Meeting | Pieter Van Ry
Kacie Allard
Pieter Van Ry |

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Section 1: Action Items

1. USGS Water Monitoring Station Agreement

EXECUTIVE SUMMARY

South Platte Renew (SPR) recommends the Supervisory Committee approve the SPR portion of the United States Geological Survey (USGS) Joint Funding Agreement for Gaging and Monitoring Stations, in the amount of \$27,856. SPR further recommend the Supervisory Committee endorse SPR seeking Englewood City Council approval of an Ordinance authorizing the Intergovernmental Agreement entitled “U.S. Department of the Interior U.S. Geological Survey Joint Funding Agreement for Water Resources Investigations.” The Ordinance would authorize the Englewood City Manager to execute the agreement and further extend the agreement for five additional one-year periods.

BACKGROUND

In cooperation with the USGS and Urban Drainage, the City of Englewood (COE) contributes to the cost of maintaining the flow gauge at Union Avenue, and the flow gauge and water quality monitor for the SPR facility. Information from this equipment is used to make calls for water releases from Chatfield to maintain necessary levels at the Union Avenue reservoir, and to determine State water quality permit requirements for the SPR facility. Additionally, SPR relies on the continuous temperature data from the water quality monitoring station for its monthly Discharge Monitoring Reports.

ANALYSIS

SPR contributes funding for the gaging station and monitoring station located near the SPR facility. SPR’s cost of funding the ‘S. Platte River at Englewood’ Gaging and Monitoring Stations is \$27,856.00. Funds for this agreement are included within the 2020 SPR budget.

The COE Utilities Department contributes funding for the Union Avenue gaging station located at Union Avenue. The Englewood Utilities Department portion of the comprehensive agreement is \$12,266.00. USGS contributes \$20,339 funding through the agreement.

FINANCIAL IMPACT

Funds for these purchases will be expensed from the SPR Professional Services Budget.

Source of Funds	Line Item Description	Line Item Amount	YTD Line Item Expensed	YTD Encumbrance	Purchase Amount
Contractual Services	Professional Services	\$245,000.00	\$8,439.72	\$64,161.17	\$27,856

STAFF RECOMMENDATION

SPR staff recommends that the Supervisory Committee approve SPR’s portion of the USGS Joint Funding Agreement for Gaging and Monitoring Stations, in the amount of \$27,856.

SPR further recommends that the Englewood City Council consider an Ordinance to authorize the Englewood City Manager to execute the agreement and further extend the agreement for five additional one-year periods.

PROPOSED MOTION

I move to approve the funding for South Platte Renew's portion of the USGS Joint Funding Agreement for Gaging and Monitoring Stations, in the amount of \$27,856. I also move to approve the recommendation to present the agreement to the Englewood City Council for consideration, to approve by Ordinance, to authorize the Englewood City Manager to execute the agreement and further extend the agreement for five additional one-year periods.

2. SPR Farm Lease Agreement Renewals

EXECUTIVE SUMMARY

South Platte Renew (SPR) recommends the Supervisory Committee approve the renewal of four amended lease agreements between the Cities of Littleton and Englewood and its existing Lessees. Amendments to the lease agreements include increased cash rent for a total annual revenue of \$114,771.60 for 7,530.6 acres. The lease is for the term of one year, renewable annually for five years commencing on January 1, 2021, and ending on December 31, 2025. SPR further recommends the Supervisory Committee endorse SPR seeking approval by ordinance for the leases from the Littleton and Englewood City Councils.

BACKGROUND

There are currently five lease agreements between the Cities of Littleton and Englewood and four different farmers. These were written for the five-year period from January 1, 2016 and will expire December 31, 2020. The existing Lessees are Progressive Farms, Craig Farms, Gary and Nancy Meier, and Kent Beichle. Kent Beichle is the Lessee for two lease agreements, as the second lease was transferred from another farmer in 2018.

