

**MINUTES OF THE BOARD MEETING  
OF THE BOARD OF DIRECTORS OF THE  
DENVER SOUTHEAST SUBURBAN WATER  
AND SANITATION DISTRICT**

A regular meeting of the Board of Directors of the Denver Southeast Suburban Water and Sanitation District was held on Wednesday February 12, 2014 at the main office, the time and place of the meeting according to the posted notices. Present were District Board Members – Robert Chapman, Walt Partridge, Rod Bergholm, Heidi Tackett, and Robert Greene, District Manager - Heather Beasley, General Counsel - Jim Folkestad, District Accountant - Kevin Collins, and District staff –Rhonda Lancaster, Patty Britton, Kevin Clark and Dan Hammann.

Chairman Chapman called the meeting to order at 6:00 pm and established that a quorum of the Board was present.

Minutes for the January 8, 2014 Regular Board Meeting were approved as written.

**PUBLIC RESPONSE**

None

**DIRECTOR'S BUSINESS**

None

**ITEMS FOR BOARD ACTION AND DISCUSSION:**

**RESOLUTION 2014-05 APPROVING A TASK ORDER WITH CH2M HILL FOR PROFESSIONAL SERVICES RELATED TO MAINTAINING THE WATER SYSTEM WATER QUALITY SAMPLING DATABASE**

This Resolution is a request for an amendment to the existing agreement between the District and CH2M Hill to provide continued service for groundwater data management and monitoring schedule assessment. Having this service in place aids the District in water quality compliance and help identify ways to increase the efficiency of compliance testing. CH2M Hill will also do a trend analysis of previous data to help inform decisions into the future. The Board entered a motion to approve the Resolution amending the existing agreement, subject to revisions as requested by District legal counsel, with CH2M Hill Engineers, Inc. to provide continuing support for the District's groundwater data management and monitoring schedule assessment not to exceed \$14,000.00.

Motion: Robert Greene

Second: Walt Partridge

Vote: All Directors present voted in favor.

**RESOLUTION 2014-06 AMENDED RESOLUTION (2014-02) OF THE BOARD OF DIRECTORS OF DENVER SOUTHEAST SUBURBAN WATER AND SANITATION DISTRICT, DOUGLAS COUNTY, COLORADO REGARDING THE MAY 6, 2014 REGULAR SPECIAL DISTRICT ELECTION**

This Resolution states that the appointed Designated Election Official is Carol Reed of Folkestad, Fazekas, Barrick and Patoile, P. C., and the Deputy Designated Election Official is District Manager Heather Beasley. This Resolution states that the Official Election shall be a mail ballot Election with the drop off location being the District's main office. The Special District Election will be conducted to elect three directors to serve for four-year terms are set for May 6, 2014. Terms for Directors Chapman, Partridge, and Tackett will expire on May 6, 2014. Self-nomination and acceptance forms are to be filed no later than 4pm on February 28, 2014 with the Designated Election officials. Election cancellation deadline is March 4, 2014. After a lengthy discussion about trying to clarifying what the current laws are and what may be changing in the immediate future regarding the Special District Election and pros and cons on whether the District should hold both types of Election, a motion was entered to approve Resolution 2014-06 which states that the District Election shall be conducted as a mail ballot election.

Motion: Robert Chapman

Second: Heidi Tackett

Vote: 4 Directors voted in favor, Director Greene voted against

**RESOLUTION 2014-07 APPROVING TASK ORDER 15 WITH GOLDER ASSOCIATES, INC. FOR THE WELL A PROJECT**

This proposal will provide instrumentation and control services and equipment for the Well A Project necessary to connect Well A to the District's SCADA system.

A motion was entered to approve Resolution 2014-7 approving Task Order 15 with Golder Associates, Inc. in the amount of \$15,725, and to give the Manager authority to sign the contract.

Motion: Robert Chapman

Second: Heidi Tackett

Vote: All Directors present voted in favor.

