

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 October 8, 2014 at the main office, the time and place of the meeting according to the posted notices. Present were District Board Members – Robert Greene, Robert Chapman, Rod Bergholm, Heidi Tackett, and Stephan Tinnes, District Manager - Heather Beasley, General Counsel - Jim Folkestad, and District Accountant – Kevin Collins. Also present were Randy Wambsganss, Steve Stephenson and Ray Smith with Glacier Construction.

Chairman Greene called the meeting to order at 6:04 pm and established that a quorum of the Board was present.

Minutes for the September 9, 2014 Special Board Meeting were approved.

**PUBLIC RESPONSE**

Randy introduced his coworkers that will be assisting the district on the Reservoir 2B project. Randy expressed his excitement to work together with the District on this project. Manager Beasley mentioned that the Reservoir 2B project is a critical District project and that Glacier is a good contractor to have on board for this type of project.

**DIRECTOR'S BUSINESS**

None.

**ITEMS FOR BOARD ACTION AND DISCUSSION:**

**RESOLUTION 2014-44 CERTIFYING DELINQUENT FEES, RATES, TOLL, PENALTIES, CHARGES OR ASSESSMENTS MADE OR LEVIED FOR WATER AND SEWER SERVICE OR READINESS TO SERVE FEES TO THE TREASURER OF DOUGLAS COUNTY, COLORADO FOR COLLECTION AS TAXES**

Despite attempts to bring the accounts current for water and sewer services or readiness-to-serve fees on a property located at 8115 Lakeshore Drive through delinquent account letters and notice of pending filing of Liens, this account remains delinquent in amounts exceeding \$1,000. A motion was entered to approve Resolution 2014-44 and directing District Counsel to certify the delinquent account with the Douglas County Treasurer no later than October 31<sup>st</sup> if payment is not made by close of business on October 17<sup>th</sup>.

Motion: Robert Chapman

Second: Rodney Bergholm

Vote: All Directors present voted in favor.

**RESOLUTION 2014-45 APPROVING AN EASEMENT DEED AND AGREEMENT WITH THE BOARD OF COUNTY COMMISSIONERS OF THE COUNTY OF DOUGLAS, STATE OF COLORADO CONCERNING A NON-EXCLUSIVE EASEMENT FOR A CONNECTOR TRAIL TO KINNEY CREEK TRAIL OVER THE RESERVOIRS 2B AND 2C SITE**

The District received from the County an access easement to the Reservoir 2B site. This easement that the County requests in return would skirt the property line of the District's Reservoir 2B site and connect the County open space to the County's major Kinney Creek Trail. A motion was entered to approve Resolution 2014-45 granting an easement to Douglas County.

Motion: Rod Bergholm

Second: Steve Tinnes

Vote: All Directors present voted in favor.

**RESOLUTION 2014-46 APPROVING THE AMENDED CONTRACT WITH APPLIED INGENUITY FOR WELL H COMPLEX IMPROVEMENTS**

During this project it became apparent that the most efficient, and probably least expensive way to order the necessary pitless units is to have Applied Ingenuity do it rather than the District doing it. Last month the Board approved a proposal from Applied Ingenuity for a contract to supply the submersible pump and down-hole equipment at the Well H Complex. The amount of this contract was \$209,081 with an additional staff managed contingency of \$10,000. Staff requested an increase of \$15,756 to the original contract to add in the cost of the pitless units. A motion was entered to approve Resolution 2014-46 approving the amended contract with Applied Ingenuity.

Motion: Robert Chapman

Second: Heidi Tackett

Vote: All Directors present voted in favor.

**DISCUSSION / DIRECTION REGARDING THE 2015 DRAFT BUDGET AND CONSIDERATION OF POSSIBLE SPECIAL MEETING / STUDY SESSION IN CONNECTION WITH THE DRAFT BUDGET**

There was discussion about the draft budget presented in the Board packet. Director Greene suggested to decrease the number of expected new taps from 57 down to 55. The Board agreed that a study session regarding the draft Budget sometime after the October 22, 2014 Rates and Fees Work Session would be help helpful. The Directors scheduled a Special Board Meeting / Budget Work Session for November 1, 2014 at 8:00 AM.

**CALL A PUBLIC HEARING FOR NOVEMBER 12, 2014 REGARDING THE PRELIMINARY ENGINEERING REPORT FOR PUMP STATION #1 AND THE ZONE A PIPELINE**

The Board called for a Public Hearing on November 12, 2014 at the Regular November Board Meeting at 6:00 PM to hear potential concerns from the public regarding the Preliminary Engineering Report submitted to the Colorado Department of Public Health and Environment (CDPHE) regarding the Pump Station #1 and Zone A Pipelines.

**EXECUTIVE SESSION**

At 6:15 PM, a motion was made to enter into Executive Session to receive advice of legal counsel concerning the District's causes of action against Hydro Resources-Rocky Mountain,

Inc. relative to Pinery Well A-16 and the defense of claims brought against the District by Hydro Resources-Rocky Mountain, Inc. pursuant to CRS 24-6-402(4) (b)

Motion: Robert Greene

Second: Robert Chapman

Vote: All Directors present voted in favor.

A motion was entered to re-enter into Regular Session at 6:43 PM. After the Executive Session, Jennifer Osgood, special counsel to the District, 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.

#### **ATTORNEY'S REPORT**

Mr. Folkestad then presented active matters of interest to the Board included in his report.

#### **ACCOUNTANT'S REPORT**

Accountant Kevin Collins presented the August 31, 2014 financials.

#### **TREASURER'S REPORT**

Treasurer Rod Bergholm presented the Treasurer's Report for Board approval for the month of August, 2014. A motion was entered to issue checks as written in the amount of \$287,319.49 for disbursements and \$ 6,161.11 for the interim report.

Motion: Rod Bergholm

Second: Steve Tinnes

Vote: All Directors present voted in favor.

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

Manager Beasley updated the Board on items of importance to the District. She specifically noted that staff was working on the update to the District Rules and Regulations and that the draft document would be available for discussion and direction at the November Board meeting. Part of the revisions to the Rules and Regulations will include an updated water resources dedication policy.

#### **EXECUTIVE SESSION**

At 7:49 PM, a motion was made to enter into Executive Session to discuss personnel matters relative to the District Manager's employment contract pursuant to CRS 24-6-402(4) (f)

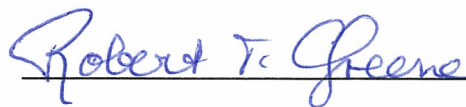
Motion: Robert Chapman

Second: Rod Bergholm

Vote: All Directors present voted in favor.

A motion was entered to re-enter into Regular Session at 8:45 PM. Jim Folkestad 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.

There being no additional business to come before the Board Chairman Greene adjourned the meeting at 8:51 PM

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ROBERT GREENE, CHAIRMAN, DENVER SOUTHEAST SUBURBAN  
WATER & SANITATION DISTRICT

ATTEST:

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HEIDI TACKETT, SECRETARY