The long-term relationship with each farmer is critical to SPR's Beneficial Use Program, as it allows for successful land application of biosolids. This sustainable solution avoids additional expenses of landfilling the solids produced during the wastewater treatment process. Good farming practices and adherence to state and federal regulations by partner farmers is instrumental to the success of the biosolids program.

The previous cash rent for the properties was set at \$12.00/acre based on data from the Colorado State Land Board's equation for standard rates in Adams and Arapahoe Counties. This amount has been increased to account for inflation and current agricultural market conditions.

ANALYSIS

The amendments to the lease agreements include 1) increasing the cash rent per updated calculations and benchmarking, 2) consolidating the two Beichle leases into a single lease, 3) adding language to improve communications with farmers, 4) allowing a temporary extension for farmers to harvest crop in the event that the agreement ends, and 5) allowing for an appraisal to inform rent increases after each term.

The cash rent has been increased to \$16.00/acre for the three leases receiving biosolids application. The rate of \$16/acre was derived from the average of 2019 data from the Colorado State Land Board and National Agriculture Statistics Service (NASS).

Kent Beichle's cash rent was increased to \$14.00/acre because land application is not performed on this land due to odor concerns from nearby residents. Additionally, the soil quality is poorer than the other owned properties.

Summary of Lease Rate Information and Revenue Projections:

Farmer	Rate (\$/acre)	Acres	Revenue (\$)
Progressive Farms	16	4,993	79,888
Craig Farms	16	320	5,120
Meier	16	1,271	16,506
Beichle	14	947	13,258

FINANCIAL IMPACT

The expected increase in revenue with the proposed lease rates is detailed below:

2016-2020 Annual Revenue, \$	2021-2025 Annual Revenue, \$	% Increase
88,455.20	114,771.60	23

STAFF RECOMMENDATION

Staff recommends the approval of the four amended lease agreements between the Cities of Littleton and Englewood, Progressive Farms, Craig Farms General Partnership, Gary and Nancy Meier, and Kent Beichle at the proposed lease rates.

PROPOSED MOTION

I move to approve the amendments of the four lease agreements between the Cities of Littleton and Englewood, Progressive Farms, Craig Farms General Partnership, Gary and Nancy Meier, and Kent Beichle at the proposed lease rates. I further move to approve that SPR seek Littleton and Englewood City Council approval, by ordinance, for the four leases agreements.

ATTACHMENTS

- [*Farm Lease Agreement – Beichle_2021*](#)
- [*Farm Lease Agreement – Craig Farms_2021*](#)
- [*Farm Lease Agreement – Meier_2021*](#)
- [*Farm Lease Agreement – Progressive Farms_2021*](#)

3. Crane Truck – Purchase Recommendation

EXECUTIVE SUMMARY

South Platte Renew (SPR) recommends the Supervisory Committee approve a purchase order through Sourcewell with Altec Industries, Inc., in the amount of \$122,468 for a 2019 Ford F550 crane truck for the SPR facility.

Vehicle	Vendor	PO Amount
2019 Ford F550 with crane service body	Altec Industries, Inc.	\$122,468

BACKGROUND

All SPR vehicle purchases are based on recommendations from the City of Englewood (COE) Service Center. The COE Service Center analyzes the following criteria when making vehicle purchases:

- Years of service
- Hours accrued
- Maintenance dollars expended
- Overall condition assessment made by the Service Center

SPR currently owns a 2002 one-ton Chevrolet crane truck that was purchased from the COE in 2014. The 2002 truck has been used by Operations & Maintenance (O&M) staff for any projects that require a crane, compressed air, and limited tools. Maintenance uses the crane truck to move equipment in and out of process buildings, load equipment on and off trucks for transportation, and remove and replace pumps throughout the plant. Operations uses it to extract debris carts out of clarifiers and install stop-logs when the reach of the crane permits.

