

SOLDIER CANYON WATER TREATMENT AUTHORITY
Monthly Meeting Agenda
4424 Laporte Avenue
Fort Collins, CO 80521

Thursday May 9, 2024

Mission – The Authority delivers the highest quality treated water to its customers with financial responsibility, and following policies established by the Board in a professional, efficient, and ethical manner.

1. Call to Order 10:00 AM
2. Meeting Minutes for March 14, 2024 - **Action Item – Approve Minutes** - “Motion to approve the minutes from the meeting on March 14th, 2024”. **Note** – The April 11, 2024, meeting was cancelled.
3. Financial Update – Brenda Griffith, **Action Item - Approve Financial Report** - “Motion to approve the SCWTA February, March, and April 2024 Financial Reports”.
4. Manager’s Update – Mark Kempton.
5. 2023 Financial Report by Baker Tilly.
6. Approve Work Order for Hensel Phelps to recoat Backwash Tanks – Mark Kempton, **Action Item – Approve Work Order** – “Motion to approve a Work Order for Hensel Phelps to recoat Backwash Tanks 1 and 2”.
7. Approve MOU for Soldier Canyon Water Treatment Authority to be Invoice Agent for Tri-Districts – Mark Kempton, **Action Item – Approve MOU** – “Motion to approve the MOU for Soldier Canyon Water Treatment Authority to be Invoice Agent for Tri-Districts.
8. Approve Agreement with Ditesco for Renewal and Replacement project design and management services – Mark Kempton, **Action Item – Approve Agreement** – “Motion to approve an Agreement with Ditesco for Renewal and Replacement projects design and construction management services”.
9. Discussion item - EPA letter to Governors on water system cybersecurity.
10. Discussion item - EPA PFAs regulatory limits.
11. Discussion item - Xcel Energy Power Outage weekend of April 6 and 7, 2024.
12. Other Business:

The next scheduled Authority Board Meeting is June 13, 2024, at 10:00 a.m.

Soldier Canyon Water Treatment Authority

Board Meeting

March 14, 2024

Present at the meeting:

Board Chairman, Chris Pletcher, FCLWD Manager

Board Vice Chairman, Mike Scheid, ELCO Manager

Board Treasurer, Eric Reckentine, NWCWD Manager

Board Director, Scott Cockroft, NWCWD Director

Board Director, Jim Borland, FCLWD Director

Board Director, Rod Rice, ELCO Director

Mark Kempton, SCWTA Manager

Richard Raines, SCWTA Water Resources Manager

Jacob Stephani, SCWTA O&M Superintendent

The meeting was called to order at 09:58 a.m. by Board Chairman Chris Pletcher.

Business Conducted

1. Minutes from February 08, 2024, Soldier Canyon Water Authority Board Meetings

Minutes from the February 08, 2024, meeting were presented. Eric Reckentine made a motion to approve the minutes. Rod Rice seconded the motion. The motion was unanimously approved.

2. Financial Update – Mark Kempton

Mark Kempton presented and reviewed with the Authority Board monthly billing records, a review of the January 2024 O&M expenses and the financial dashboard. Mike Scheid made a motion to approve the financial reports. Scott Cockroft seconded the motion. The motion was unanimously approved.

3. Managers Update – Mark Kempton

Mark Kempton updated the Board on plant flows and water quality, operations, maintenance, and projects going on in the plant. A motion was added for the \$150,000 underspend of the Hensel Phelps Filter/Generator project budget to be used for other miscellaneous projects around the plant. The projects will be reviewed by the Authority Board at a later date and the Board made a motion to grant the Authority Manager approval to issue Work Directives to complete the projects using the already appropriated funds. Eric Reckentine made a motion to approve the Manager project approval. Rod Rice seconded the motion. The motion was unanimously approved.

4. Approve updates to Authority Bylaws and Financial Policies – Mark Kempton

Motion to approve the updates to the Authority Bylaws and the Authority Financial Policies to reflect revised Budget submission dates. Eric Reckentine made a motion to approve the updates. Scott Cockroft seconded the motion. The motion was unanimously approved.

5. Approve Work Orders for Soda Ash Backup Pump – Mark Kempton

Motion to approve a Work Order for Hensel Phelps to supply and install a new soda ash backup pump. Eric Reckentine made a motion to approve the Work Order. Mike Scheid seconded the motion. The motion was unanimously approved.

6. Approve HDR Engineering Work Order for Upgrade Chlorine Dioxide System – Mark Kempton

Motion to approve a Work Order for HDR to design the Chlorine Dioxide system improvements. Eric Reckentine made a motion to approve the Work Order. Rod Rice seconded the motion. The motion was unanimously approved.

7. Approve the purchase of two pickup trucks to replace existing trucks – Mark Kempton

Motion to approve the purchase of two pickup trucks from Loveland Ford. Chris Pletcher made a motion to approve the purchase. Eric Reckentine seconded the motion. The motion was unanimously approved with the correct math at the bottom of the accompanying memo to read \$83,000 in lieu of \$105,000.

8. Approve the Amended MOU for the Upper CLP Monitoring Program to include Northern Water – Mark Kempton

Motion to approve the amended Upper CLP MOU. Scott Cockroft made a motion to approve the MOU. Rod Rice seconded the motion. The motion was unanimously approved.

9. Other Business

Chris Pletcher – FCLWD is upgrading their SCADA system and needs to coordinate with the plant about the SCADA communications from FCWLD to SCFP. Jacob Stephani will coordinate with FCLWD.

10. Adjournment

Chris Pletcher made a motion to adjourn the meeting. Mike Scheid seconded the motion. The motion was unanimously approved, and the meeting was adjourned at **10:28** a.m.

Respectfully submitted,

Mark Kempton – Board Secretary, Soldier Canyon Water Treatment Authority

Approved by Authority Board

Chris Pletcher, Chairman Soldier Canyon Water Treatment Authority Board

Soldier Canyon Water Treatment Authority
Custom Transaction Detail Report

March 2024

Date	Num	Name	Memo	Amount
Mar 24				
03/01/2024	Auto pæ	Silver Peaks Accounting	Mar. A/P - Monthly Fee	-1,000.00
03/11/2024	6596	A.R.C. Incorporated	Mar. A/P - Cleaning Services	-538.03
03/11/2024	6597	Airgas	Feb. A/P - Breathing air	-391.92
03/11/2024	Auto pæ	American Heritage Life Ins. Co.	Feb. A/P - Voluntary Ins.	-210.65
03/11/2024	pd onlir	Baker Tilly US, LLP	Feb. A/P - 2023 Audit	-13,101.81
03/11/2024	6598	Batteries Plus	Feb. A/P - Batteries	-47.06
03/11/2024	6599	Burkert Fluid Control Systems	Feb. A/P - Maint. Sup.	-809.36
03/11/2024	6600	Capital Business Systems	Feb. A/P - Lab & Shop Printer	-27.28
03/11/2024	6601	CEBT	Feb. A/P - Mar. Ins.	-25,733.64
03/11/2024	6602	CenturyLink2	Feb. A/P - Phones	-68.61
03/11/2024	6603	Cogent Inc.	Feb. A/P - O ring kit/repair	-3,502.46
03/11/2024	6604	Colo. Spec. Dist. Prop. & Liab. Pool	Feb. - A/P 2023 Work Comp Audit	-4,618.00
03/11/2024	6605	Colorado Analytical	Feb. A/P - Samples	-105.00
03/11/2024	6606	Continental Supply	Feb. A/P - Maint. Sup.	-22.59
03/11/2024	6607	Ditesco	R & R Filters 5-8, Backup Generator	-18,300.00
03/11/2024	6608	Evoqua Water Technologies	Feb. A/P - Maint. Sup.	-1,520.00
03/11/2024	pd onlir	First National Bank	Maint Sup, Training, Ops Sup	-5,888.57
03/11/2024	pd onlir	First National Bank Omaha	Feb. A/P - Conference/Education	-65.87
03/11/2024	6609	Fort Collins Backflow Service	Feb. A/P - Backflow test/repair	-420.00
03/11/2024	6610	Fort Collins Connexion	Feb. A/P - Internet	-99.95
03/11/2024	6611	Frank Parts Company	Feb. A/P - Auto parts/sup.	-314.06
03/11/2024	6612	Grainger	Maint. Supplies	-3,662.62
03/11/2024	6613	Gray Matter Systems LLC	Support Renewal	-8,861.30
03/11/2024	6614	Greystone Technology	IT Mgmt, Cloud Services	-4,563.06
03/11/2024	6615	HDR Engineering, Inc.	Feb. A/P - R & R 20 Year Master Plan	-8,672.50
03/11/2024	6616	Hillyard - Denver	Feb. A/P - Janitorial Sup.	-344.08
03/11/2024	6617	INDOFF, INC.	Feb. A/P - Embroidery	-89.85
03/11/2024	6618	Jax Inc. Mercantile Company	Feb. A/P - Uniforms & Maint. Sup.	-640.64
03/11/2024	6619	Kelly Supply Company	Maint. Supplies	-1,132.10

Soldier Canyon Water Treatment Authority
Custom Transaction Detail Report

March 2024

Date	Num	Name	Memo	Amount
03/11/2024	6620	Laporte Hardware	Feb. A/P - Maint. Sup.	-35.57
03/11/2024	6621	Larimer County Solid Waste Mgmt	Feb. A/P - Plant clean up	-64.95
03/11/2024	6622	Logical Systems, LLC	R & R PLC Upgrades, PVP Control Improvements	-2,578.50
03/11/2024	6623	Malvern Instruments	Feb. A/P - Zeta cells	-300.00
03/11/2024	6624	Municipal Treatment Equipment, Inc.	Feb. A/P - Gasket	-1,839.00
03/11/2024	6625	Murdoch's Ranch & Home Supply. LLC	Feb. A/P - Uniforms	-239.89
03/11/2024	6626	ODP Business Solutions	Office Supplies	-130.29
03/11/2024	6627	ONEPOINTSINC	Feb. A/P - Phones	-220.55
03/11/2024	6628	Poudre Valley COOP	Feb. A/P - Fuel	-27.00
03/11/2024	6629	Sam's Club	Feb. A/P - Misc Sup	-1,371.15
03/11/2024	pd onlir	Shell	Feb. A/P - Fuel	-179.84
03/11/2024	6630	Stantec Consulting, Inc.	Feb. A/P - R & R Plant Re-Rating	-4,092.50
03/11/2024	6631	Team Petroleum	Feb A/P - Maint. sup.	-497.02
03/11/2024	6632	Ted D. Miller Associates Inc.	Feb. A/P - Lab Sup	-3,792.38
03/11/2024	6633	The Sherwin Williams CO	Feb. A/P - Paint/Supplies	-722.10
03/11/2024	6634	Thorp Controls	Feb. A/P - Modbus Plus/Ethernet Controls Equip	-6,414.40
03/11/2024	6635	US Bank	Feb. A/P - Copier Lease	-583.95
03/11/2024	6636	US Standard Products	Safety Supplies	-6,570.35
03/11/2024	6637	USALCO	Feb. A/P - CC2000	-15,786.90
03/11/2024	6638	Verizon Wireless	Feb. A/P - Cell phones	-456.65
03/11/2024	Auto pæ	Waste Management of No. Colo	Feb. A/P - Trash/Recycling	-745.59
03/11/2024	pd onlir	Xcel Energy	Utilities Electric & Gas	-8,711.31
03/11/2024	6639	Xerox Business Solutions	Feb. A/P - Contract overage charge	-80.94
03/11/2024	6640	Blue Earth Solutions, LLC	Feb. A/P - Permit & Regulatory Compliance Suppc	-3,423.31
03/11/2024	6641	Ditesco	Feb. A/P - Overland Ponds	-815.00
03/11/2024	6642	Larimer County Canal NO. 2 Irrigating Co.	Feb. A/P - 2024 Assessments	-1,200.00
03/11/2024	6643	Lyons Gaddis Attorneys & Counselors	Feb. A/P - General	-57.50
03/11/2024	6644	New Mercer Ditch Company	Feb. A/P - Legal Fees	-1,072.80
03/11/2024	Auto pæ	BASIC Benefits	HRA Accts. Monthly fee	-52.93
03/11/2024	pd onlir	Phillips 66 CO/SYNCB	Feb. - Fuel	-136.72

Soldier Canyon Water Treatment Authority Custom Transaction Detail Report

March 2024

Date	Num	Name	Memo	Amount
03/13/2024	6645	Harcros Chemicals Inc	Feb. A/P - Soda Ash	-10,401.14
03/13/2024	6646	HDR Engineering, Inc.	Feb. A/P - R & R 20 Year Master Plan	-12,074.00
03/19/2024	6649	Ditesco	R & R Filters 5-8, Backup Generator	-6,962.52
03/19/2024	6650	Logical Systems, LLC	R & R PLC Upgrades, iFIX Upgrade	-8,589.75
03/19/2024	Pd onlii	Xcel Energy	Feb. A/P - Electric & Gas	-3,208.34
03/21/2024	Pd onlii	Home Depot	Feb. A/P - maint. supplies	-527.96
Mar 24				<u><u>-208,713.81</u></u>

- Plant expenses that aren't normal monthly expenses
- Chemicals
- Renewal & Replacement
- Water Resources

**Soldier Canyon Water Treatment Authority
Custom Transaction Detail Report**

April 2024

Date	Num	Name	Memo	Amount
Apr 24				
04/01/2024	Auto p	Silver Peaks Accounting	Apr. A/P - Monthly Fee	-1,000.00
04/02/2024	Pd onli	Colorado State Treasurer	Mar. A/P - 1st Qtr. 2024	-1,169.72
04/10/2024	6656	A.R.C. Incorporated	Apr. A/P - Cleaning Services	-538.03
04/10/2024	6657	Alliance Safety Inc.	Mar. A/P - Safety Supplies & Equip	-19,782.00
04/10/2024		American Heritage Life Ins. Co.	Mar. A/P - Voluntary Ins.	-210.65
04/10/2024		Baker Tilly US, LLP	Mar. A/P - 2023 Audit	-1,164.88
04/10/2024	6658	Capital Business Systems	Mar. A/P - Lab & Shop Printer	-65.81
04/10/2024	6659	CEBT	Mar. A/P - Apr. Ins.	-25,733.64
04/10/2024	6660	CenturyLink2	Mar. A/P - Phones	-68.61
04/10/2024	6661	Chemtrade Chemicals US LLC	Mar. A/P - Alum	-7,028.48
04/10/2024	6662	Cogent Inc.	Mar. A/P - Pump	-12,306.20
04/10/2024	6663	Colorado Analytical	Mar. A/P - Samples	-105.00
04/10/2024	6664	Continental Supply	Mar. A/P - Maint. Sup.	-115.01
04/10/2024	6665	Dana Kepner Co.	Mar. A/P - Maint. Sup.	-484.00
04/10/2024	6666	DST America, Inc.	Mar. A/P - Heater	-692.00
04/10/2024	6667	Employers Council Services, Inc.	Mar. A/P - New employee screen	-107.00
04/10/2024	6668	Environmental Resource Associates	Samples	-398.68
04/10/2024	6669	Falcon Technologies	Mar. A/P - PV Sed Basin Liner	-123,949.76
04/10/2024		First National Bank	Safety, Maint., Training, Off. Sup., IT	-10,417.64
04/10/2024		First National Bank Omaha	Mar. A/P - Misc Lunch	-24.37
04/10/2024	6670	Fort Collins Connexion	Mar. A/P - Internet	-99.95
04/10/2024	6671	Frank Parts Company	Mar. A/P - Auto parts/sup.	-96.42
04/10/2024	6672	General Air	Mar. A/P - Welding Supplies	-394.37
04/10/2024	6673	Grainger	Maint. Sup.	-2,086.67
04/10/2024	6674	Greystone Technology	IT Mgmt, Cloud	-5,538.06
04/10/2024	6675	HACH Company	Lab Sup.	-3,838.33
04/10/2024	6676	Harcros Chemicals Inc	Mar. A/P - Fluoride	-17,857.26
04/10/2024	6677	Hensel Phelps Construction Co.	R & R Filters 5-8, Generator	-327,342.01
04/10/2024	6678	Jax Inc. Mercantile Company	Mar. A/P - Maint. Sup.	-157.95