**DISCUSSION/DIRECTION REGARDING A VERIZON CELL TOWER AT BINGHAM LAKE**

Manager Beasley presented the Board with a request from Verizon to put a cell tower on District property near Bingham Lake. After a brief discussion, the Board agreed that if the effected HOA's were okay with the cell tower, it would consider a lease agreement.

**DISCUSSION/DIRECTION REGARDING A REQUEST FOR PROPOSALS FOR ON-CALL PROFESSIONAL SERVICES**

Manager Beasley has produced a Request for Proposals for On-Call Professional Services (RFP) to be sent out to consultants that the District uses that include: Water Resources Planning and Engineering, Water and Wastewater Engineering, Development Plan Review and Business Solutions and Utility Rate Financial Planning. This is a tool to aid in ensuring competitive rates

and competent services. A team of staff and Board members (if interested) would evaluate the proposals using specific criteria. Then the team will choose consultants that would fit the “on-call” criteria for the District and they would be used for 2014 and for up to two more years. The Board directed the Manager to proceed with the RFP and complimented her work on the document. Ms. Beasley affirmed she was targeting issuance of the RFP to be February 14, 2014 giving them a deadline of March 14, 2014 to submit their proposals to the District. She also asked if any Board members would be interested in being part of a team with staff to review proposals as they come in.

#### **DISCUSSION/DIRECTION REGARDING DISTRICT SUPPORT FOR THE PARKER TASK FORCE**

Direct Partridge met with the director of the Parker Task Force regarding a way that Pinery could offer a program to all the customers to contribute to the Parker Task Force to help Pinery customers in need. The Parker Task Force is a not for profit organization run totally by volunteers. It provides help to people in the community who are in need. This organization has provided financial assistance to Pinery Water customers over the years that are in danger of having service interrupted for nonpayment. The Board and staff discussed how the District and its customers can get involved and participate in making a financial contribution to the Parker Task Force geared towards helping out customers in our District. Director Greene cautioned that the District would need to communicate this carefully so that we do not confuse the customers thinking that it is an additional fee rather than a voluntary donation. Director Partridge asked staff to develop a concept for the program. Manager Beasley told the Board that she will check with other Districts in the area to find out how they do their donations to the Task Force and report back with her findings.

#### **DISCUSSION OF THE PINERY WASTEWATER RECLAMATION FACILITY 2013 ANNUAL REPORT**

Wastewater Superintendent Kevin Clark produced a report that covers all that has happened at the Wastewater Treatment Plant since 2004. During that time the expansion to the Pinery Wastewater Reclamation Facility was completed which increased the capacity from one million gallons per day to 2 MGD. Even though the facility has grown, the same staff of 4 operators along with use of the District’s electrician has remained the same. Their expertise has earned the Facility national recognition and they have kept costs of testing and chemical at a minimum. The Board was very complimentary of the work and requested that a PDF form of the report be added to the District’s website, and it was also suggested to change the name of the report to “A History of the Wastewater Treatment Plant” since it covers so much history of the Facility.

#### **ATTORNEY’S REPORT**

Attorney Jim Folkestad presented active matters of interest to the Board including Reservoir 2B Easements, the 2014 Regular District Election and the Subdivision Improvements Agreement with Forestar.

#### **ACCOUNTANT’S REPORT**

Accountant Kevin Collins presented the Draft December 31, 2013 Financials. The 2013 Financials will remain open to ensure that all of the 2013 expenditures are accounted for through payables in the next few weeks. The draft audit will be presented at the March Regular Board meeting.

Director Greene requested of Kevin Collins to have more internal audits included in the budget going forward.

### **TREASURER'S REPORT**

Treasurer Rod Bergholm presented the Treasurer's Report for Board approval for the month of January 2014. A motion was entered to issue checks as written in the amount of \$311,927.01 for disbursements and \$82,126.63 for the interim report.