The current truck's lift capacity of 2,700 pounds at 3.5 feet load radius, makes the vehicle inadequate and unsafe for SPR staff use. Additionally, the truck's two-wheel-drive feature limits its crane usage and prohibits Beneficial Use Operators from utilizing it at the farm. The total lifetime maintenance and repair expenses for the 2002 crane truck, is \$32,029.26. The COE Service Center recommends that SPR purchases a new replacement truck, because the 2002 Chevrolet crane truck as it has exceeded its service life.

The 2019 Ford F550 crane truck has a substantially larger crane. The 2019 crane truck is capable of lifting 6,000 pounds at a load radius of 3 feet, and can lift 1,360 pounds at a load radius of 20 feet, with hydraulic outriggers for stability and safety. The utility body is large enough to stock with enough tools for any occasion. The overall size and four-wheel drive capabilities will give Beneficial Use the ability to use it for projects at the farm as needed, and allow O&M staff to utilize the truck in all weather conditions. A diesel engine is included in the attached Sourcewell quote for \$130,518. Staff recommends purchasing the gasoline engine options, which reduces the purchase price to \$122,468.00.

ANALYSIS

With the COE Service Center’s assistance, SPR received a Sourcewell quote for a new 2019 Ford F550 truck with a crane service body from Altec Industries, Inc. The COE and SPR recommend purchasing of a 2019 model due to the limited production of 2020 vehicles. Sourcewell is a cooperative purchasing agency that combines the buying power of 50,000 government, education, and nonprofit organizations. Sourcewell holds hundreds of competitively solicited cooperative contracts ready for use. The contract pricing is tabulated below.

FINANCIAL IMPACT

Funds for these purchases will be expensed from the Capital Budget.

Source of Funds	Line Item Description	Line Item Amount	YTD Line Item Expensed	YTD Encumbrance	Purchase Amount
Capital	Vehicles	\$280,000.00	\$0.00	\$137,578.00	\$122,468.00

STAFF RECOMMENDATION

The current crane truck does not meet all SPR needs, it has exceeded its service life, and it is expensive to maintain and repair. The need for a new crane truck was identified in the 2019 capital planning process and included in the 2020 capital budget. Purchasing a new crane truck will reduce crane rental costs, allow more effective and timely project completion, reduce annual service costs, and allow staff to utilize it across divisions. SPR recommends purchasing one (1) 2019 Ford F550 truck with a crane service body for the quoted price of \$122,468.00.

PROPOSED MOTION

I move to approve the purchase of one (1) 2019 Ford F550 truck with a crane service body for \$122,468.00.

ATTACHMENTS

- [2019 Ford F550 Truck Photos](#)
- [Sourcewell Quote for 2019 Ford F550 from Altec Industries](#)

Section 2: Business Group Spotlight & Informational Items

1. CSU Biosolids Research Partnership

Summary

South Platte Renew (SPR) is intending to renew the Cooperative Biosolids Land Application Research Project with Colorado State University (CSU) for 2021. The CSU Department of Soil and Crop Sciences has partnered with SPR to study the beneficial use of biosolids since 1982. The research has provided long-term data and an enhanced understanding of the biosolids generated at the facility. The project has also created a sound basis of knowledge that has been utilized by arid west farmers, researchers, and regulators including the EPA.

Study efforts are focused on the SPR biosolids land application site at Byers. Two areas are currently studied. The first effort includes the continuation of the ongoing long-term biosolids/Nitrogen fertilizer cropping rotation study. In addition to this, researchers have focused detailed attention on quantifying biosolids' impact on improving soil health and system resiliency as compared to inorganic nitrogen fertilizer.

In 2015, Englewood City Council passed an Ordinance (8-2015) allowing for the annual renewal of the intergovernmental agreement and research partnership between CSU and SPR, which can be signed by the SPR Director. A proposal outlining a yearly cost of \$96,272 for 2021 has been received and reviewed. The amount reflects costs for traditional analyses plus expenses associated with soil quality assessment and testing. The budget also includes travel for harvest and plot set-up, and salaries and fringe rates set by CSU. This \$96,272 amount is within the amount budgeted by SPR for 2021.