**Soldier Canyon Water Treatment Authority
Custom Transaction Detail Report**

April 2024

Date	Num	Name	Memo	Amount
04/10/2024	6679	Kelly Supply Company	Mar. A/P - Maint. Sup.	-89.50
04/10/2024	6680	Larimer County Solid Waste Mgmt	Mar. A/P - Plant clean up	-129.90
04/10/2024	6681	McMaster-Carr	Maint. Sup.	-201.79
04/10/2024	6682	ODP Business Solutions	Office Sup.	-96.31
04/10/2024	6683	ONEPOINTSINC	Mar. A/P - Phones	-220.55
04/10/2024		Phillips 66 CO/SYNCB	Mar. - Fuel	-363.37
04/10/2024	6684	Poudre Valley COOP	Mar. A/P - Fuel/Propane, Maint sup.	-492.20
04/10/2024	6685	PVS DX, Inc.	Mar. A/P - chlorine	-9,021.60
04/10/2024	6686	Safeware, Inc.	Mar. A/P - Safety	-1,070.16
04/10/2024	6687	Sam's Club	Mar. A/P - Misc Sup	-294.44
04/10/2024	6688	Seter & Vander Wall, P.C.	Mar. A/P - Legal Fees	-834.10
04/10/2024		Shell	Mar. A/P - Fuel	-140.38
04/10/2024	6689	Solenis LLC	Mar. A/P - Dewatering Chems	-5,087.09
04/10/2024	6690	Stantec Consulting, Inc.	Mar. A/P - R & R Plant Re-Rating	-4,341.00
04/10/2024	6691	Ted D. Miller Associates Inc.	Mar. A/P - Lab Sup	-3,248.46
04/10/2024	6692	The Sherwin Williams CO	Mar. A/P - Paint/Supplies	-1,115.02
04/10/2024	6693	Thorp Controls	Mar. A/P - Remote LCD Keypad	-295.68
04/10/2024	6694	ULINE	Mar. A/P - Maint. Sup	-579.23
04/10/2024	6695	US Bank	Mar. A/P - Copier Lease	-663.85
04/10/2024	6696	USA Blue Book	Mar. A/P - Ops Sup.	-428.57
04/10/2024	6697	USALCO	CC2000	-42,556.80
04/10/2024	6698	Verizon Wireless	Mar. A/P - Cell phones	-1,765.56
04/10/2024	6699	VWR International, Inc.	Lab Sup.	-608.19
04/10/2024		Waste Management of No. Colo	Mar. A/P - Trash/Recycling	-437.89
04/10/2024		Xcel Energy	Mar. A/P - Electric & Gas	-4,063.35
04/10/2024	6700	Xylem Water Solutions	Mar. A/P - R & R Filters 5-8 Anthracite	-305,399.00
04/10/2024	6701	Ditesco	Mar. A/P - Overland Ponds	-1,695.00
04/10/2024	6702	Lyons Gaddis Attorneys & Counselors	Mar. A/P - General	-503.57
04/11/2024	6703	Logical Systems, LLC	R & R Filters 5-8, PVP Control Imp.	-1,510.50
04/15/2024	6704	HDR Engineering, Inc.	Mar. A/P - R & R 20 Year Master Plan	-12,612.00

Soldier Canyon Water Treatment Authority Custom Transaction Detail Report

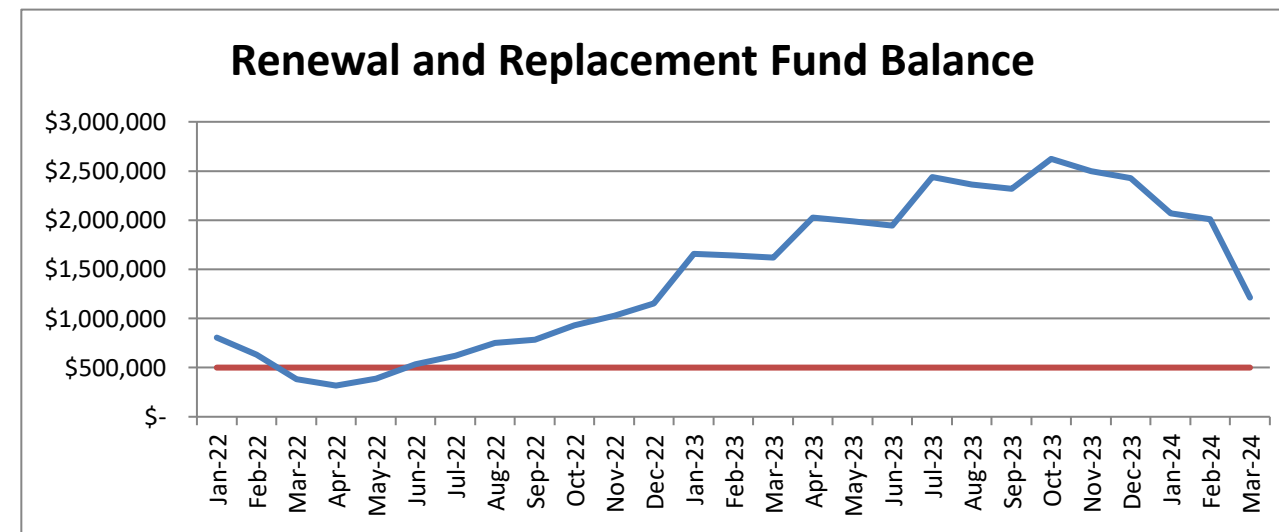
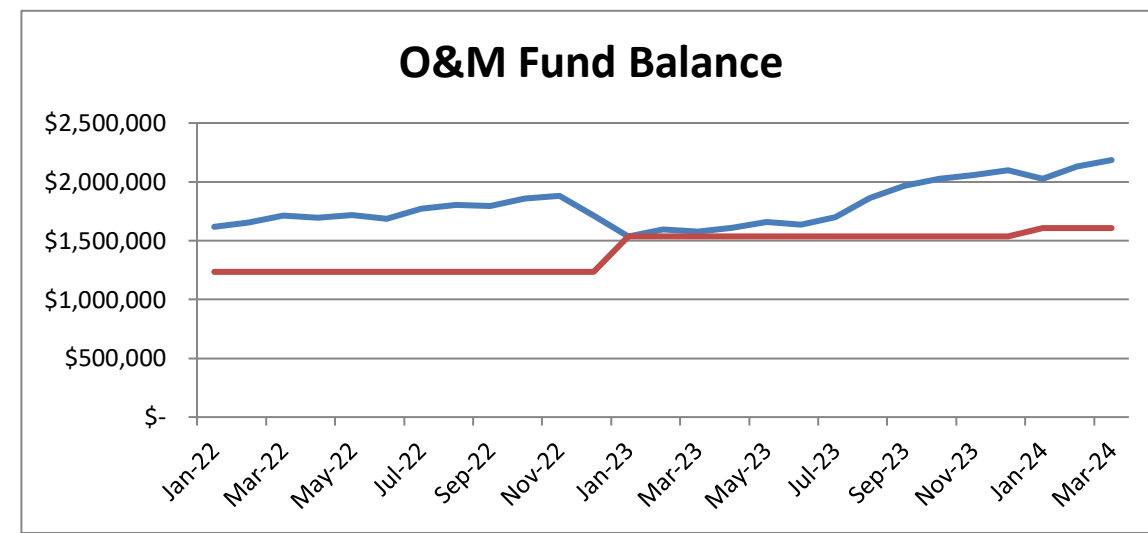
April 2024

Date	Num	Name	Memo	Amount
04/15/2024	Auto p	BASIC Benefits	HRA Accts. Monthly fee	-52.93
04/22/2024	Pd onli	Home Depot	Mar. A/P - maint. supplies	-62.58
04/22/2024	Pd onli	Xcel Energy	Utilities - Gas & Elec.	-11,299.07
04/23/2024	6706	Stantec Consulting, Inc.	Mar. A/P - R & R Plant Re-Rating	-10,654.50
04/24/2024	6707	Ditesco	R & R - Filters 5-8, Generator	-7,847.12
Apr 24				<u>-992,553.76</u>

- Plant expenses that aren't normal monthly expenses
- Chemicals
- Renewal & Replacement
- Water Resources

	Months												YTD Total	Budget	% To Budget	
	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24				
Revenue Total	965,990	476,381	481,481	-	-	-	-	-	-	-	-	-	-	1,923,852	8,368,839	22.99%
<i>Fixed O&M Revenue Total</i>	409,778	409,778	409,778											1,229,334	4,917,339	25.00%
<i>Variable O&M Revenue Total</i>	65,363	61,160	61,994											188,517	1,509,512	12.49%
<i>Renewal and Replacement Revenue Total</i>	484,184	-	-											484,184	1,936,738	25.00%
<i>Misc./Interest Income</i>	6,665.00	5,443.00	9,709.00											21,817	5250	4.155619
Expenses Total	1,451,481	435,242	1,219,338	-	-	-	-	-	-	-	-	-	-	3,106,061	8,363,589	37.14%
<i>Fixed O&M Expenses</i>	577,238	331,830	328,768											1,237,836	4,917,339	25.17%
<i>Variable O&M Expenses</i>	28,695	43,093	96,914											168,702	1,509,512	11.18%
<i>Energy Expenses</i>	9,130	16,905	15,362											41,397	159,012	26.03%
<i>Chemical Expenses</i>	19,565	26,188	81,551											127,304	1,350,500	9.43%
<i>Renewal and Replacement Expenses</i>	845,548	60,319	793,656											1,699,523	1,936,738	87.75%

Reserves



Emergency Reserve Fund Balance end of Feb.
 Minimum Emergency Reserve Target
 +/- Target

2,184,852
1,606,713
578,139

1,214,212
500,000
714,212

Soldier Canyon Water Treatment Authority

Soldier Canyon Water Treatment Authority Board Meeting – Plant Manager’s Update

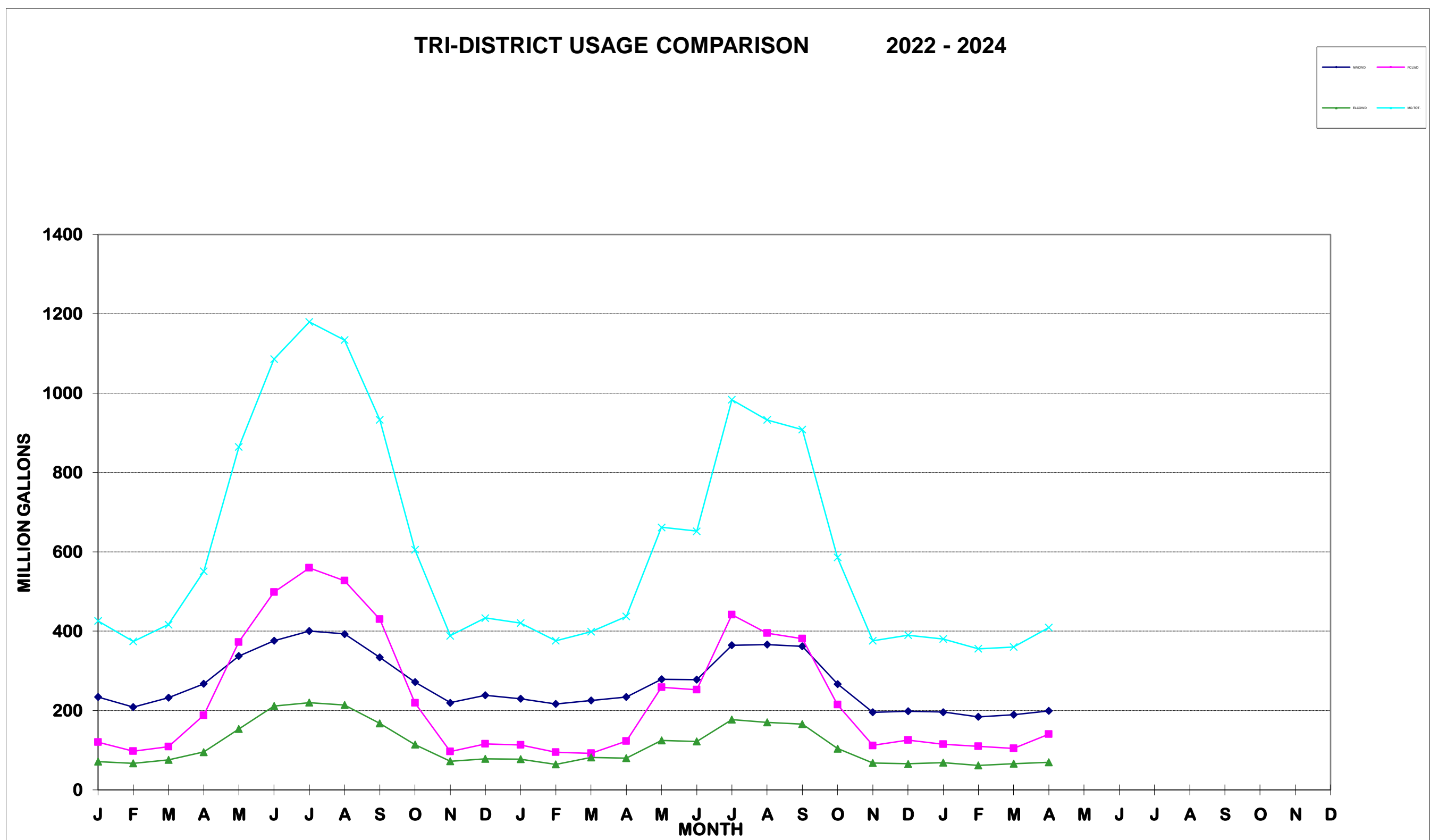
Thursday, May 9, 2024

- Backup Generator project:
 - 1st electrical shutdown on March 28th – Successfully ran on generator power for 4 hours.
 - 2nd electrical shutdown – Wednesday May 8th.
 - Project should be complete in late May.
- Filters 5-8:
 - Staff and HP placed 362,000 lbs. of filter media, skimmed the media in 3 lifts, and performed 36 backwashes, in 2 days.
 - Great coordination and no safety issues.
 - Filters have been handed off to us. Project is complete.
- HDR – 20-Year Master Plan:
 - Project on hold - awaiting future demand data from all Districts.
- Stantec – 68 MGD Plant Rerating project.
 - Final report and application sent to CDPHE in early April.
- HT valve shutdown – shut plant down for 4 hours to Northern Water to exercise valves. Will become an annual exercise.
- Draining old 42” HT line to inspect interior lining this summer.
- On the PVP since April 1, with an off from April 8-15 for pipe inspection by Northern.
- PVP Sed Basin Liner is complete. Minor flows in the underdrains.
- Met with NPIC for PVP operations meeting for the season. Tad is also working on a low flow gate option for the Munroe Canal turnout.
- Jacob Stephani is working on Emergency Management plans, EPA chlorine risk management plans, and Larimer County OEM coordination.
- Staffing
 - Hired a Maintenance Mechanic position – now fully staffed.

