

**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 June 10, 2015 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, Heidi Tackett, Stephan Tinnes, and Walt Partridge, District Manager - Heather Beasley, General Counsel - Jim Folkestad, and District Accountant – Kevin Collins, and District staff Rod Bergholm and Kevin Clark. Also present were Ray Smith and Steve Stephenson from Glacier Construction and Pinery resident Jim McGannon.

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

Minutes for the May 13, 2015 Regular Board Meeting were approved with one correction.

**PUBLIC RESPONSE**

The representatives from Glacier Construction were present to provide an update on the progress of the project at Reservoir 2B. Final completion is slated for late July.

Jim McGannon addressed the Board about his concern that he has not been contacted since his presentation to launch a water conservation task force for the District at the February Board meeting. The manager will contact Mr. McGannon and discuss further his desire to create a water conservation task force.

**DIRECTOR BUSINESS**

Director Partridge had a question about what the District does with the replacement of motors from wells that need to be replaced and if they are scrapped or held on to.

Chairman Greene updated the Board regarding his discussion with the Manager about finalizing the 2016 Budget by September or October this year.

**CONSENT AGENDA ITEMS:**

**RESOLUTION 2015-18 APPROVING AN INTERGOVERNMENTAL AGREEMENT FOR REUSABLE RETURN FLOW USE BETWEEN THE CHERRY CREEK PROJECT WATER AUTHORITY AND THE DENVER SOUTHEAST SUBURBAN WATER AND SANITATION DISTRICT**

The Board was asked to approve this resolution that provides for a business deal potential for the District and is beneficial to all of the CCPWA members.

### **APPROVAL OF PROPOSAL FROM EPR TO REPLACE THE WELL B BLOW-OFF LINE**

The Board was asked to approve this proposal and authorize the District Manager to issue a task order to EPR in the amount of \$25,755 for the replacement of the Well B blow-off line and approve a contingency of \$2,000 for the project.

A motion was entered to approve both of the Consent Agenda items.

Motion: Walter Partridge

Second: Robert Chapman

Vote: All Directors present voted in favor.

### **ITEMS FOR BOARD ACTION AND DISCUSSION:**

#### **UPDATE ON WASTEWATER SYSTEM REPAIR AND MAINTENANCE PROGRAM**

This update was provided to the Board upon request to give them a better understanding of what is included in the yearly budgeted amounts. Kevin Clark, the Wastewater Superintendent was present to participate in the discussion. The goal is to maintain the District's wastewater collection system by having a preventative maintenance program in place, which minimizes the need for replacement of infrastructure. Mr. Clark explained that the life cycle of a sewer pipe is between 50 and 100 years and with the maintenance program in place the life span can be extended. He mentioned that there is one big project coming up that will be included in the 2016 budget involving the repair of a mile long stretch of 21" sewer pipe, a main artery of the system, which runs through the Thayer property to the Wastewater Treatment Facility.

#### **UPDATE ON DISTRICT VISION AND MISSION**

Staff came back to the Board with a compilation of the discussion from May's Board meeting. After a lengthy and engaging discussion that included Board member and staff input, Manager Beasley was directed to make the revisions to the Vision and Mission statements and forward the information to the Board for their approval. Manager Beasley reminded the Board that now that they have provided the draft and framework of the Vision and Mission statements she would like to continue with this project by pushing it out to the District staff so they can also provide their input by coming up with goals and objectives with the assistance of outside resources that will aid in wrapping up the project. The Board was in favor of the Manager, if necessary, contracting with an outside consultant to help with the staff development portion of the organizational Vision, Mission and Values.

#### **RESOLUTION 2015-19 APPROVING A SALES AGREEMENT WITH CONTINENTAL UTILITY SOLUTIONS, INC. (CUSI) FOR NEW UTILITY BILLING SOFTWARE**

Manager Beasley and Rod Bergholm presented the business case to the Board and a lengthy discussion ensued. The Board and staff discussed the costs versus advantages to making the transition from the current antiquated and soon to be unsupported billing system. It was pointed out that the new billing system will cut costs for processing monthly bills, make the front office efficient in many ways, including providing financial data in a timelier manner and allow staff to provide better customer service. A motion was entered to approve Resolution 2015-19 in the amount not to exceed \$65,100 for new utility billing software, services, training and annual support and give the District Manager the authority to execute the final agreement

and negotiate the payment terms that will allow the District to pay half of the amount due in 2015 and half in 2016.

Motion: Walter Partridge

Second: Robert Chapman

Vote: All Directors present voted in favor.

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

Mr. Folkestad presented active matters of interest to the Board included in his report. He reminded the Board that he will be absent from the July Board meeting. His colleague Katie James will be filling in for him.

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

Accountant Kevin Collins presented the April 30, 2015 financials.

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

Treasurer Steve Tinnes presented the Treasurer's Report for Board approval for the month of May, 2015. A motion was entered to issue checks as written in the amount of \$1,433,032.73 for disbursements and \$35,612.58 for the interim report. The Board and staff discussed the lowered revenue due to the wet weather so far in 2015, and the potential impact on finances for the District going into the summer months.

Motion: Steve Tinnes

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.

- Chairman Greene pointed out that the District will not approve the development plans for Stone Creek Ranch until the developer removes their opposition to the District's new augmentation plan application currently in water court.
- Manager Beasley discussed the current Security Coalition and explained the District's role in the entity.
- Manager Beasley pointed out that the Board should expect a discussion regarding the disbursement of the proceeds from the sale of the Vessel property currently owned by the Cherry Creek Project Water Supply Authority. The entitlement process with Meritage Homes will take 18-24 months so that item will be discuss next year.
- Chairman Greene suggested the Board enter a motion to appoint Manager Beasley to be the 2016 Budget Officer.

Motion: Robert Chapman

Second: Heidi Tackett

Vote: All Directors present voted in favor.

There being no additional business to come before the Board Chairman Greene adjourned the meeting at 8:12 PM.

A handwritten signature in black ink that reads "Robert T. Greene". The signature is written in a cursive style and is positioned above a solid horizontal line.

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

ATTEST:

A handwritten signature in blue ink, appearing to be "Heidi Tackett". The signature is written in a cursive style and is positioned above a solid horizontal line.

HEIDI TACKETT, SECRETARY

Heather Beasley, Asst. Secretary