2. Director's Update

Summary

The Director of South Platte Renew (SPR), Pieter Van Ry, will bring forward pertinent information and updates to inform the Supervisory Committee. These items will be of notable importance in the daily operation of the SPR facility.

3. Three (3)-Month Outlook for Supervisory Committee Action Items

Description	Supervisory Committee Action	Englewood Council (R/SS = Regular/Study Session)	Littleton Council (R/SS = Regular/Study Session)	Approval Process Completed?
Draft 2021 South Platte Renew Budget	06/25/2020	07/23/2020 (JC) 09/21/2020 (Public Hearing) 10/05/2020 (1 st Reading) 10/19/2020 (2 nd Reading)	07/23/2020 (JC) 09/24/2020 (Budget Review) 10/06/2020 (1 st Reading) 10/20/2020 (2 nd Reading)	No
USGS Water Monitoring Station Agreement	09/24/2020	Ordinance Required	Ordinance Required	No
SPR Farm Lease Agreement Renewals	09/24/2020	Ordinance Required	Ordinance Required	No
Crane Truck – Purchase Recommendation	09/24/2020	N/A	N/A	No
Pilot and Research Center (PARC) - Design Services Contract	11/19/2020	N/A	N/A	No
Solid Contact Tanks Enhancements Project - Design Services Contract	12/17/2020	N/A	N/A	No
Facility Space Project - Design Services Contract	12/17/2020	N/A	N/A	No
On-Call Contracts – Electrical (2021)	12/17/2020	N/A	N/A	No
On-Call Contracts – General Construction (2021)	12/17/2020	N/A	N/A	No
SPR Chemical – Purchase Recommendation	12/17/2020	N/A	N/A	No

Legend: R - Regular Council, SS - Study Session, JC - Joint Council Study Session