SOLDIER CANYON FILTER PLANT
3 YEAR COMPARITIVE USAGE
TRI-DISTRICTS
2022 - 2024

[3yruse2003.xls]

MONTH	NWCWD			FCLWD			ELCOWD			MO. TOTAL		
	2022	2023	2024	2022	2023	2024	2022	2023	2024	2022	2023	2024
JAN.	234.429	229.737	196.046	120.573	113.018	115.309	71.023	77.609	68.663	426.025	420.364	380.018
FEB.	209.077	216.632	184.007	97.666	95.005	109.938	67.231	64.464	61.634	373.974	376.101	355.579
MAR.	232.206	225.289	189.823	108.830	92.041	104.661	75.633	81.548	65.948	416.669	398.878	360.432
APR.	267.526	233.848	199.114	188.202	122.963	140.538	95.364	80.160	69.759	551.092	436.971	409.411
MAY	337.491	278.952		372.881	258.403		153.949	124.410		864.321	661.765	0.000
JUN.	375.998	277.756		498.690	252.339		211.301	121.959		1085.989	652.054	0.000
JUL.	400.401	364.832		559.459	441.348		219.816	177.254		1179.676	983.434	0.000
AUG.	392.969	366.326		527.105	395.514		213.667	170.571		1133.741	932.411	0.000
SEP.	334.021	361.829		430.478	381.019		167.893	165.541		932.392	908.389	0.000
OCT.	271.670	266.970		219.380	214.922		114.438	104.165		605.488	586.057	0.000
NOV.	219.703	195.702		96.875	112.003		72.121	68.163		388.699	375.868	0.000
DEC.	238.439	198.292		116.273	125.647		78.550	65.667		433.262	389.606	0.000
YR.TOT.	3513.930	3216.165	768.990	3336.412	2604.222	470.446	1540.986	1301.511	266.004	8391.328	7121.898	1505.440



Tri-Districts Monthly Flows (MGD)

April-24

HT 1st Reading	5/1/2024	21437460
HT 1st Reading	4/1/2024	21132064

Total 24-hour District Flows (MGD)

SCFP Influent Flows (MGD)

	ELC TOT	FCL TOT	NWC TOT	Dist Total Flow	SCFP Daily Peak Flow	HT Flow	PV Flow	Total Influent Flow
4/1/2024	2.168	2.793	5.739	10.700	15.360	11.302	0.001	11.303
4/2/2024	1.715	3.635	5.642	10.992	14.540	9.258	1.654	10.912
4/3/2024	2.132	2.617	6.070	10.819	15.570	8.962	3.687	12.649
4/4/2024	2.365	3.344	5.818	11.527	15.560	6.104	4.458	10.562
4/5/2024	1.996	3.425	6.060	11.481	15.460	5.922	5.348	11.270
4/6/2024	2.216	3.354	6.270	11.840	15.530	7.588	5.015	12.603
4/7/2024	1.872	3.328	6.273	11.473	15.180	5.028	6.647	11.675
4/8/2024	2.122	3.576	3.923	9.621	15.250	8.956	2.190	11.146
4/9/2024	2.340	4.556	7.361	14.257	18.060	13.228	0.000	13.228
4/10/2024	2.094	4.746	6.038	12.878	17.800	12.552	0.000	12.552
4/11/2024	2.193	5.810	6.442	14.445	22.280	15.032	0.000	15.032
4/12/2024	2.488	6.072	6.798	15.358	20.200	16.064	0.000	16.064
4/13/2024	2.399	6.950	7.244	16.593	22.350	17.046	0.002	17.048
4/14/2024	2.913	5.531	6.941	15.385	25.220	18.064	0.000	18.064
4/15/2024	2.487	7.050	7.002	16.539	24.970	12.294	3.565	15.859
4/16/2024	2.251	4.784	7.176	14.211	20.820	8.460	5.443	13.903
4/17/2024	2.512	4.910	8.267	15.689	20.170	10.146	5.933	16.079
4/18/2024	1.633	5.216	6.023	12.872	17.280	9.946	3.995	13.941
4/19/2024	2.153	5.005	5.808	12.966	15.240	9.644	3.935	13.579
4/20/2024	2.058	5.447	5.099	12.604	14.820	6.726	5.422	12.148
4/21/2024	2.238	5.417	5.829	13.484	15.480	9.120	5.357	14.477
4/22/2024	2.344	5.237	6.434	14.015	17.580	8.424	5.209	13.633
4/23/2024	2.381	5.324	6.711	14.416	17.650	9.490	5.087	14.577
4/24/2024	2.730	5.529	8.148	16.407	20.220	12.512	4.499	17.011
4/25/2024	2.708	4.521	6.802	14.031	16.180	11.772	2.903	14.675
4/26/2024	2.174	3.688	7.265	13.127	20.330	8.868	5.497	14.365
4/27/2024	1.941	3.684	5.702	11.327	13.090	7.120	4.497	11.617
4/28/2024	2.308	2.723	6.037	11.068	12.980	6.228	4.480	10.708
4/29/2024	2.671	3.351	6.321	12.343	24.680	9.748	4.723	14.471
4/30/2024	2.233	5.038	8.378	15.649	18.020	9.792	4.468	14.260
Minimum	1.633	2.617	3.923	9.621	12.980	5.028	0.000	10.562
Maximum	2.913	7.050	8.378	16.593	25.220	18.064	6.647	18.064
Average	2.261	4.555	6.454	13.271	17.929	10.180	3.467	13.647
Metered Usage	67.835	136.661	193.621	398.117		305.396	104.015	409.411
% Used	17.04	34.33	48.63	100.00				
MG Difference	1.924	3.877	5.493	11.294				
Total Usage	69.759	140.538	199.114	409.411				
						Influent-Effluent Difference (MG)		11.294
						Influent-Effluent Difference (%)		2.76

Soldier Canyon Water Treatment Authority - Treatment Capacity Share

District	Capacity Allocation (MGD)	Treatment Capacity Share (%)
ELCO	13.719	22.865 %
FCLWD	23.043	38.405 %
NWCWD	23.238	38.730 %
TOTAL	60.000	100.000 %



Soldier Canyon Water Treatment Authority

2023 Financial Statement Audit

March 14, 2024



Agenda

- Audit results
- Required communication to governing body
- Informational points and financial statement highlights
- Discussion



What were the audit results?



Audit performed in accordance with Generally Accepted Auditing Standards and *Government Auditing Standards*



Audit objective – reasonable assurance that financial statements are free from material misstatement



Financial statements of Soldier Canyon received an Unmodified Opinion



Overview of internal controls



Auditor communication to those charged with governance

Auditor
responsibility &
independence

Commission
responsibility

Accounting
policies and
estimates

Baker Tilly agrees with Soldier
Canyon's accounting policies and
disclosures

Adjustments to the
financial statements
for GASB 68 & 75
and depreciation

**No other audit findings or
concerns**



Informational points and highlights

Informational Points:

Inadequate Segregation of
Duties

Material Weakness over
Financial reporting

Upcoming GASB
Pronouncements



Thank you

We appreciate the support of the Soldier Canyon Water Treatment Authority's personnel in preparing for and assisting in the audit!



Discussion

Contact information

- Jodi Dobson, Partner
- D: (608) 240 2469
- jodi.dobson@bakertilly.com



DRAFT 03/07/2024



Reporting and insights from 2023 audit:

Soldier Canyon Water Treatment Authority

December 31, 2023

Executive summary

March __, 2024

Board of Directors
Soldier Canyon Water Treatment Authority
4424 LaPorte Avenue
Fort Collins, CO 80521

We have completed our audit of the financial statements of Soldier Canyon Water Treatment Authority (the Authority) for the year ended December 31, 2023, and have issued our report thereon dated March __, 2024. This letter presents communications required by our professional standards.

Your audit should provide you with confidence in your financial statements. The audit was performed based on information obtained from meetings with management, data from your systems, knowledge of your Authority's operating environment and our risk assessment procedures. We strive to provide you clear, concise communication throughout the audit process and of the final results of our audit.

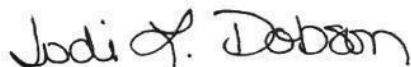
Additionally, we have included information on key risk areas Soldier Canyon Water Treatment Authority should be aware of in your strategic planning. We are available to discuss these risks as they relate to your organization's financial stability and future planning.

If you have questions at any point, please connect with us:

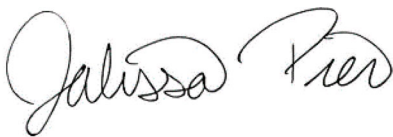
- Jodi Dobson, Partner: jodi.dobson@bakertilly.com or +1 (608) 240 2469
- Jalissa Pier, Senior Manager: jalissa.pier@bakertilly.com or +1 (608) 240 2601

Sincerely,

Baker Tilly US, LLP



Jodi Dobson, CPA, Partner



Jalissa Pier, CPA, Senior Manager

Responsibilities

Our responsibilities

As your independent auditor, our responsibilities include:

- Planning and performing the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. Reasonable assurance is a high level of assurance.
- Assessing the risks of material misstatement of the financial statements, whether due to fraud or error. Included in that assessment is a consideration of the Authority's internal control over financial reporting.
- Performing appropriate procedures based upon our risk assessment.
- Evaluating the appropriateness of the accounting policies used and the reasonableness of significant accounting estimates made by management.
- Forming and expressing an opinion based on our audit about whether the financial statements prepared by management, with the oversight of the Board of Directors:
 - Are free from material misstatement
 - Present fairly, in all material respects and in accordance with accounting principles generally accepted in the United States of America
- Our audit does not relieve management or the Board of Directors of their responsibilities.

We are also required to communicate significant matters related to our audit that are relevant to the responsibilities of the Board of Directors, including:

- Internal control matters
- Qualitative aspects of the Authority's accounting practice including policies, accounting estimates and financial statement disclosures
- Significant unusual transactions
- Significant difficulties encountered
- Disagreements with management
- Circumstances that affect the form and content of the auditors' report
- Audit consultations outside the engagement team
- Corrected and uncorrected misstatements
- Other audit findings or issues

Audit status

Significant changes to the audit plan

There were no significant changes made to either our planned audit strategy or to the significant risks and other areas of emphasis identified during the performance of our risk assessment procedures.

Audit approach and results

Planned scope and timing

Audit focus

Based on our understanding of the Authority and environment in which you operate, we focused our audit on the following key areas:

- Key transaction cycles
- Areas with significant estimates
- Implementation of new accounting standards

Our areas of audit focus were informed by, among other things, our assessment of materiality. Materiality in the context of our audit was determined based on specific qualitative and quantitative factors combined with our expectations about the Authority's current year results.

Key areas of focus and significant findings

Significant risks of material misstatement

A significant risk is an identified and assessed risk of material misstatement that, in the auditor's professional judgment, requires special audit consideration. Within our audit, we focused on the following areas below.

Significant risk areas	Testing approach	Conclusion
Management override of controls	Incorporate unpredictability into audit procedures, emphasize professional skepticism and utilize audit team with industry expertise	Procedures identified provided sufficient evidence for our audit opinion
Improper revenue recognition due to fraud	Confirmation or validation of certain revenues supplemented with detailed predictive analytics based on non-financial data and substantive testing of related receivables	Procedures identified provided sufficient evidence for our audit opinion

Other areas of emphasis

We also focused on other areas that did not meet the definition of a significant risk, but were determined to require specific awareness and a unique audit response.

Other areas of emphasis		
Cash and investments	Revenues and receivables	General disbursements
Payroll	Pension and OPEB liabilities	
Capital assets including infrastructure	Net position calculations	Financial reporting and required disclosures

Internal control matters

We considered the Authority’s internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing an opinion on the financial statements. We are not expressing an opinion on the effectiveness of the Authority’s internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis.

A material weakness is a deficiency or combination of deficiencies in internal control such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented, or detected and corrected, on a timely basis. We identified the following deficiencies as material weaknesses:

- **Inadequate segregation of duties**

A properly designed system of internal control includes adequate staffing as well as policies and procedures to properly segregate duties. This includes systems that are designed to limit the access or control of any one individual to your government’s assets or accounting records, and to achieve a higher likelihood that errors or irregularities in your accounting processes would be discovered by your staff in a timely manner.

At this time, due to staffing and financial limitations, the proper internal controls are not in place to achieve adequate segregation of duties. As a result, errors, irregularities or fraud could occur as part of the financial reporting process that may not be discovered by someone in your organization. Therefore, we are reporting a material weakness related to the internal control environment.

- **Missing key controls**

There are certain controls that are not currently in place related to significant transaction cycles. As a result, there is a risk that erroneous or unauthorized transactions or misstatements could occur without the knowledge of management or the governing body. Our recommendations for strengthening controls are listed below.

Controls over utility billing

- Persons involved in the cash receipting process should be independent of other billing duties.

Controls over monthly and year-end accounting

- Adjusting journal entries and supporting documentation should be reviewed and approved by an appropriate person who is not the original preparer.
- Account reconciliations prepared throughout the year should be performed by someone independent of processing transactions in the account.
- Year-end reconciliations (retainages, payroll accruals) should be reviewed and approved by someone other than the preparer.

Since the controls listed above or other compensating controls are not currently in place, errors or irregularities could occur as part of the accounting processes that might not be discovered by management or the governing body. Therefore, the absence of these controls is considered to be a material weakness.

We recommend that a designated employee review the segregation of duties, risks, and these potential controls and determine whether additional controls should be implemented. This determination should take into consideration a cost / benefit analysis.

- **Financial statement close process**

Properly designed systems of internal control provide your organization with the ability to process and record accurate monthly and year-end transactions and annual financial reports.

Our audit includes a review and evaluation of the internal controls relating to financial reporting. Common attributes of a properly designed system of internal control for financial reporting are as follows:

- There is adequate staffing to prepare financial reports throughout the year and at year-end.
- Material misstatements are identified and corrected during the normal course of duties.
- Complete and accurate financial statements, including footnotes, are prepared.
- Financial reports are independently reviewed for completeness and accuracy.

Our evaluation of the internal controls over financial reporting has identified control deficiencies that are considered material weakness surrounding the preparation of financial statements and footnotes, adjusting journal entries identified by the auditors, and an independent review of financial reports.

Management has not prepared financial statements that are in conformity with generally accepted accounting principles. In addition, material misstatements in the general ledger were identified during the financial audit.

Required communications

Qualitative aspect of accounting practices

- Accounting policies: Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we have advised management about the appropriateness of accounting policies and their application. The significant accounting policies used by the Authority are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing accounting policies was not changed during 2023. We noted no transactions entered into by the Authority during the year for which accounting policies are controversial or for which there is a lack of authoritative guidance or consensus or diversity in practice.
- Accounting estimates: Accounting estimates, including fair value estimates, are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements, the degree of subjectivity involved in their development and because of the possibility that future events affecting them may differ significantly from those expected. The following estimates are of most significance to the financial statements:

Estimate	Management's process to determine	Baker Tilly's conclusions regarding reasonableness
Accrued compensated absences	Evaluation of hours earned and accumulated in accordance with employment policies and average wage per hour rates	Reasonable in relation to the financial statements as a whole
Net pension liability (asset) and related deferrals	Evaluation of information provided by the Public Employees' Retirement Association of Colorado	Reasonable in relation to the financial statements as a whole
Net OPEB liability and related deferrals	Evaluation of information provided by the Public Employees' Retirement Association of Colorado	Reasonable in relation to the financial statements as a whole
Depreciation/Amortization	Evaluate estimated useful life of the asset and original acquisition value	Reasonable in relation to the financial statements as a whole

There have been no significant changes made by management to either the processes used to develop the particularly sensitive accounting estimates, or to the significant assumptions used to develop the estimates, noted above.

