

**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 August 16, 2017 at the District Office at 5242 Old Schoolhouse Road, the time and place of the meeting according to the posted notices. Present were Board Chairman Walt Partridge, District Board Members, Heidi Tackett, Stephan Tinnes, Russ Hokanson and Jim Evans. Also present were District Manager, Heather Beasley, Kevin Collins, District Account and Jim Folkestad of Folkestad Fazekas Barrick & Patoile, General Counsel.

Chairman Partridge called the meeting to order at 6:30 pm and established that a quorum of the Board was present.

DIRECTOR BUSINESS

There was no Director's Business discussed.

PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA

Bruce Kelly, Pinery resident, addressed the Board regarding the rate of the highest tier. He feels that the rate is unfair to customers that need to use a lot of water due to the size of their lawn. Mr. Kelly wants the Board to consider a rate structure that takes into account the size of lots – similar to a water budget rate structure. The Board stated that it has considered that type of rate structure for many years and most recently in the 2017 update to the Rates and Fees study. The Board mentioned that Mr. Kelly may be interested to participate on the Conservation Task Force that the Board is supporting. The Board also let Mr. Kelly know that all of the meetings that discussed proposed revisions to the rates and fees are public meetings and all public are welcome to attend. Manager Beasley will follow up with Mr. Kelly regarding his interest in the Conservation Task Force.

MINUTES OF THE JULY 19, 2017 REGULAR BOARD MEETING

Minutes for the July 19, 2017 Regular Board meeting were approved as presented.

Motion: Walt Partridge

Seconded: Steve Tinnes

Vote: All Directors present voted in favor.

MINUTES OF THE JULY 20, 2017 SPECIAL BOARD MEETING

Minutes for the July 20, 2017 Special Board meeting were approved as presented.

Motion: Heidi Tackett

Seconded: Jim Evans

Vote: All Directors present voted in favor.

ITEMS FOR BOARD ACTION AND/OR DISCUSSION:

RESOLUTION 2017-19 APPROVING AN AMENDMENT TO THE SUBDIVISION IMPROVEMENTS AGREEMENT (TIMBERS) BETWEEN THE DISTRICT AND TIMBERS DEVELOPMENT GROUP, INC. AND TIMBERS INVESTMENT 2015, LLC.

Jim Folkestad explained that this amendment better defines who the District will reimburse for tap surcharges paid in the newly defined surcharge area. This amendment also clearly establishes how much has been reimbursed to the Timbers to date, how much has been collected and is pending payment and how much has yet to be reimbursed to satisfy the terms of this agreement. Jim Folkestad recommended any approval by the Board be contingent upon the Developer performing on the requirements listed in Paragraph 7 of the Agreement.

Motion: Heidi Tackett

Second: Jim Evans

Vote: All Directors present voted in favor.

DISCUSSION REGARDING THE DRAFT 2018 DISTRICT BUDGET

Manager Beasley discussed with the Board all of the budget item descriptions in the memo and the assumptions that built the first draft of the 2018 District Budget. The Board asked to add money to the Budget to include efforts for the Conservation Task Force.

ATTORNEY REPORT

Jim Folkestad provided the Board with an update on issues concerning the District.

ACCOUNTANT REPORT

Kevin Collins, District Accountant was present to discuss the July 31, 2017 financial statements.

TREASURER REPORT

Treasurer Steve Tinnes presented the Treasurer's Report for Board approval for the month of July 2017. A motion was entered to approve the checks issued as written in the amount of \$587,024.91 for the interim report. There was no disbursement report this month.

Motion: Steve Tinnes

Second: Heidi Tackett

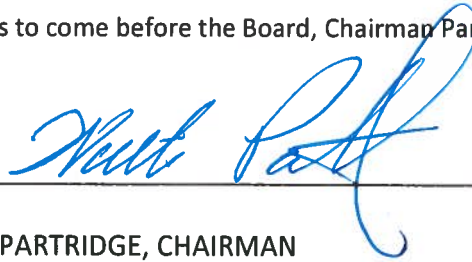
Vote: All Directors present voted in favor.

MANAGER REPORT

Manager Beasley updated the Board on items of importance to the District including the progress of the Capital projects as well as some of the development projects around the District. Manager Beasley told the Board that final completion would occur on both the Chapman Pump Station and the Chloramine Conversion projects within the next few weeks. The Board discussed the idea of a formal dedication of the Chapman Pump Station once it was fully operational. Manager Beasley will begin planning the event. Manager Beasley announced the WISE Celebration Breakfast that would be held the next day. The Board discussed the new format of the Customer Response report and appreciated some of the changes. The Board was interested to know that staff issues, on average, 2-3 Water Bill Adjustments each month. The Board asked Manager Beasley to develop an amendment to the Water Bill Adjustment policy that would

include a condition of the adjustment be that the customers join the BEACON AMI program to begin monitoring their water use real time.

There being no additional business to come before the Board, Chairman Partridge adjourned the meeting at 8:10 PM.



WALTER PARTRIDGE, CHAIRMAN
DENVER SOUTHEAST SUBURBAN WATER & SANITATION DISTRICT

ATTEST:



HEIDI TACKETT, SECRETARY