Director Bergholm had questions about the disbursement for the title insurance. Attorney Jim Folkestad explained that the payment is for title insurance on easements within the District that he and the former District Manager decided should be insured to protect, all of which are where District facilities lie. Mr. Bergholm has requested that there be more clarity and information on future bills and on the disbursements showing exactly what the vendor is requesting payment for.

Motion: Rod Bergholm

Second: Robert Greene

Vote: All Directors present voted in favor.

### **DISTRICT MANAGER'S REPORT**

Manager Beasley updated the Board on items of importance to the District:

- Flaming Gorge Project – Manager Beasley approached the Board asking if they would be interested in participating in the feasibility study being done by the Colorado/Wyoming Coalition. Ms. Beasley points out that this project should be of interest to the District for long range potential for allocating water from the Colorado River. The District's cost would be \$1,000 if all of the anticipated members participate. The Board gave the OK to go ahead with participating in the cost of the investigation, giving the Manager a \$15,000 threshold for future expenditures concerning this project.
- Potential Future Joint Board Meetings – Manager Beasley discussed with the Board the possible interest in meeting with other Directors from entities the District will be interacting with in the future such as Parker, Cottonwood and Castle Rock. Director Greene replied that he would be interested in meeting with the Directors and Manager of the Parker Water & Sanitation District. All Directors agreed that it would be good to meet their peers at PWSD.
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- Chambers Pipeline Participants Group – Alignment of the Chambers Pipeline has been moved and could be a significant cost saving to the project. Cost estimates are still consistent with budgeted costs for the WISE project.

- The District has new signs that are now displayed while staff is working in the District neighborhoods so that customers know it is authorized work being done by District staff.
- The Board received copies of a letter that came from a District customer who wants to know the District's objective for calculating the sewer rate based on average monthly water use from November through February. The Board directed Manager Beasley to respond to the letter on their behalf.

### **EXECUTIVE SESSION**

At 8:40pm the Board entered a motion to move into Executive Session pursuant to State Statute C.R.S. 24-6-402(4) (b) and (e) to determine the District's position on matters that may be subject to negotiations; and developing strategy for negotiations and instructing negotiators to discuss the Well A-16 project and possible litigation.

Motion: Robert Greene

Second: Heidi Tackett

Vote: All Directors present voted in favor.

At 9:05 pm the Board moved to adjourn from the Executive Session and re-entered into the Regular Board Meeting session.

Motion: Robert Greene

Second: Heidi Tackett

Vote: All Directors present voted in favor.

After the Executive Session, Jim Folkestad stated that all of the discussion in the Executive Session constituted a privileged attorney-client communication and therefore, no record or electronic recording was required to be kept of that discussion. Jim Folkestad further stated that the Board did not adopt any proposed policy, position, resolution, rule, regulation, or formal action with respect to the matters discussed during the Executive Session.

### **DISCUSSION/DIRECTION REGARDING A CONTRACTING WITH CONSULTANTS TO PROVIDE EXPERT ADVICE REGARDING THE WELL A-16 PROJECT**

The Board and Ms. Beasley discussed the importance of contracting with experts in the well drilling industry to investigate the District's position in the potential dispute with Hydro Resources. The Board directed Ms. Beasley to secure contracts with experts in the industry and authorized expenditures not to exceed \$50,000.

Motion: Walter Partridge

Second: Robert Greene

Vote: All Directors present voted in favor.

There being no additional business to come before the Board Chairman Chapman adjourned the meeting at 9:10pm.

*Robert Chapman*

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WALTER PARTRIDGE ACTING CHAIRMAN  
ROBERT CHAPMAN, CHAIRMAN OF THE BOARD  
OF DIRECTORS, DENVER SOUTHEAST SUBURBAN  
WATER & SANITATION DISTRICT

ATTEST:

*Walter Partridge*

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WALTER PARTRIDGE, SECRETARY

*Heather Beasley*