- Financial statement disclosures: The disclosures in the financial statements are neutral, consistent and clear.

Significant unusual transactions

There have been no significant transactions that are outside the normal course of business for the Authority or that otherwise appear to be unusual due to their timing, size or nature.

Significant difficulties encountered during the audit

We encountered no significant difficulties in dealing with management and completing our audit.

Disagreements with management

Professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

Audit report

There have been no departures from the auditors' standard report.

Audit consultations outside the engagement team

We encountered no difficult or contentious matters for which we consulted outside of the engagement team.

Uncorrected misstatements and corrected misstatements

Professional standards require us to accumulate misstatements identified during the audit, other than those that are clearly trivial and to communicate accumulated misstatements to management. Management is in agreement with the misstatements we have identified, and they have been corrected in the financial statements. The schedule within the attachments summarizes the material corrected misstatements, that, in our judgment, may not have been detected except through our auditing procedures. The internal control matters section of this report describes the effects on the financial reporting process indicated by the corrected misstatements, other than those that we consider to be of a lesser magnitude than significant deficiencies and material weaknesses.

Other audit findings or issues

We encountered no other audit findings or issues that require communication at this time.

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Authority's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Management's consultations with other accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing or accounting matters.

Written communications between management and Baker Tilly

The attachments include copies of other material written communications, including a copy of the management representation letter.

Compliance with laws and regulations

We did not identify any non-compliance with laws and regulations during our audit.

Fraud

We did not identify any known or suspected fraud during our audit.

Going concern

Pursuant to professional standards, we are required to communicate to you, when applicable, certain matters relating to our evaluation of the Authority's ability to continue as a going concern for a reasonable period of time but no less than 12 months from the date of the financial statements, including the effects on the financial statements and the adequacy of the related disclosures, and the effects on the auditor's report. No such matters or conditions have come to our attention during our engagement.

Independence

We are not aware of any relationships between Baker Tilly and the Authority that, in our professional judgment, may reasonably be thought to bear on our independence.

Related parties

We did not have any significant findings or issues arise during the audit in connection with the Authority's related parties.

Other matters

We applied certain limited procedures to the required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the supplementary information which accompanies the financial statements but is not RSI. With respect to the supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Nonattest services

The following nonattest services were provided by Baker Tilly:

- Financial statement preparation
- Adjusting journal entries

None of these nonattest services constitute an audit under generally accepted auditing standards, including *Government Auditing Standards*.

Audit committee resources

Visit our resource page for regulatory updates, trending challenges and opportunities in your industry and other timely updates.

Visit the resource page at <https://www.bakertilly.com/insights/audit-committee-resource-page>.

Management representation letter

March 8, 2024

Baker Tilly US, LLP
4807 Innovate Lane
Madison, WI 53718

Dear Baker Tilly US, LLP:

We are providing this letter in connection with your audit of the financial statements of Soldier Canyon Water Treatment Authority as of December 31, 2023 and 2022 and for the years then ended for the purpose of expressing an opinion as to whether the financial statements present fairly, in all material respects, the financial position of the Soldier Canyon Water Treatment Authority and the respective changes in financial position and cash flows in conformity with accounting principles generally accepted in the United States of America (GAAP). We confirm that we are responsible for the fair presentation of the previously mentioned financial statements in conformity with accounting principles generally accepted in the United States of America. We are also responsible for adopting sound accounting policies, establishing and maintaining internal control over financial reporting, and preventing and detecting fraud.

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in the light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, the following representations made to you during your audit.

Financial Statements

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated July 28, 2022, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP.
- 2) The financial statements referred to above are fairly presented in conformity with accounting principles generally accepted in the United States of America. We have engaged you to advise us in fulfilling that responsibility. The financial statements include all properly classified funds of the Authority required by accounting principles generally accepted in the United States of America to be included in the financial reporting entity.
- 3) We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

- 4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- 5) Significant assumptions we used in making accounting estimates, including those measured at fair value, if any, are reasonable in accordance with U.S. GAAP.
- 6) All events subsequent to the date of the financial statements and for which accounting principles generally accepted in the United States of America require adjustment or disclosure have been adjusted or disclosed. No other events, including instances of noncompliance, have occurred subsequent to the financial statement date and through the date of this letter that would require adjustment to or disclosure in the aforementioned financial statements.
- 7) All material transactions have been recorded in the accounting records and are reflected in the financial statements.
- 8) All known audit and bookkeeping adjustments have been included in our financial statements, and we are in agreement with those adjustments.
- 9) We are not aware of any known actual, possible, pending, or threatened litigation, claims, or assessments or unasserted claims or assessments that are required to be accrued or disclosed in the financial statements in accordance with accounting principles generally accepted in the United States of America, and we have not consulted a lawyer concerning litigation, claims, or assessments.

Information Provided

- 10) We have provided you with:
 - a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as financial records and related data, documentation, and other matters.
 - b) Additional information that you have requested from us for the purpose of the audit.
 - c) Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
 - d) Minutes of the meetings of the Board of Directors or summaries of actions of recent meetings for which minutes have not yet been prepared.
- 11) We have disclosed to you results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- 12) We have no knowledge of any fraud or suspected fraud that affects the entity and involves:
 - a) Management,
 - b) Employees who have significant roles in internal control, or
 - c) Others where the fraud could have a material effect on the financial statements.
- 13) We have no knowledge of any allegations of fraud or suspected fraud affecting the entity received in communications from employees, former employees, regulators, or others.

- 14) We have no knowledge of known instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or abuse, whose effects should be considered when preparing financial statements.
- 15) We have disclosed to you the names of our related parties and all the related party relationships and transactions, including side agreements, of which we are aware.

Other

- 16) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
- 17) We have taken timely and appropriate steps to remedy fraud, noncompliance with provisions of laws, regulations, contracts or grant agreements, or abuse that you have reported to us.
- 18) We have a process to track the status of audit findings and recommendations.
- 19) We have identified to you any previous financial audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
- 20) We have identified to you any investigations or legal proceedings that have been initiated with respect to the period under audit.
- 21) The Authority has no plans or intentions that may materially affect the carrying value or classification of assets, deferred outflows of resources, liabilities, deferred inflows of resources or fund balance or net position.
- 22) We are responsible for compliance with federal, state, and local laws, regulations, and provisions of contracts applicable to us, including tax or debt limits, debt contracts, and IRS arbitrage regulations; and we have identified and disclosed to you all federal, state, and local laws, regulations and provisions of contracts and grant agreements that we believe have a direct and material effect on the determination of financial statement amounts or other financial data significant to the audit objectives, including legal and contractual provisions for reporting specific activities in separate funds.
- 23) There are no:
 - a) Violations or possible violations of budget ordinances, federal, state, and local laws or regulations (including those pertaining to adopting, approving and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency, or for reporting on noncompliance, except those already disclosed in the financial statement, if any.
 - b) Other liabilities or gain or loss contingencies that are required to be accrued or disclosed by accounting principles generally accepted in the United States of America.
 - c) Rates being charged to customers other than the rates as authorized by the applicable authoritative body.
 - d) Violations of restrictions placed on revenues as a result of bond resolution covenants such as revenue distribution or debt service funding.

24) In regards to the nonattest services performed by you listed below, we acknowledge our responsibility related to these nonattest services and have 1) accepted all management responsibility; 2) designated an individual with suitable skill, knowledge, or experience to oversee the services; 3) evaluated the adequacy and results of the services performed, and 4) accepted responsibility for the results of the services.

a) Financial statement preparation

b) Adjusting journal entries

None of these nonattest services constitute an audit under generally accepted auditing standards, including *Government Auditing Standards*.

25) Soldier Canyon Water Treatment Authority has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.

26) Soldier Canyon Water Treatment Authority has complied with all aspects of contractual agreements that would have a material effect on the financial statement in the event of noncompliance.

27) Components of net position (net investment in capital assets; restricted; and unrestricted) are properly classified and, if applicable, approved.

28) Soldier Canyon Water Treatment Authority has no derivative financial instruments such as contracts that could be assigned to someone else or net settled, interest rate swaps, collars or caps.

29) Deposits and investments are properly classified, valued, and disclosed (including risk disclosures, collateralization agreements, valuation methods, and key inputs, as applicable).

30) Provision, when material, has been made to reduce excess or obsolete inventories to their estimated net realizable value.

31) Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated/amortized. Any known impairments have been recorded and disclosed.

32) We have appropriately disclosed Soldier Canyon Water Treatment Authority's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available and have determined that net position were properly recognized under the policy.

33) We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.

34) With respect to the supplementary information, (SI):

a) We acknowledge our responsibility for presenting the SI in accordance with accounting principles generally accepted in the United States of America, and we believe the SI, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America. The methods of measurement and presentation of the SI have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.

- b) If the SI is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the supplementary information no later than the date we issue the supplementary information and the auditor's report thereon.
- 35) We believe that the actuarial assumptions and methods used to measure pension liabilities and costs for financial accounting purposes are appropriate in the circumstances.
- 36) We believe that the actuarial assumptions and methods used to measure OPEB liabilities and costs for financial accounting purposes are appropriate in the circumstances.
- 37) We have reviewed existing contracts and determined there are no items requiring accounting or reporting under SBITA.
- 38) The auditing standards define an annual report as “a document, or combination of documents, typically prepared on an annual basis by management or those charged with governance in accordance with law, regulation, or custom, the purpose of which is to provide owners (or similar stakeholders) with information on the entity’s operations and the financial results and financial position as set out in the financial statements.” Among other items, an annual report contains, accompanies, or incorporates by reference the financial statements and the auditors’ report thereon. We confirm that we do not prepare and have no plans to prepare an annual report.

Sincerely,

Soldier Canyon Water Treatment Authority

Signed: _____

Signed: _____

Signed: _____

Client service team



Jodi Dobson, CPA
Partner

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Accounting changes relevant to Soldier Canyon Water Treatment Authority

Future accounting standards update

GASB Statement Number	Description	Potentially Impacts you	Effective Date
100	Accounting Changes and Error Corrections	✓	12/31/24
101	Compensated Absences	✓	12/31/24
102	Certain Risk Disclosures	✓	12/31/25

Further information on upcoming [GASB pronouncements](#).

Revised guidance for accounting changes and error corrections

GASB Statement No. 100, *Accounting Changes and Error Corrections, an amendment of GASB Statement No. 62*, seeks to provide more understandable, reliable, relevant, consistent and comparable information for making decisions and assessing accountability.

The standard establishes the following categories:

1. Accounting changes, which is comprised of:
 - a. Changes in accounting principles – result from a change from one generally accepted accounting principle to another that is justified on the basis that the newly adopted principle is preferable to the previously applied principle, or the implementation of a new pronouncement.
 - b. Changes in accounting estimates – occur when inputs change due to a change in circumstances, new information, or more experience. Note that the focus is on changes to the inputs used; a change in the value of an input such as an annual inflation update does not require disclosure under this standard.
 - c. Changes to or within the financial reporting entity – result from the addition or removal of a fund that results from the movement of continuing operations (such as moving sanitation operation from the general fund to its own separate fund), a change in a fund's presentation as major or nonmajor, the addition or removal of a component unit (with certain exceptions), or a change in a component unit's presentation as blended or discretely presented.
2. Error corrections – result from mathematical mistakes, mistakes in the application of accounting principles, or oversight or misuse of facts that existed at the time of the financial statements were issued (i.e., facts that could reasonably be expected to have been obtained and considered at that time).

A summary of the reporting impact of each category is as follows:

Reporting considerations	Accounting changes			
	Change in accounting principle	Change in estimate	Change to the financial reporting entity	Correction of an error
Basic financial statement schedules:	Restate earliest period presented	Report prospectively	Adjust current year beginning balances	Restate earliest period presented
Required supplementary information & supplementary information:	Should match the financial statement presentation noted above; no adjustments to earlier periods needed			Restate all periods impacted
Additional disclosures?	Yes	Yes	Yes	Yes

The Authority should become familiar with the new guidance in advance of the implementation effective date.

Updated accounting and reporting for compensated absences

The Governmental Accounting Standards Board (GASB) issued its Statement No. 101, *Compensated Absences*, in June 2022. The objective of GASB 101 is to update the recognition and measurement guidance for compensated absences for state & local government employers. It supersedes GASB No. 16, *Accounting for Compensated Absences*, issued in 1992, as well as earlier guidance, and addresses changes resulting from the types of leave now being offered. GASB 101 is effective for fiscal years beginning after December 15, 2023 (i.e., December 31, 2024, and June 30, 2025 year-end reporting entities).

GASB 101 more appropriately reflects a liability *when* a government incurs an obligation for compensated absences, and will improve comparability of reporting between governments that offer different types of leave. It requires that liabilities be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled-up via non-cash means. Compensated absences is defined as leave for which employees may receive one or more of the following:

- Cash payments when the leave is used for time off;
- Other cash payments, such as payment for unused leave upon termination of employment; or,
- Noncash settlements, such as conversion to defined benefit postemployment benefits.

Examples of compensated absences provided in GASB 101 include vacation, sick leave, paid time off (PTO), holidays, parental leave, bereavement leave and certain types of sabbatical leave. Payment or settlement of compensated absences could occur during employment, or upon termination of employment. GASB 101 does not apply to benefits that are within the scope of GASB 47, *Accounting for Termination Benefits*.

GASB 101 requires that a liability should be recognized for leave that has not been used if all of the following are true:

- The leave is attributable to services already rendered;
- The leave accumulates; and,
- The leave is “more likely than not” (i.e., likelihood of more than 50%) to be used for time off or otherwise paid in cash or settled through noncash means (101 provides factors to assess this criteria). (This differs from GASB 16, which required payment to be “probable” to be recognized).

Under GASB 101, governments will now need to accrue for time that has accumulated and is likely to be used, even if the employee is not eligible for a payout upon termination. This was not a requirement under GASB 16, and thus may result in a higher compensated absence liability.

GASB 101 requires liabilities for compensated absences to be recognized in financial statements prepared using the economic resources measurement focus equal to the amount of leave that has not yet been used and leave that has been used but not yet paid or settled. GASB 101 did not change the report for financial statements prepared using the current financial resources measurement focus (i.e., governmental funds).

Other changes in financial statement disclosures include the change in compensated absences liability can now be disclosed as a net change, rather than gross increases/decreases in the liability. Also, governments are no longer required to disclose which fund has typically liquidated the liability.

We recommend that governments begin to review the guidance contained in GASB 101 within the context of your existing compensated absences policies and accounting practices, in order to be better informed in terms of the information that you will need for this implementation.

Material corrected misstatements

Description	Opinion unit	Amount
Entry to true up pension related balances	Authority	\$4,519,989
Entry to true up depreciation	Authority	\$453,310

The remaining misstatements that were identified and corrected by management were not material individually or in the aggregate to the financial statements taken as a whole.

Two-way audit communications

As part of our audit of your financial statements, we are providing communications to you throughout the audit process. Auditing requirements provide for two-way communication and are important in assisting the auditor and you with more information relevant to the audit.

