

Memorandum

To: Mayor and Council
From: Tom Baker, Town Administrator
Date: April 7, 2015
Re: Update: Water Treatment Plant Expansion

Purpose: The purpose of this item is to update the Council on Water Treatment Plant Expansion, new state regulations for disinfection (chlorine contact time), and potential expenditures for the grant and state regulations.

Background and Discussion:

DOLA Grant - As you are aware, the DOLA grant for Water Treatment Plant Expansion was submitted last week. Before it was submitted we asked Elyse Ackerman, DOLA Regional Manager to review and comment. She reviewed the grant and gave us the green light to submit. The total project cost is \$1.38M. The scope of the project is:

- Replace degraded filtration elements with higher capacity filtration elements;
- Replace existing pumps with higher efficiency and higher capacity pumps;
- Expand the Clear Well and increase baffling so chlorine contact time is increased to meet new state regulations.

These changes will allow the WTP to provide adequate treated water for the buildout of CVR and Lakota.

New State Regulations for Disinfection – On February 10, 2015 the state sent a notice of violation regarding our chlorine contact time (disinfection). Since that time SGM and Utility's staff have been reviewing the data. We have sent a letter to CDPHE outlining our short and long term approach to the problem. In the short term we will make process adjustments and adjustments to chlorine dosage. If this proves inadequate, then staff will install additional baffles to the Clear Well to increase contact time. In the long term our WTP Expansion will address this concern.

Potential Expenditures – We have committed to a 50% match for the DOLA Grant. The town's share of the WTP Expansion is estimated to be \$690,000. The cost to increase Clear Well baffles, if that is needed for a short term approach to increase chlorine contact time, is \$20,000 to \$50,000. Some of this baffling will be reusable when the WTP Expansion occurs. The Utility Fund Reserve is estimated at \$2,152,083 at the end of 2014.