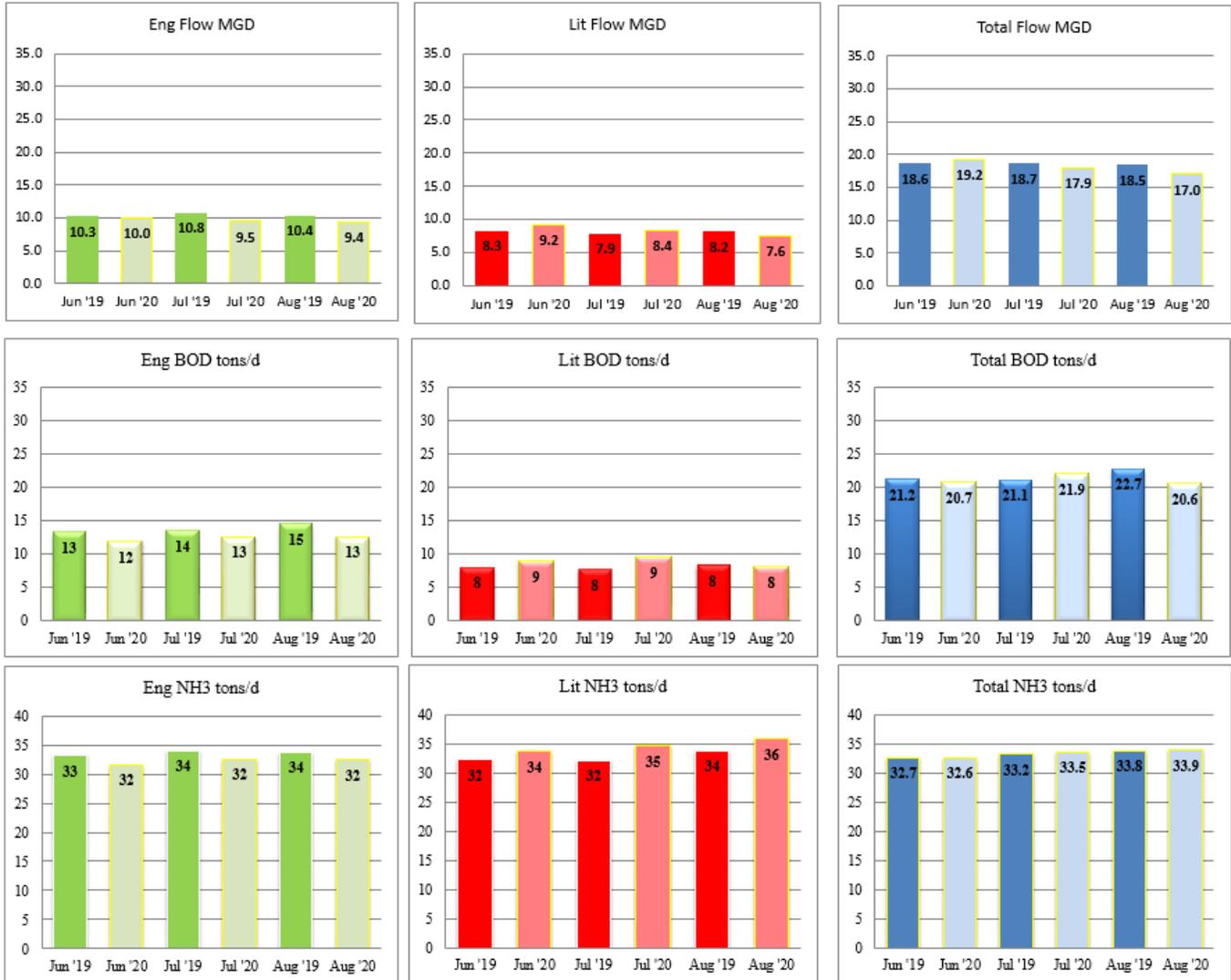
Section 3: Required Reporting

1. Influent Flow & Load Summary

The measured flow to the SPR averaged 17.0 mgd in August 2020, which is a decrease of approximately 1.5 mgd from August 2019. The measured flow split was 46.5 / 53.5 percent between the cities of Littleton and Englewood.