As this past audit is concluded, we use what we have learned to begin the planning process for next year's audit. It is important that you understand the following points about the scope and timing of our next audit:

- a. We address the significant risks of material misstatement, whether due to fraud or error, through our detailed audit procedures.
- b. We will obtain an understanding of the five components of internal control sufficient to assess the risk of material misstatement of the financial statements whether due to error or fraud, and to design the nature, timing and extent of further audit procedures. We will obtain a sufficient understanding by performing risk assessment procedures to evaluate the design of controls relevant to an audit of financial statements and to determine whether they have been implemented. We will use such knowledge to:
 - Identify types of potential misstatements.
 - Consider factors that affect the risks of material misstatement.
 - Design tests of controls, when applicable, and substantive procedures.
- c. We will not express an opinion on the effectiveness of internal control over financial reporting or compliance with laws, regulations and provisions of contracts or grant programs.
- d. The concept of materiality recognizes that some matters, either individually or in the aggregate, are important for fair presentation of financial statements in conformity with generally accepted accounting principles while other matters are not important. In performing the audit, we are concerned with matters that, either individually or in the aggregate, could be material to the financial statements. Our responsibility is to plan and perform the audit to obtain reasonable assurance that material misstatements, whether caused by errors or fraud, are detected.

Our audit will be performed in accordance with auditing standards generally accepted in the United States of America.

We are very interested in your views regarding certain matters. Those matters are listed here:

- a. We typically will communicate with your top level of management unless you tell us otherwise.
- b. We understand that the governing board has the responsibility to oversee the strategic direction of your organization, as well as the overall accountability of the entity. Management has the responsibility for achieving the objectives of the entity.
- c. We need to know your views about your organization's objectives and strategies, and the related business risks that may result in material misstatements.
- d. We anticipate that the Authority will receive an unmodified opinion on its financial statements.
- e. Which matters do you consider warrant particular attention during the audit, and are there any areas where you request additional procedures to be undertaken?
- f. Have you had any significant communications with regulators or grantor agencies?
- g. Are there other matters that you believe are relevant to the audit of the financial statements?

Also, is there anything that we need to know about the attitudes, awareness and actions of the governing body concerning:

- a. The entity's internal control and its importance in the entity, including how those charged with governance oversee the effectiveness of internal control?
- b. The detection or the possibility of fraud?

We also need to know if you have taken actions in response to developments in financial reporting, laws, accounting standards, governance practices, or other related matters, or in response to previous communications with us.

With regard to the timing of our audit, here is some general information. If necessary, we may do preliminary financial audit work during the months of October-December, and sometimes early in January. Our final financial fieldwork is scheduled during the spring to best coincide with your readiness and report deadlines. After fieldwork, we wrap up our financial audit procedures at our office and may issue drafts of our report for your review. Final copies of our report and other communications are issued after approval by your staff. This is typically 6-12 weeks after final fieldwork, but may vary depending on a number of factors.

Keep in mind that while this communication may assist us with planning the scope and timing of the audit, it does not change the auditor's sole responsibility to determine the overall audit strategy and the audit plan, including the nature, timing and extent of procedures necessary to obtain sufficient appropriate audit evidence.

We realize that you may have questions on what this all means, or wish to provide other feedback. We welcome the opportunity to hear from you.

EXHIBIT B
TASK ORDER FORM (Construction over \$50,000)

**SOLDIER CANYON WATER
TREATMENT AUTHORITY
CONSTRUCTION TASK
ORDER**

**PROJECT
TITLE**

Backwash Tanks 1 and 2 - Coatings

TASK ORDER NO. HP 2024-03

CONTRACTOR: Hensel Phelps

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ADDITIONAL DOCUMENTS

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SECTION 00500

CONSTRUCTION TASK ORDER AGREEMENT FORMS

00525 Task Order, Notice of Award & Bid Schedule
Attachment A-Bid Schedule

00530 Task Order Notice to Proceed

**SECTION 00525
TASK ORDER, NOTICE OF AWARD AND BID SCHEDULE
PURSUANT TO A MASTER SERVICES AGREEMENT BETWEEN
SOLDIER CANYON WATER TREATMENT AUTHORITY AND HENSEL PHELPS**

PROJECT TITLE: Backwash Tanks 1 and 2 – Coatings

TASK ORDER NUMBER: HP 2024-03

ORIGINAL BID/RFP NUMBER & NAME: Soldier Canyon Filter Plant – Master Construction Services Contract

MASTER AGREEMENT EFFECTIVE DATE: September 7, 2023

CONTRACTOR REPRESENTATIVE: Anthony Williams

ARCHITECT/ENGINEER: Ditesco

PROJECT MANAGER: Ditesco

MAXIMUM FEE: (time and reimbursable direct costs): \$169,049

TASK ORDER COMMENCEMENT DATE: May 9, 2024

TASK ORDER COMPLETION DATE: December 31, 2024

PROJECT DESCRIPTION/SCOPE OF SERVICES: Remove existing inside and outside coatings on BW Tanks 1 and 2 and provide new coatings.

CONTRACT <\$50k

CONTRACT >50k BONDS

PERFORMANCE BOND

PAYMENT BOND

WARRANTY BOND (through 2-Year Warranty from Final Acceptance)

NOTICE OF AWARD: Date of this Document

SUBSTANTIAL COMPLETION DATE: December 1, 2024

FINAL COMPLETION DATE: December 21, 2024

CONTRACT >\$150K HOLD 5% RETAINAGE

Contractor agrees to perform the services identified above and on the attached forms in accordance with the terms and conditions contained herein and in the Master Services Agreement between the Parties. In the event of a conflict between or ambiguity in the terms of the Master Services Agreement and this Task Order (including the attached forms), the Master Services Agreement shall control.

The attached forms consisting of six (6) pages are hereby accepted and incorporated herein by this reference and Notice to Proceed is hereby given after all Parties have signed

this document.

1. **WORK**. Pursuant to the Master Services Agreement between the Authority and the Contractor dated **September 7, 2023**, and the Task Order Proposal dated **4/11/2024**, the Contractor has been awarded a Task Order for **Backwash Tanks 1 and 2 Coatings**.
2. **CONTRACT PRICE**. The price of this Task Order is (Written Dollar Amount) (**One Hundred Sixty-Nine Thousand, and Forty Nine - \$169,049**).
3. **PERFORMANCE DEADLINES**. The date for Substantial Completion of this Task Order is **December 1, 2024**, and after Substantial Completion, the date for Final Acceptance is **December 21, 2024**.
4. **LIQUIDATED DAMAGES**. Pursuant to Section 7 of the Master Services Agreement, the amount of liquidated damages shall be the sum of: **\$ 0**.
5. **ADDITIONAL INSUREDS**. In addition to those entities identified in Section 23.d. of the Master Services Agreement, N/A shall be endorsed as "Additional Insureds."
6. **PAYMENT PROCEDURES**. As set forth in the Master Services Agreement.
7. **EXECUTION**. Task Order Documents must be executed in digital format (DocuSign/Adobe Sign) within fifteen (15) calendar days of the date of this Notice of Award. Contractor shall attach Payment and Performance Bonds and Certificates of Insurance (COI) to the Task Order Documents in DocuSign/Adobe Sign.

Failure to comply with these conditions within the time specified will entitle the Authority to consider your Task Order Proposal abandoned and to annul this Task Order & Notice of Award.

CONTRACTOR'S NOTICE OF AWARD REPRESENTATION & EXECUTION:

Contractor agrees to perform the services identified above, in accordance with the terms and conditions contained in this Task Order, the Master Services Agreement, and the Notice of Award between the Parties.

SOLDIER CANYON WATER TREATMENT AUTHORITY

By: _____

Chris Pletcher, Board Chairman

Date: _____

ATTEST:

By: _____

Date: _____

By execution of this Agreement, the undersigned each individually represents that he or she is duly authorized to execute and deliver this Agreement and that the subject Party shall be bound by the signatory's execution of this Agreement.

CONTRACTOR: Hensel Phelps

By: _____

_____, Title

Date: _____

ATTACHMENT A-BID SCHEDULE

Insert Task Order Quote/Proposal Here

**SECTION
00530
TASK ORDER NOTICE TO PROCEED**

NOTICE TO

PROCEED DATE: May 9, 2024

TASK ORDER TITLE: Backwash Tanks 1 and 2 –
Coatings

TASK ORDER NUMBER: HP 2024-03

TO: Hensel Phelps

Attn: Anthony Williams

This notice is to advise you:

That the Task Order and all amendments and supplements to the Task Order Documents covering the above-described Work have been fully executed by the CONTRACTOR and the OWNER. That the OWNER has approved the said Task Order and Task Order Documents. That the required CONTRACTOR's Performance and Payment Bonds and insurance have been received by the OWNER.

Therefore, as the CONTRACTOR for the above-described Work, you are hereby authorized and directed to proceed within Thirty(30) calendar days from receipt of this notice as required by the Task Order and the AGREEMENT.

The dates for Substantial Completion and Final Acceptance shall be December 1, 2024,
and December 21, 2024,
respectively.

Dated this 9 day of May 2024.

SOLDIER CANYON WATER TREATMENT AUTHORITY

_____ (OWNER)
By: Chris Pletcher, Board Chairman

ACKNOWLEDGMENT OF NOTICE

Receipt of the above Task Order Notice to Proceed is hereby
acknowledged this ____ of _____, 2024.

Hensel Phelps

_____ (CONTRACTOR)



TITLE OF CHANGE: Backwash Tanks 1 & 2 Recoating

REFERENCE DOCUMENT: _____ **DETAIL, SHEET, OR SPEC:** _____

DESCRIPTION OF CHANGE:

Fully coat interiors of BW Tanks 1 & 2. Repair and coat BW Tanks 1 & 2 exteriors. Projected duration is 8 weeks if contractor has access to both tanks simultaneously.

1. LABOR

STEP	TRADE	UNITS	QTY		\$/UNIT	=		
Project Supervision	Area Superintendent	hr	80.00	X	\$103.00	=	\$8,240	
	Field Engineer	hr	160.00	X	\$66.00	=	\$10,560	
	Project Engineer	hr	80.00	X	\$81.00	=	\$6,480	
				X		=	\$0	
COPY ROW HERE (ABOVE)				X		=	\$0	
LABOR TOTAL								\$25,280

2. MATERIALS

DESCRIPTION	UNITS	QTY		\$/UNIT	=		
	ea	1.00	X		=	\$0	
			X		=	\$0	
			X		=	\$0	
			X		=	\$0	
			X		=	\$0	
			X		=	\$0	
			X		=	\$0	
COPY ROW HERE (ABOVE)			X		=	\$0	
Material Subtotal							\$0
Taxes (0%)							\$0
MATERIAL TOTAL							\$0

3. RENTAL EQUIPMENT

DESCRIPTION	UNITS	QTY		\$/UNIT	=		
	wk	1.00	X		=	\$0	
	wk	1.00	X	0.00	=	\$0	
			X		=	\$0	
COPY ROW HERE (ABOVE)			X		=	\$0	
EQUIPMENT TOTAL							\$0

4. VENDOR WORK

DESCRIPTION	UNITS	QTY		\$/UNIT	=		
Coatings - Coblaco (includes 3% bond)	ea	1.00	X	119,120.00	=	\$119,120	
	hr	0.00	X	0.00	=	\$0	
	ea	0.00	X	0.00	=	\$0	
			X		=	\$0	
COPY ROW HERE (ABOVE)			X		=	\$0	
VENDOR TOTAL							\$119,120

LABOR TOTAL	\$25,280
MATERIAL, EQUIPMENT & VENDOR TOTAL	\$119,120
Bonds & Insurance (1.8%)	\$2,599
Overhead & Profit (15%)	\$22,050
TOTAL COST OF CHANGE	\$169,049



Tuesday, March 12, 2024

Quote #: 2024-02-02_7399

Anthony Williams
Hensel Phelps Construction Company (Hydro Const)
77 Northwest Frontage Road, Fort Collins, CO 80524, United States

Ph: 970-225-2211

awilliams4@henselphelps.com

Re: Back Wash Tanks #1 & #2

Mr. Williams,

Coblaco is pleased to submit the following quotation for the above referenced project. Coblaco will supply all equipment, labor, and material to perform the following scopes of work:

PRIOR TO START OF WORK:

- Prior to any execution of documents, scheduling and/or mobilization, please sign and return a copy of this quote to marcie@coblaco.com.
- The Contractor and Coblaco personnel shall conduct a pre-job meeting to discuss safety, schedule, and detailed scope prior to mobilization.
- Prior to start of work, a Contractor Supervisor and Coblaco personnel shall review the JSA and discuss any known or potential hazards related to the work site or specified scope.
- Personnel shall wear all proper PPE required for the specific task performed.

BID ITEMS:

Item	Description	QTY	Unit Price	Total Price
1	Backwash Tank #1: Interior- <u>NSF 600 Potable System</u> <ul style="list-style-type: none"> • Prepare all interior surfaces to an SSPC-SP10. • Apply one coat of Zinc and apply at a minimum of 2.5 mils DFT. • Apply one intermediate coat of epoxy and apply at a minimum of 4.0 mils DFT. • Apply one final coat of epoxy and apply at a minimum of 4.0 mils DFT. • Holiday test and repair as needed. 	1	N/A	\$60,000.00

2	<p>Backwash Tank #1:</p> <p>Interior- <u>NSF 600 Potable System</u></p> <ul style="list-style-type: none"> • Prepare all interior surfaces to an SSPC-SP10. • Apply one coat of Zinc and apply at a minimum of 2.5 mils DFT. • Apply one intermediate coat of epoxy and apply at a minimum of 4.0 mils DFT. • Apply one final coat of epoxy and apply at a minimum of 4.0 mils DFT. • Holiday test and repair as needed. <p>Exterior: <u>Identified Rust Locations</u></p> <ul style="list-style-type: none"> • Spot repair at rust areas per SSPC-SP10 standard. • Apply one coat of Zinc and apply at a minimum of 2.5 mils DFT. • Apply one intermediate coat of epoxy and apply at a minimum of 2.0 mils DFT. • Apply one final coat of aliphatic polyurethane and apply at a minimum of 2.0 mils DFT. 	1	N/A	\$65,650.00
3	<p>Backwash Tank #1 & #2: Interior & Exterior</p> <p>Interior- <u>NSF 600 Potable System</u></p> <ul style="list-style-type: none"> • Prepare all interior surfaces to an SSPC-SP10. • Apply one coat of Zinc and apply at a minimum of 2.5 mils DFT. • Apply one intermediate coat of epoxy and apply at a minimum of 4.0 mils DFT. • Apply one final coat of epoxy and apply at a minimum of 4.0 mils DFT. • Holiday test and repair as needed. <p>Exterior: <u>Identified Rust Locations</u></p> <ul style="list-style-type: none"> • Spot repair at rust areas per SSPC-SP10 standard. • Apply one coat of Zinc and apply at a minimum of 2.5 mils DFT. • Apply one intermediate coat of epoxy and apply at a minimum of 2.0 mils DFT. • Apply one final coat of aliphatic polyurethane and applied at a minimum of 2.0 mils DFT. 	1	N/A	\$115,650.00
Adder #1	<p>Filler: Pitted Areas (as needed)</p> <ul style="list-style-type: none"> • Apply Steel Seam 910. 	TBD	T&M	TBD

NOTES AND EXCLUSIONS:

- Quotation contingent on existing coating to be prepared or removed, having a thin film system and no greater than 20.0 mils DFT.
- Quotation contingent on unrestricted access to perform set scope on both tanks #1 & #2 simultaneously under bid item 3.
- Quotation excludes any work on existing lead coatings.
- Quotation excludes any work not already identified and can be performed on a T&M basis.
- Coblaco is an AMPP QP-1 & QP-2 Certified Contractor.
- Quotation excludes a bond. A bond can be provided for an additional 3% of quoted price.
- Quotation excludes any necessary heat or dehumidification to properly prepare, apply, and cure materials per manufacturer's recommendations.
- Quotation excludes any costs associated with unknown inspection requirements, including but not limited to procurement of unknown equipment and or materials, additional time or workforce needed to perform unknown inspections, or unknown quality reporting documentation.
- Any additional work or stand-by-time will be billed at Coblaco's current time and materials rate, unless otherwise specified prior to said work being performed.
- Quotation valid for thirty (30) days.
- Payment terms are net thirty (30) days from date of invoice with approved credit application.

TERMS & CONDITIONS:

The quote offered herein for the above-described scope of work supersedes and revokes all prior quotes, offers, understandings, or agreements between Buyer and Coblaco Services with respect to such scope of work, and renders all such prior quotes, offers, understandings, or agreements null and void.

Buyer agrees and acknowledges that the quote offered for the above-described scope of work is based solely on the facts and information provided by Buyer to Coblaco Services. By accepting the quote offered for this scope of work, Buyer represents and warrants that Buyer has made a full disclosure of all facts, circumstances, and information which may affect the quote offered herein and/or the scope of work. Buyer agrees that, in the event Buyer later expands its work requirements beyond the scope of work described herein, or if Coblaco Services later discovers or encounters information or circumstances not disclosed by Buyer which have the effect of expanding the scope of work, Coblaco Services reserves the right, in its sole discretion, to alter the amounts, terms, and conditions contained in its original quote. Further, Buyer acknowledges that any such increases set forth by Coblaco Services may not be proportionate to the expansion of the scope of work which necessitates such changes. In the event it becomes necessary for Coblaco Services to exercise its right to alter its original quote offered hereunder due to any change to or expansion of the scope of work by Buyer or by the discovery of additional facts or information affecting the scope of work, Coblaco Services shall communicate a revised quote to Buyer which is consistent with the expanded scope of work. Buyer may accept or reject the new quote not later than five (5) business days following the delivery of such revised quote to Buyer. In the event Buyer rejects such revised quote or fails to accept the revised quote by the deadline described above, Coblaco Services shall, in its sole discretion, elect to either continue the work for Buyer in accordance with the original quote offered and scope of work, or, in the alternative, cease all work. In the event Coblaco Services elects to cease all work, Buyer agrees and acknowledges that Coblaco Services is discharged from any and all obligations to Buyer with respect to the services to be performed in accordance with the original scope of work, and Buyer further agrees to reimburse Coblaco Services for all services performed, and costs actually incurred by Coblaco Services in connection with the original scope of work. Any such reimbursement owed to Coblaco Services by Buyer shall be paid in the same manner, and on the same schedule, as would have been required of Buyer had Coblaco Services completed the scope of work on the date Coblaco Services elected to cease all work.

An invoice will be issued upon completion of the work and not delivery date. Payment terms are net thirty (30) days from date of invoice with approved credit application. If no credit has been established, payment shall be COD and required at pick up. If the balance due is not received within thirty (30) days from the date of the invoice, late fees will then be applied. A service charge of 1½ percent per month will be assessed on all overdue invoices.

Should you have any questions or require additional clarification on any part of our quotation, please feel free to contact me at the phone number or email address below. We look forward to next steps as we work with you to maximize the value from this initiative.

Sincerely,



Albert Rangel

Project Manager

☎ 303 690 7148

☎ 303 868 7141

E albert@coblaco.com

Coblaco.com



ACCEPTANCE OF QUOTATION/TERMS & CONDITIONS:

Customer Signature: _____ **Date:** _____

**INTERTGOVERNMENTAL AGREEMENT
REGARDING
JOINT PROJECT CONTRACT AND FINANCIAL MANAGEMENT SERVICES**

This Intergovernmental Agreement (this "**Joint Project IGA**") is among Soldier Canyon Water Treatment Authority (the "**Authority**"); and, East Larimer County Water District ("**ELCO**"), Fort Collins-Loveland Water District ("**Fort Collins-Loveland**") and North Weld County Water District ("**North Weld**"); collectively referred to herein as the "**Districts**."

RECITALS

A. The Districts are each special districts, quasi-municipal corporations, and political subdivisions of the state of Colorado created and operating under Title 32 of the Colorado Revised Statutes.

B. The *Constitution of the State of Colorado*, Article XIV, Section 18(2)(a) and Part 2, Article 1, Title 29, C.R.S., encourage and authorize the Districts to enter into intergovernmental agreements to cooperate in the efficient provision of public services.

C. The Districts created the Authority by intergovernmental agreement under § 29-1-204.2, C.R.S. as a separate governmental entity to provide Water Treatment Services for raw water provided by the Districts and to redistributed treated water for the benefit of the Districts and their water users.

D. The creation of the Authority and the parties' cooperative relationship is memorialized in the Second Revised and Restated Soldier Canyon Water Treatment Authority Creation Agreement dated January 11, 2024 (the "**Creation Agreement**").

E. A copy of the Creation Agreement is attached hereto as **Exhibit A**. Capitalized terms in this agreement that are not otherwise defined in this Joint Project IGA are defined in section I. of the Creation Agreement.

F. From time to time, the Districts have separate interests in acquiring, constructing or maintaining a common water resource, facility, asset or project that is outside the Authority's boundary and/or does not fall within the Authority Purposes and Services defined in Section II. C. of the Creation Agreement (a "**Tri-District Project**").

G. The parties have determined that intergovernmental cooperation among the Authority and the Districts will allow them to coordinate contracting, contract management, invoicing, payments and/or sharing of expenses related to Tri-District Projects to more efficiently and cost effectively complete them for the benefit of the residents and taxpayers of the Districts and the Authority.

**ACCORDINGLY, THE PARTIES HAVE ENTERED INTO THIS JOINT PROJECT IGA
PURSUANT TO § 29-1-203, C.R.S.**

I. Tri-District Project. The Districts each agree that the project identified in **Exhibit B** (the "**Project**") is suitable for cooperation and coordination with the Authority and will benefit from the Authority providing the coordinated services defined in **Exhibit C** (the "**Coordinated Services**").

II. Coordinated Services. The Authority will provide the Coordinated Services subject to the terms and conditions contained in this Joint Project IGA.

A. Agency or Contractor's Representative Services. The Coordinated Services are provided as an accommodation to and under contract with the District's only.

1. The Authority has no privity of contract with any other person or entity that is contracting with the Districts or a District.

2. There are no "intended beneficiaries" or "third-party beneficiaries" of this Joint Project IGA and the Authority owes no duty to any person or entity other than the Districts.

3. Despite sections II. A. 1. and 2., the Authority may enter into its own contracts with third parties to provide Coordinated Services for or on behalf of the Authority, which will be deemed Costs under section II.C.

B. Districts Contact. The Districts will establish and provide written notice of the identity of a district coordinator who will be a single point of communications for instructions, guidance, approvals and authorization related to the Coordinated Services (the "**District Contact**").

1. The District Contact will provide written directions as to the percentage cost share of each District related to the Tri-District Project if invoicing, payments or receipt of funds is included in the Coordinated Services.

2. The District Contact will provide written approval of each invoice to be paid by the Authority.

3. The Authority is entitled to rely on responses, directions, and representations of the District Contact for all purposes.

C. Costs. The Authority will invoice the Districts individually for actual costs incurred to provide the Coordinated Services based upon the percentage cost shares provided by the District Contact. Payment will be drawn from District deposits described in Exhibit C or will otherwise be due within 45 days of the date of the invoice.

III. Term. This Joint Project IGA will terminate 30 days after the Authority provides written notice to the Districts that the Coordinated Services have been completed; or,

A. 10 days after written notice from the Authority that it has received inconsistent or contradictory instructions or requests from representatives of the Districts;

B. Immediately upon notice from a District that a dispute has arisen among the Districts concerning the Tri-District Project that affects the Coordinated Services; or,

C. 10 days after written notice that a District has not met its financial obligation, if any, under the terms of the Tri-District Project description, contracts or Coordinated Services.

IV. Terms and Conditions.

A. Sole Remedy is Termination. Performance of the Coordinated Services is an accommodation to the Districts that formed the Authority. The Districts sole remedy for any breach of failure to perform is termination of this Joint Project IGA.

B. Indemnity. The Districts, jointly and severally, will indemnify and hold the Authority harmless from any claims, costs, liabilities, attorney fees or damages arising from any failure to perform or mistakes in performance of the Coordinated Services; and will defend and hold the Authority harmless from any third-party claims or suits.

C. TABOR Enterprise. Any payments made to the Authority by the Districts or any other government entity in performance of the Coordinated Services are solely for the purposes of "pass throughs" or payment for services rendered. They are not intended to be and should not be interpreted as grants or other financial assistance to the Authority as defined in *Colorado Constitution*, Article X, sec. 20, or for any other purpose.

D. Governmental Immunity. Nothing in this Joint Project IGA is intended by any party to be, or to be interpreted as, a waiver or delegation of any rights, responsibilities or immunities provided by the Colorado Governmental Immunity Act, C.R.S. § 24-10-106, in favor of or against any Party.

E. Integration. This Joint Project IGA, when read together with its exhibits contains all terms and provisions agreed to by the Parties and its interpretation should not be supplemented by other outside sources.

F. Unenforceability. To the extent any provision of this Joint Project IGA is determined to be void or unenforceable, the remaining provisions shall be interpreted in a manner that implements or consummates the intent of the parties manifest herein.

IN WITNESS WHEREOF, the Parties have caused this Joint Project IGA to be executed as follows:

Executed this _____ day of _____, 2024, by the East Larimer County Water District.

East Larimer County Water District

By: _____
Print: _____

Attest:

Executed this _____ day of _____, 2024, by the Fort Collins-Loveland Water District.

Fort Collins-Loveland Water District

By: _____
Print: _____

Attest:

Executed this _____ day of _____, 2024, by the East Larimer County Water District.

North Weld County Water District

By: _____
Print: _____

Attest:

Executed this _____ day of _____, 2024, by the Soldier Canyon Water Treatment Authority.

Soldier Canyon Water Treatment Authority

By: _____
Print: _____

Attest:

DRAFT

EXHIBIT A
INTERGOVERNMENTAL AGREEMENT
REGARDING
JOINT PROJECT CONTRACT AND FINANCIAL MANAGEMENT SERVICES

Second Revised and Restated Soldier Canyon Water
Treatment Authority Creation Agreement

(the "Creation Agreement")

DRAFT

EXHIBIT B

TRI-DISTRICT PROJECT IDENTIFICATION

Copies of joint or individual contracts constituting the Tri-District Project
or
Narrative Description of the Tri-District Project

(the "**Project**")

DRAFT

EXHIBIT C

TRI-DISTRICT PROJECT COORDINATED SERVICES

Detailed list of services to be provided by the Authority including District cost share percentages and initial deposits of each District to be made as a contribution to expenses, if applicable.

(the "**Coordinated Services**")

DRAFT

Master Agreement for Professional Services

THIS AGREEMENT is entered into this 9th day of May 2024 by and between the **Soldier Canyon Water Treatment Authority ("Client")** and Ditesco ("**Consultant**").

RECITALS

- A. Client occasionally requires professional services, and
- B. Consultant is willing to provide such services upon the terms and conditions set forth herein:

NOW THEREFORE, in consideration of the mutual covenants and conditions herein, the parties have entered into this Agreement.

1. BASIC AGREEMENT:

- 1.1. WORK ORDERS:** Client may request that Consultant provide services. Each request will be contained in a written Work Order generally in the form attached as Exhibit A (the "**Work Order**"), and, upon acceptance by Consultant and Client established by execution of the Work Order, shall be considered an amendment to this Agreement.
- 1.2. GENERAL:** This Agreement sets forth the general terms and conditions which will apply to all Work Orders and the Work. Consultant will provide or cause to be provided the services set forth in this Agreement and any subsequent amendments including Work Orders. Client will pay Consultant for the Work as set forth in the Work Order and Paragraph 3.3 of this Agreement.
- 1.3. TERM:** This Master Agreement is effective May 9, 2024, through 12/31/2026, unless amended in writing signed by the parties or terminated as provided in paragraph 4.3 below.

2. CONSULTANT'S RESPONSIBILITIES:

- 2.1 SERVICES PROVIDED:** Each Work Order will describe the Work to be performed and deliverables, if any, to be provided. Consultant is not obligated to perform any Work until Client and Consultant have agreed in writing to the scope of the Work, time for performance, Consultant's compensation, Client's responsibilities and have signed a Work Order. Each Work Order is subject to and incorporates the terms and conditions of this Agreement.
- 2.2 STANDARD OF CARE:** The standard of care for all professional services performed or furnished by Consultant under this Agreement will be the care and skill ordinarily exercised by members of the subject profession practicing under similar circumstances at the same time and in the same locality. Consultant

makes no warranties, express or implied, under this Agreement or otherwise, in connection with Consultant's services unless otherwise provided in the Work Order.

2.3 INDEPENDENT CONTRACTOR: Services will be provided by Consultant as an independent contractor. Consultant is solely responsible for the means and methods used to complete the Work. Consultant is not an employee of or in a joint venture with Client. The Consultant is obligated to pay federal and state income tax on any moneys earned pursuant to this Agreement. Neither the Consultant nor its employees, if any, are entitled to workers' compensation benefits from the Client for the performance of the work specified in this Agreement.

2.4 TIMELINESS OF PERFORMANCE: The Consultant will perform the Work with reasonable diligence and expediency consistent with sound professional practices and as required by the Work Orders.

2.5 CONSULTANT'S EMPLOYEES: Consultant represents to Client:

(a) Immigration Reform and Control Act of 1986, as amended. Consultant is aware of the requirements of the Immigration Reform and Control Act of 1986 and will comply with its, including, but not limited to, verifying the eligibility for employment of all of Consultant's agents, employees, subconsultants, and Consultants that are included in this contract.

(b) Limitation of Client Liability. Payments made to Consultant pursuant to this contract are the full and complete compensation to which Consultant and Consultant's officers, employees, agents, and subconsultants are entitled for performance of any Work under this contract.

(c) Public Works Project. Consultant acknowledges that work for Client is generally related to a "public works project." Contractors and sub-contractors do not have mechanics, materialmen, or other lien rights against a "public works project." Consultant will ensure that all of its subcontractors and suppliers are aware of the absence of line rights and will indemnify Client against all costs incurred to void any purported lien.

2.6 COMPLIANCE WITH LAWS AND CLIENT POLICIES: The Consultant will familiarize itself and comply with all laws, including but not limited to, employment related laws, laws governing activities of the Client, and Client policies applicable to the performance of the Agreement and any Work. Client policies will be made available to Consultant upon request.

2.6.1 FAIR EMPLOYEMENT PRACTICES AND COLORADO ILLEGAL ALIENS PROVISIONS:

(a) Civil Rights Laws: Consultant agrees to comply with Title VII of the Civil

Rights Act of 1964, as amended, the Colorado Anti-Discrimination Act, as amended, the Americans with Disabilities Act of 1990, as amended, and any other applicable federal and state laws, and regulations hereinafter enacted.

2.7 CLIENT DISCRIMINATION AND HARASSMENT POLICY: Consultant and its officers, employees, agents, and subconsultants will comply with the Client's Discrimination/Harassment Prohibition Policy in performance of this contract, which Policy will be made available upon request to Consultant.