Flow and Loadings June 2019 - August 2020



Flow and Loadings

	Englewood					Littleton					Total				*Financial % 10 month average				
	Flow MGD	Month %	BOD t/d	SS t/d	NH3 mg/L	Flow MGD	Month %	BOD t/d	SS t/d	NH3 mg/L	Flow MGD	BOD t/d	SS t/d	NH3 mg/l	Englewood		Littleton		
															Flow	Flow %	Flow	Flow %	
Aug '19	10.4	56.2	14.5	11.7	33.8	8.2	44.3	8.2	8.0	33.8	18.5	22.7	19.7	33.8	10.5	55.3	8.5	44.7	
Sep '19	10.2	56.0	14.1	11.8	33.3	8.0	44.0	8.8	8.1	34.3	18.2	22.9	19.9	33.7	10.5	55.5	8.4	44.5	
Oct '19	9.9	54.7	13.5	10.8	33.6	8.2	45.3	8.1	7.9	35.1	18.1	21.6	18.8	34.3	10.4	55.5	8.3	44.5	
Nov '19	10.0	54.6	15.0	11.1	32.9	8.3	45.4	8.7	8.2	34.3	18.3	23.7	19.3	33.5	10.4	55.5	8.3	44.5	
Dec '19	10.2	54.3	15.9	11.3	33.4	8.6	45.7	9.2	8.2	34.9	18.8	25.1	19.5	34.1	10.3	55.3	8.3	44.7	
Jan '20	9.9	54.4	13.7	11.0	35.8	8.3	45.6	9.0	7.9	35.9	18.2	22.7	18.9	35.8	10.3	55.3	8.3	44.7	
Feb '20	10.1	54.3	13.3	10.6	32.7	8.5	45.7	8.7	8.1	34.2	18.6	22.0	18.8	33.4	10.3	55.2	8.3	44.8	
Mar '20	10.0	51.8	13.1	10.2	32.9	9.3	48.2	9.2	8.3	32.9	19.3	22.3	18.4	32.9	10.2	54.9	8.3	45.1	
Apr '20	9.7	51.6	12.9	12.9	34.3	9.1	48.4	8.8	8.1	33.6	18.8	21.7	18.0	34.0	10.1	54.5	8.4	45.5	
May '20	9.8	51.6	12.5	10.5	32.5	9.2	48.4	9.0	8.3	33.8	19.0	21.5	18.8	33.2	10.0	53.8	8.6	46.2	
Jun '20	10.0	52.1	11.8	10.4	31.6	9.2	47.9	8.9	8.3	33.6	19.2	20.7	18.6	32.6	10.0	53.5	8.7	46.5	
Jul '20	9.5	53.1	12.5	10.2	32.5	8.4	46.9	9.4	8.2	34.6	17.9	21.9	18.4	33.5	9.9	53.2	8.7	46.8	
Aug '20	9.4	55.3	12.6	10.0	32.4	7.6	44.7	8.0	7.4	35.8	17.0	20.6	17.5	33.9	9.9	53.5	8.6	46.5	
Avg #	9.9	53.7				8.6	46.4				18.4	22.2	18.7	33.7					
Std. Dev.	0.3					0.0					0.6	1.2	0.6	0.8					
Flow	Average daily plant flow, reported in million gallons per day.																		
BOD	5-day Biochemical Oxygen Demand, report in short tons per day																		
SS	Suspended solids, reported in short tons per day.																		
*	A 10-month running average is used for financial purposes																		
#	12 month average. 13th (top) month shown for comparison purposes only.																		

2. Fiscal Management & Reporting

Financial Report for August 2020

For the month of August 2020, total preliminary expenditures are \$1,936,407. Year-to-date expenditures through August 2020 are \$12,207,274, 43% of the \$28,669,307 annual budget.

For the month of August 2020, total preliminary revenues are \$1,637,206. Year-to-date revenues through May 2020 are \$10,279,634, 36% of the \$28,669,307 annual budget.

Revenues are incorporated into the fiscal summary in arrears.

Aggregate Purchases Report for August 2020

This report outlines the purchase of commodities with a single vendor in excess of \$75,000 for the current fiscal year as outlined in Section 6.0 of the SPR Procurement Policy. This review does not include purchases and/or services that follow the specific bidding process outlined in Section 8.0 and 9.0 of the SPR Procurement Policy.

<u>2020 SPR Aggregate Purchases</u> August 2020			
Vendor	YTD Expensed	Number of Purchases	Comments
Ambiente H2O Inc.	\$129,543.98	17	\$23,521.69 in probes and components, pumps and parts
			\$36,693.08 in capital purchases (2 individual purchases) of a probe and a sluice pump replacement
			\$69,329.21 optimal source purchase of probes and components (2019 Purchase received in 2020)
Evoqua	\$99,620.85	13	\$88,736.00 Saturation Tank (2019 Purchase received in 2020)
			\$10,884.85 DI Water for Laboratory

Notes:

- Division Deputy Director approval is obtained for all individual purchases between \$5,000 and \$9,999
- SPR Director approval is obtained for all individual purchases between \$10,000 and \$99,999
- Supervisory Committee approval is obtained for all individual purchases over \$99,999

Attachments

- [Account by Classification Report August 2020](#)
- [SPR Monthly Financial Report Expense and Revenue – August 2020](#)
- [SPR YTD Expenses by Category August 2020](#)

3. Schedule for Next Supervisory Committee Meeting

The next Supervisory Committee meeting is scheduled for Thursday, October 22, 2020 at 9 a.m., held virtually through Microsoft Teams.