3. CLIENT'S RESPONSIBILITY:

3.1 DUTY TO PROVIDE INFORMATION AND ACCESS: Client will timely provide Consultant with any and all documents, regarding the data upon which the performance of the Work is based or to be performed, if any, which are available to Client and which relate to the Services. Client is responsible for, and Consultant may rely upon, the accuracy and completeness of all requirements, programs, instructions, reports, data, documents, and other information furnished by Client to Consultant under the Agreement. Consultant may use the requirements, reports, data, documents, and information in performing the Work unless Consultant is aware of or discovers an error which shall be immediately reported to Client. Client shall make decisions and carry out its other responsibilities in a timely manner under the Agreement so as not to delay Consultant's Services.

3.2 PERMITS AND LICENSES: These required items are addressed in individual Work Orders.

3.3 PAYMENT AND TERMS: Consultant will prepare invoices in accordance with its standard invoicing practices and each Work Order. Consultant will submit its invoices to Client on a monthly basis. Invoices are due and payable within 30 days of receipt. If Client fails to make any payment properly due Consultant within 30 days after receipt of Consultant's invoice without timely disputing the amount, Client will be considered in breach of the payment terms of this Agreement, and the aggregate amount due Consultant will be increased at the rate of 1.50% per month (or the maximum rate of interest permitted by law, if less) from said thirtieth day.

Invoices shall include project billing code indicated on the Work Order and be emailed to Invoices@soldiercanyon.com.

If Client disputes an invoice, Client may withhold until resolution of the disputed portion only that portion so disputed and will pay the undisputed portion.

Whenever Consultant is entitled to compensation for the charges of Sub-consultants used by the Consultant as part of the services provided to the Client,

those charges will be billed to the Client at the amount billed to the Consultant by the Subconsultant times a factor not to exceed 1.10.

If after the Effective Date of a Work Order any governmental entity takes a legislative action that imposes fees or charges on Consultant's services or compensation different than as described by the Work Order, Consultant may invoice the new fees or charges as a Reimbursable Expense to which a factor of 1.0 shall be applied. Client will reimburse Consultant the cost of such invoiced new fees and charges; reimbursement shall be in addition to the compensation to which Consultant is entitled under the terms of the Work Order.

The Soldier Canyon Water Treatment Authority is a governmental entity and is therefore exempt from state and local sales and use tax. The Client will not pay for or reimburse any sales or use tax that may not directly be imposed against the Client. The Consultant will use the Client's sales tax exemption for the purchase of any and all products and equipment on behalf of the Client. A copy of the tax-exempt certificate can be provided upon request.

4. GENERAL CONSIDERATIONS:

4.1 OWNERSHIP OF DOCUMENTS: All data, reports, drawings, specifications, record drawings, work-product, and other deliverables (whether in printed or electronic format) provided by or furnished by Consultant pursuant to the Agreement (the "Documents") are instruments of service in respect to this Project, and Consultant shall retain an ownership and property interest therein (including the right of reuse at the discretion of Consultant) whether or not the Project is completed. Notwithstanding the foregoing, upon completion of the project or termination of the services and payment of all monies due the Consultant, Consultant grants to Client a royalty-free, non-exclusive unlimited license to utilize Consultant's Documents provided to Client as part of the services or the Work to the extent necessary for the implementation, operation, maintenance or repair of the Project or any unit or component thereof. Client may also make and retain copies of Documents for information and reference in connection with use on the Project by Client and others. Such Documents are not intended or represented to be suitable for reuse by Client or others on extensions of the Project or on any other project. Any such reuse or modification without written verification or adaptation by Consultant, as appropriate for the specific purpose intended, will be at Client's sole risk and without liability or legal exposure to Consultant, its officers, directors, employees, agents, or Consultants. Client shall indemnify and hold harmless Consultant, its officers, directors, partners, employees, agents, and its Consultants from all claims, damages, losses, and expenses, including attorney's fees, arising out of, or resulting there from to the extent permitted by the *Constitution of the State of Colorado*, Art. XI, Sections 1 and 2.

Documents submitted to the Client in electronic format shall be formatted according to specifications provided by the Client, or if not otherwise specified,

in Microsoft Word, Excel, PowerPoint or other Microsoft Office format as appropriate for the work product or, if directed by the Client Contact in Adobe Acrobat pdf format.

- 4.2 WORKPLACE CONDUCT AND BEHAVIOR:** Consultant and Consultant's officers, employees, agents, and subconsultants shall comply with the Client's substance-free workplace policy, Information and Communications Systems Policy and other rules and regulations governing workplace safety, conduct and behavior, for any portion of the work performed on the premises of the Client or using Client facilities or equipment. Copies of relevant policies are available upon request.
- 4.3 SUSPENSION AND TERMINATION:** If the Client is in breach of the payment terms or otherwise is in material breach of this Agreement, the Consultant may suspend performance of services upon seven (7) days' notice to the Client. The Consultant shall have no liability to the Client, and the Client agrees to make no claim for any delay or damage as a result of such suspension caused by any breach of this Agreement by the Client. Upon receipt of payment in full of all outstanding sums due from the Client or curing of such other breach which caused the Consultant to suspend services, the Consultant shall resume services and there shall be an equitable adjustment to the remaining project schedule and fees as a result of the suspension. Either party may terminate this Agreement or any individual Work Order by giving the other party a written seven (7) days' notice of its intent to terminate. Client will pay for all services rendered and all reimbursable costs incurred by Consultant up to the date of termination. Payment to Consultant will be made within 30 days of the date of termination.
- 4.4 INSURANCE:** Consultant will purchase and maintain such insurance as is reasonable and necessary for the Work being performed as an independent consultant, meeting the following minimum limits: General Commercial Liability in an amount specified in the Colorado Governmental Immunity Act ("CGIA"), §24-10-101, *et. seq.*, C.R.S., as may be amended from time to time (currently \$387,000 per person, \$1,093,000 per occurrence for bodily injury and property damage); Automobile liability in an amount specified in the CGIA, §24-10-101, *et. seq.*, C.R.S., as may be amended from time to time (currently \$387,000 per person, \$1,093,000 per occurrence for bodily injury and property damage); Professional Liability - \$1,000,000 per claim and aggregate limit, unless an alternate amount is agreed to in writing by the Client; Workers Comp Liability – Statutory. Certificates of insurance are required to be provided to client no later than 7 days after agreement finalization.
- 4.5 OPINIONS OF COST:** Consultant's opinions of probable cost are to be made based on Consultant's experience and qualifications and represent Consultant's estimate as an experienced and qualified professional generally familiar with the relevant industry. However, because Consultant has no control over the cost of labor, materials, equipment, or services furnished by others, or over other

consultants' methods of determining prices, or over competitive bidding or market conditions, Consultant cannot and does not guarantee that proposals, bids, or actual cost will not vary from opinions of probable cost prepared by Consultant. If Client requires greater assurance as to probable cost, Client must employ an independent cost estimator.

4.6 ANNUAL APPROPRIATION: The Client's obligations hereunder are subject to the annual appropriation of funds necessary for the performance thereof, which appropriations shall be made in the sole discretion of the Client's Board of Directors.

5. MISCELLANEOUS PROVISIONS:

5.1 MUTUAL WAIVERS AND CONSULTANT LIABILITY CAP: To the fullest extent permitted by law, Client, and Consultant:

- (1) Waive against each other, and the other's employees, officers, directors, agents, insurers, partners, and consultants, any and all claims for or entitlement to special, incidental, indirect, or consequential damages arising out of, resulting from, or in any way related to the Project, and
- (2) Agree that Consultant's total liability to Client related to any services provided, due to Consultant's negligent acts, negligent errors, or negligent omissions, shall be limited to \$1,000,000 or as otherwise provided in the Work Order.

The Client is relying on and does not waive or intend to waive by any provision of this Agreement, the monetary limitations or any other rights, immunities, defenses, and protections provided by the Colorado Governmental Immunity Act (CGIA) or otherwise available to the Client or its officers or employees.

5.2 CONFIDENTIALITY: Confidential Nature of Information. Consultant shall treat all information obtained from the Client in the performance of this contract as confidential and proprietary to the Client. Consultant shall treat all records and work product prepared or maintained by Consultant in the performance of this contract as confidential.

(a) Limitation on use and disclosure. Consultant agrees that it will not use any information obtained as a consequence of the performance of work for any purpose other than fulfillment of Consultant's scope of work. Consultant will not disclose any information prepared for the Client or obtained from the Client or obtained as a consequence of the performance of work to any person other than the Client, or its own employees, agents or subconsultants who have a need for the information for the performance of work under this contract unless such disclosure is specifically authorized in writing by the Client.

(b) Security plan. If requested by Client Contact, Consultant will prepare a

security plan to assure that information obtained from the Client or as a consequence of the performance of work is not used for any unauthorized purpose or disclosed to unauthorized persons. Consultant will advise the Client of any request for disclosure of information or of any actual or potential disclosure of information.

(c) Survival. Consultant's obligations under this paragraph will survive the termination of this contract.

- 5.3 **PROHIBITED INTEREST:** No officer or employee of the Client who is authorized in such capacity on behalf of the Client to negotiate, make, accept, or approve, or take part in negotiating, making, accepting, or approving this contract, shall become directly or indirectly interested in this contract or in any part thereof. No officer or employee of the Client who is authorized in such capacity and on behalf of the Client to exercise any executive, supervisory, or similar functions in connection with the performance of this contract shall become directly or indirectly interested personally in this contract or any part thereof.
- 5.4 **CODE COMPLIANCE:** The Consultant shall exercise usual and customary professional care in its efforts to comply with applicable laws, codes, and regulations in effect as of the date of each respective Work Order issued by Client to Consultant. Design changes made necessary by newly enacted laws, codes and regulations after the Work Order date shall entitle the Consultant to a reasonable adjustment in the schedule and additional compensation based upon Consultant's Standard Fee Schedule in effect when the work is completed. In the event of a conflict between laws, codes and regulations of various governmental entities having jurisdiction over a Project under this Agreement, the Consultant shall notify the Client of the nature and impact of such conflict. The Client agrees to cooperate and work with the Consultant in an effort to resolve this conflict.
- 5.5 **SEVERABILITY:** Any term or provision of this Agreement found to be invalid or unenforceable under any applicable statute or rule of law shall be deemed omitted and the remainder of this Agreement shall remain enforceable and be interpreted in a manner that satisfies the intent of the parties manifest in this Agreement and any Work Order.
- 5.6 **ASSIGNMENT:** Neither Client nor Consultant may assign, sublet, or transfer any rights under or interest (including, but without limitation, monies that are due or may become due) under the Agreement without the written consent of the other, except to the extent that any assignment, subletting, or transfer is mandated by law. Unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under the Agreement.

- 5.7 GOVERNING LAW and JURISDICTION:** Client and Consultant agree that the Contract Documents and any legal actions concerning their validity, interpretation and performance shall be governed by the laws of the State of Colorado, without regard to Colorado laws regarding conflicts of law. Venue for any dispute arising out of or relating to the Agreement shall be in the State of Colorado District Court for the county in which the Client's mailing address is located.
- 5.8 ELECTRONIC COMMUNICATIONS:** During the course of this contract, communications may occur through sending, receiving, or exchanging electronic versions of documents and e-mails using commercially available computer software and Internet access. Consultant and the Client acknowledge that the Internet is occasionally victimized by the creation and dissemination of so-called viruses, or similar destructive electronic programs. Consultant and the Client view the issues raised by these viruses seriously and have invested in document and e-mail scanning software that identify and reject files containing known viruses. Consultant agrees to update its system with the software vendor's most current releases at regular intervals. Because of the virus scanning software, the respective computer systems of the parties may occasionally reject a communication. The parties acknowledge that this occurrence is to be expected as part of the ordinary course of business. Because the virus protection industry is generally one or two steps behind new viruses, neither party can guarantee that its respective communications and documents will be virus free. Occasionally, a virus will escape and go undetected as it is passed from system to system. Although each party will use all reasonable efforts to assure that its communications are virus free, neither party warrants that its documents will be virus free. Each party agrees to advise the other if it discovers a virus in its respective system that may have been communicated to the other party.
- 5.9 INTEGRATIONS AND MODIFICATIONS:** This Agreement with its related Work Order represents the entire understanding of the Client and Consultant as to those matters contained herein. No prior oral or written understanding shall be of any force or effect with respect to matters subject to a Work Order. This contract may not be modified, amended, or altered except in writing signed by the Client and Consultant with respect to any outstanding Work Order.
- 5.10 ADVICE OF COUNSEL:** The parties have the right to be advised by counsel with respect to the negotiations, terms, and conditions of this contract, and that the decision of whether or not to seek the advice of counsel with respect to this contract is a decision is the sole responsibility of each of the parties. This contract shall not be construed in favor or against either party by reason of the extent to which each party participated in the drafting of the contract.
- 5.11 NOTICES:** All notices required, or which may be given under this Agreement shall be effective when physically or electronically delivered to the address first set forth below.

5.12 COUNTERPARTS, ELECTRONIC SIGNATURES AND ELECTRONIC RECORDS: This Agreement and any Work Orders may be executed in two counterparts, each of which shall be an original, but all of which, together, shall constitute one and the same instrument. The Parties consent to the use of electronic signatures and agree that the transaction may be conducted electronically pursuant to the Uniform Electronic Transactions Act, § 24-71.3-101, *et seq.*, C.R.S. The Agreement, any Work Orders, and any other documents requiring a signature may be signed electronically by either Party. The Parties agree not to deny the legal effect or enforceability of the Agreement, solely because it is in electronic form or because an electronic record was used in its formation. The Parties agree not to object to the admissibility of the Agreement in the form of an electronic record, a paper copy of an electronic document, or a paper copy of a document bearing an electronic signature on the grounds that it is an electronic record or an electronic signature or that it is not in its original form or is not an original.

IN WITNESS WHEREOF, the parties hereto have executed this Master Agreement for Professional Services as of the date first above written.

Soldier Canyon Water Treatment Authority
(Client)

By: _____
Board Chair Name

Title: Board Chair

Date: _____

Address: 4424 LaPorte Avenue

City: Fort Collins, CO 80521

Phone: (970) 482-3143

Attn: Client Contact identified on Work
Order

Ditesco
(Consultant)

By: _____
Name

Title: _____

Date: _____

Address: _____

City: _____

Phone: _____

SOLDIER CANYON WATER TREATMENT AUTHORITY

WORK ORDER (EXHIBIT A)

Work Order No. 2024-10

Effective Date: May 9, 2024

End Date: December 31, 2026

Ditesco (Consultant) agrees to provide to Soldier Canyon Water Treatment Authority (Client), the professional services described for the Project identified below. The professional services shall be performed in accordance with, and shall be subject to, the terms and conditions of the Master Agreement for Professional Services executed by and between Consultant and Client on the 9th of May 2024. The work shall be performed in accordance with the provided schedule.

WORK ORDER PROJECT NAME: 2024/2025 Soldier Canyon Filter Plant R&R Projects

WORK ORDER PROJECT DESCRIPTION: Project design and project and construction management services for: 1 - New Motor Control Center, 2 - Remove and Replace North Weld County Water District's on-site 20" water meter, 3 - Chlorine Dioxide Systems Upgrade, 4 - POE Sampling location improvements at the CCT, 5- New FCLWD onsite meter, 6 - Chlorinator Replacement, and 7 - Miscellaneous Construction Management for access stairs to Backwash Tanks, site improvements for solids handling, and soda ash backup pump system.

SCWTA WORK ORDER BILLING NUMBER: 2024-10

CONSULTANT CONTACT : Bill Renz, (970) 632-5068, bill.renz@ditescoservices.com

CLIENT CONTACT: Mark Kempton, P.E., CWP - (970) 482-3143, mkempton@soldiercanyon.com

SCOPE OF WORK & SCHEDULE: See attached SOW & Schedule (the "**Work**").

FEE ARRANGEMENT: Time and Materials Not to Exceed \$130,000.

SPECIAL TERMS AND CONDITIONS: Instructions for Payment: Please reference Work Order Billing Number on Invoice when submitting for payment. Please submit requests for payment to: Invoices@soldiercanyon.com.

SOLDIER CANYON WATER TREATMENT AUTHORITY

APPROPRIATION : Client represents that it has available and has appropriated sufficient funds to pay the anticipated costs associated with this Work Order.

Soldier Canyon Water Treatment Authority
(Client)

Ditesco
(Consultant)

By: _____

Chris Pletcher
Authority Chairman

By: _____

Name:
Title:

Date: _____

Date: _____

Address: 4424 LaPorte Avenue
Fort Collins, Colorado 80521
Phone: (970) 482-3143

Address: 2133 S. Timberline Road, Suite 110
Fort Collins, CO 80525
Phone: 970-632-5068



Delivery by email to:

mkempton@soldiercanyon.com

April 29, 2024

Mr. Mark Kempton, P.E.
Soldier Canyon Water Treatment Authority Manager
Soldier Canyon Filter Plant
4424 Laporte Ave.
Fort Collins, CO 80521

**RE: Soldier Canton Water Treatment Authority 2024/2025 SCFP R&R Projects
Scope of Work Proposal**

Dear Mark:

This scope of work follows on our recent discussions regarding planned Renewal and Replacement Projects for 2024 and 2025. Thank you for selecting Ditesco to assist with the design and construction management of this work. Our firm is built around successful relationships, successful projects and successful outcomes. It is simply part of our culture.

We understand the importance of timing, execution, and the contractor and plant coordination needed to successfully complete these projects. We anticipate working on several of these projects with Hensel Phelps, the current on-call contractor. For select projects, we expect to provide bid documents and help manage a bid process to select a general contractor.

Generally, our services will design, plant coordination, CDPHE coordination, cost proposal review, bid document preparation, and construction management.

Please let me know if you have any questions or require further information regarding this scope of work. I can be reached by phone at 970.820.0175 and email bill.renz@ditescoservices.com.

Sincerely,

Bill Renz, PE
Construction Program Manager
Ditesco

Enc. Scope of Work

Cc: file
Keith Meyer

Your Success is Our Success

Ditesco
2133 S. Timberline Rd, Suite 110
Fort Collins, CO 80525
(970) 632-5068
ditescoservices.com

Exhibit A

Soldier Canyon Water Treatment Authority 2024/2025 Soldier Canyon Filter Plant Renewal and Replacement Projects Design and Construction Management Scope of Services

PROJECT UNDERSTANDING

The Soldier Canyon Water Treatment Authority (SCWTA) is planning several capital projects that were identified in the 2021 Condition Assessment. The staff at SCWTA have selected projects for execution in line with the condition assessment recommendations and to increase plant capabilities and reliability.

The services provided under this contract are generally expected to include contract management, design and design management, resident engineering services including inspections during construction, submittal review and record drawing completion for applicable projects.

PHASE: DESIGN

During this phase Ditesco will provide part-time Design and Construction Management services to assist in work coordination and to ensure compliance with contract documents/specifications.

1. New Motor Control Center – Ditesco will draft a Request for Proposals for Design-Build teams to provide new Motor Control Center design, procurement, and construction of the original plant building MCC. The RFP will include requirements and restrictions for plant coordination, timing, and integration coordination with LSI, SCFP's on-call integrator. Ditesco will provide onsite assistance with contractor work.
2. Remove and Replace North Weld County Water District's on-site 20" water meter – We will as-built the existing vault and provide a new vault and water meter design including vault structural, electrical and communication. We plan to work with HP to execute this work under a work order executed between SCWTA and HP.
3. Chlorine Dioxide Systems Upgrade – Ditesco will assist as-needed for installation and startup of the chlorine dioxide system currently in design by HDR. We plan to supplement services provided by HDR and MTE. Work will include site checks, witnessing pressure tests, general coordination and startup assistance, and limited review of submittals conforming to HDR's design.
4. POE Sampling location improvements at the CCT – Ditesco will provide a design and CDPHE coordination to move the point of entry sampling from the current location to a new location within the CCT in order to increase reliability of the sampling system. Work will include schematic design, construction details, and CDPHE coordination as needed.
5. New FCLWD onsite meter – Ditesco will provide a new vault and water meter design including vault structural, electrical and communication. We plan to work with HP to execute this work under a work order executed between SCWTA and HP. This is new infrastructure and we will work with the plant staff to locate a suitable area on the line. We are assuming potholing and field investigative efforts are by HP.
6. Chlorinator Replacement – Ditesco will assist plant staff in coordinating with MTE to provide a design solution for replacing aged chlorinators, excluding newer plant infrastructure installed during the 15MGD expansion in 2021/2022.
7. Miscellaneous Construction Management – Ditesco will provide as-needed construction management and field design for miscellaneous plant improvements to be constructed by HP. This includes access stairs to Backwash Tanks, site improvements for solids handling, soda ash backup pump system, and

DELIVERABLES

- Deliverables will include full project documentation including: design and RFP information, construction correspondence, pay applications, change orders, field orders, change directives, schedules, submittals, transmittals, reports, photographs, meeting notes, record drawings and other relevant information produced throughout the design and construction phase. All documents will also be provided in an electronic form on external drives for SCWTA use.

SCHEDULE

The anticipated schedule for construction is as follows:

- MCC RFP: May 2024, Solicitation in June 2024
- Meter Vault Design: June-July 2024
- POE Sampling Improvements schematic design and CDPHE coordination: May-July 2024
- Construction Management in 2024/2025 low demand season: November 2024 – May 2025.

FEE ESTIMATE

We have based our fee estimate on the following assumptions:

- Required site materials testing covered under contractor work order.
- Design and Construction Management Services are part-time.
- Future work past May 2025 is anticipated to be contracted via a separate agreement at that time.
- Items not expressly covered in this scope may be added via a mutually agreeable amendment.

Estimated Fee:	\$120,000.00
Estimated Reimbursable Expenses:	\$ 10,000.00
Total:	\$130,000.00

A detailed task breakdown is included. Please find this on page 5 of this scope of work proposal.

The fee shown above is to be billed on a time and material not-to-exceed basis based on the rates shown below and in the table on **page 5** of this proposal. All reimbursable expenses will be billed at direct cost. Vehicles use is billed at the IRS Rate.

Ditesco
2024-2025 Rate Schedule

President:	\$215.00 to \$297.00 per hour
Principal/VP:	\$185.00 to \$248.00 per hour
Department/Program Manager:	\$160.00 to \$204.00 per hour
Senior Project Manager:	\$155.00 to \$196.00 per hour
Project Manager:	\$146.00 to \$183.00 per hour
Associate Project Manager:	\$132.00 to \$163.00 per hour
Engineer:	\$128.00 to \$152.00 per hour
Associate Engineer:	\$120.00 to \$142.00 per hour
Project Engineer:	\$106.00 to \$132.00 per hour
Senior Construction Manager:	\$134.00 to \$187.00 per hour
Construction Manager/Resident Engineer:	\$128.00 to \$157.00 per hour
Associate Construction Manager:	\$102.00 to \$144.00 per hour
Inspector:	\$85.00 to \$124.00 per hour
Senior CAD Design:	\$125.00 to \$154.00 per hour
CAD Design:	\$90.00 to \$135.00 per hour
GIS Technician:	\$78.00 to \$141.00 per hour
Administrative:	\$70.00 to \$94.00 per hour
Mileage Reimbursement:	IRS Rate
Subconsultant Markup:	0% / None
All other costs:	At Direct Expense
Terms:	30 days net

THE WHITE HOUSE
WASHINGTON

March 18, 2024

Dear Governor:

Disabling cyberattacks are striking water and wastewater systems throughout the United States. These attacks have the potential to disrupt the critical lifeline of clean and safe drinking water, as well as impose significant costs on affected communities. We are writing to describe the nature of these threats and request your partnership on important actions to secure water systems against the increasing risks from and consequences of these attacks.

Two recent and ongoing threats illustrate the risk that cyberattacks pose to the nation's water systems:

- Threat actors affiliated with the Iranian Government Islamic Revolutionary Guard Corps (IRGC) have carried out malicious cyberattacks against United States critical infrastructure entities, including drinking water systems. In these attacks, IRGC-affiliated cyber actors targeted and disabled a common type of operational technology used at water facilities where the facility had neglected to change a default manufacturer password. See [Exploitation of Unitronics PLCs used in Water and Wastewater Systems | CISA](#) for further information on these attacks.
- The People's Republic of China (PRC) state-sponsored cyber group known as Volt Typhoon has compromised information technology of multiple critical infrastructure systems, including drinking water, in the United States and its territories. Volt Typhoon's choice of targets and pattern of behavior are not consistent with traditional cyber espionage. Federal departments and agencies assess with high confidence that Volt Typhoon actors are pre-positioning themselves to disrupt critical infrastructure operations in the event of geopolitical tensions and/or military conflicts. See [PRC State-Sponsored Actors Compromise and Maintain Persistent Access to U.S. Critical Infrastructure](#) for further information.

Drinking water and wastewater systems are an attractive target for cyberattacks because they are a lifeline critical infrastructure sector but often lack the resources and technical capacity to adopt rigorous cybersecurity practices. As the Sector Risk Management Agency identified in Presidential Policy Directive 21 for water and wastewater systems, the U.S. Environmental Protection Agency (EPA) is the lead Federal agency for ensuring the nation's water sector is resilient to all threats and hazards. Partnerships with State, local, tribal, and territorial governments are critical for EPA to fulfill this mission. In that spirit of partnership, we ask for your assistance in addressing the pervasive and challenging risk of cyberattacks on drinking water systems.

We need your support to ensure that all water systems in your state comprehensively assess their current cybersecurity practices to identify any significant vulnerabilities, deploy practices and controls to reduce cybersecurity risks where needed, and exercise plans to prepare for, respond to, and recover from a cyber incident. In many cases, even basic cybersecurity precautions – such as resetting default passwords or updating software to address known vulnerabilities – are not in place and can mean the difference between business as usual and a disruptive cyberattack. The Department of Homeland Security’s Cybersecurity and Infrastructure Security Agency’s (CISA) website has a [list of actions](#) water and wastewater systems can take to reduce risk and improve protections against malicious cyber activity.

Additionally, both EPA and CISA offer [guidance, tools, training, resources, and technical assistance](#) to help water systems to execute these essential tasks. Further, cybersecurity support and technical assistance are available from private sector associations like the American Water Works Association, the National Rural Water Association, and the Water Information Sharing and Analysis Center. State leadership and messaging to connect water systems with these tools and resources is essential to ensure that utility leaders assess and mitigate critical cyber risks. Your state Homeland security advisors are a resource, as they have links into Federal cybersecurity efforts and access to relevant information about these threats.

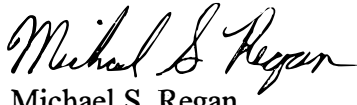
We will invite your Environmental, Health and Homeland Security Secretaries to participate with us in a convening to discuss the improvements needed to safeguard water sector critical infrastructure against cyber threats. This meeting will highlight current Federal and state efforts to promote cybersecurity practices in the water sector, discuss priority gaps in these efforts, and emphasize the need to take immediate action. We will provide details about this convening to your teams shortly.

Additionally, EPA will engage the Water Sector and Water Government Coordinating Councils to form a Water Sector Cybersecurity Task Force, which will build on recommendations from your Environmental, Health and Homeland Security Secretaries. The Task Force will identify the most significant vulnerabilities of water systems to cyberattacks, the challenges that water systems face in adopting cybersecurity best practices, and near-term actions and long-term strategies to reduce the risk of water systems nationwide to cyberattacks.

The White House and EPA are hopeful that the efforts outlined in this letter, and others we may undertake together, will protect the water systems from cyberattacks and prevent the need to use other Federal authorities.

In recognition of the significant risk that cyberattacks pose for mission critical water utility operations, we appreciate your attention to this important issue and thank you for your partnership. If you or your staff would like to engage with the EPA or the National Security Council staff on any aspect of this request, please contact Deputy Director of the EPA Janet McCabe and Deputy National Security Advisor for Cyber and Emerging Technologies Anne Neuberger at the National Security Council at mccabe.janet@epa.gov and anne.neuberger@nsc.eop.gov.

Sincerely,



Michael S. Regan
Administrator
Environmental Protection Agency



Jake Sullivan
Assistant to the President for
National Security Affairs

APRIL 11, 2024

Per- and Polyfluoroalkyl Substances (PFAS)

Final PFAS National Primary Drinking Water Regulation

Summary

On April 10, 2024, EPA announced the final National Primary Drinking Water Regulation (NPDWR) for six PFAS. To inform the final rule, EPA evaluated over 120,000 comments submitted by the public on the rule proposal, as well as considered input received during multiple consultations and stakeholder engagement activities held both prior to and following the proposed rule. EPA expects that over many years the final rule will prevent PFAS exposure in drinking water for approximately 100 million people, prevent thousands of deaths, and reduce tens of thousands of serious PFAS-attributable illnesses.

EPA is also making unprecedented funding available to help ensure that all people have clean and safe water. In addition to today's final rule, [\\$1 billion in newly available through the Bipartisan Infrastructure Law](#) to help states and territories implement PFAS testing and treatment at public water systems and to help owners of private wells address PFAS contamination.

EPA finalized a National Primary Drinking Water Regulation (NPDWR) establishing legally enforceable levels, called Maximum Contaminant Levels (MCLs), for six PFAS in drinking water. PFOA, PFOS, PFHxS, PFNA, and HFPO-DA as contaminants with individual MCLs, and PFAS mixtures containing at least two or more of PFHxS, PFNA, HFPO-DA, and PFBS using a Hazard Index MCL to account for the combined and co-occurring levels of these PFAS in drinking water. EPA also finalized health-based, non-enforceable Maximum Contaminant Level Goals (MCLGs) for these PFAS.

Compound	Final MCLG	Final MCL (enforceable levels)
PFOA	Zero	4.0 parts per trillion (ppt) (also expressed as ng/L)
PFOS	Zero	4.0 ppt
PFHxS	10 ppt	10 ppt
PFNA	10 ppt	10 ppt
HFPO-DA (commonly known as GenX Chemicals)	10 ppt	10 ppt
Mixtures containing two or more of PFHxS, PFNA, HFPO-DA, and PFBS	1 (unitless) Hazard Index	1 (unitless) Hazard Index

The final rule requires:

- Public water systems must monitor for these PFAS and have three years to complete initial monitoring (by 2027), followed by ongoing compliance monitoring. Water systems must also provide the public with information on the levels of these PFAS in their drinking water beginning in 2027.
- Public water systems have five years (by 2029) to implement solutions that reduce these PFAS if monitoring shows that drinking water levels exceed these MCLs.
- Beginning in five years (2029), public water systems that have PFAS in drinking water which violates one or more of these MCLs must take action to reduce levels of these PFAS in their drinking water and must provide notification to the public of the violation.