

**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 July 19, 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, Stephan Tinnes, Russ Hokanson and Jim Evans. Director Tackett's absence was excused. Also present were District Manager, Heather Beasley, Kevin Collins, District Account and Jim Folkestad of Folkestad Fazekas Barrick & Patoile, General Counsel and District staff member Rod Bergholm.

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

DIRECTOR BUSINESS

Director Partridge asked about the Voluntary Watering Restrictions signs that were placed about the District recently. Manager Beasley told the Board that those signs are placed for a few days at a time and then moved to a new location in the District.

Director Tinnes talked to the Board about the BEACON pilot program. He is participating in the four-month pilot program. He noted that the information from the BEACON was really interesting and helps to understand your individual water usage.

PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA

Jim McGannon, Pinery resident, addressed the Board regarding the formation of a conservation task force comprised of Pinery residents and possibly a Board member. Mr. McGannon complimented the Pinery on the xeriscape demonstration garden at the office and noted that this potential task force could begin to educate the homeowners about xeriscape landscaping and other conservation issues.

The Board decided that it would support forming a conservation task force and directed Manager Beasley to contact Mr. McGannon regarding the same. Also, the District will put some information in the August newsletter trying to raise resident participation.

MINUTES OF THE JUNE 20, 2017 SPECIAL BOARD MEETING

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

Motion: Walt Partridge

Seconded: Steve Tinnes

Vote: All Directors present voted in favor.

MINUTES OF THE JUNE 21, 2017 REGULAR BOARD MEETING

Minutes for the June 21, 2017 Regular Board meeting were approved as presented.

Motion: Walt Partridge

Seconded: Jim Evans

Vote: All Directors present voted in favor.

ITEMS FOR BOARD ACTION AND/OR DISCUSSION:

RESOLUTION 2017-17 APPROVING THE THIRD AMENDMENT TO THE DENVER SOUTHEAST SUBURBAN WATER AND SANITATION DISTRICT SERVICE TO CANYONS SOUTH

The Developer and the District worked together to clarify some of the terms of the prior (2nd) amendment to the service agreement, mainly the method of computing the monthly Unutilized Tap Service Charges. Jim Folkestad noted some non-substantive changes from the redlined version to the final version on Page 4 of the agreement.

Motion: Russ Hokanson

Second: Jim Evans

Vote: All Directors present voted in favor.

RESOLUTION 2017-18 APPROVING AN AGREEMENT WITH GLACIER CONSTRUCTION CO, INC. TO PERFORM CONSTRUCTION SERVICES RELATED TO THE NEW DEEP WELL A-16

Glacier Construction Co, Inc (Glacier) was the only qualified bidder for this project. Their bid came in higher than expected and staff negotiated to an agreeable final bid. The total project expenses will be more than the \$300,000 that is in the 2017 Budget. Manager Beasley told the Board that the funds for impacts to the water and sewer from a Douglas County (DC) stormwater project would be diverted to cover the Well A-16 extra costs. The DC project is being delayed until next year.

Motion: Steve Tinnes

Second: Jim Evans

Vote: All Directors present voted in favor.

AN ANALYSIS OF THE INFORMATION TECHNOLOGY BUSINESS PROCESS

District staff member, Rod Bergholm, presented the supplement to the analysis of the District's current information technology business process. The Board directed staff to proceed with recruiting and hiring an IT staff position in early 2018 and to routinely report on the success of the program. The Board will revisit its decision to approve the position in three years.

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 June 30, 2017 financial statements.

TREASURER REPORT

Treasurer Steve Tinnes presented the Treasurer's Report for Board approval for the month of June 2017. A motion was entered to approve the expenses and checks issued as written in the amount of \$871,349.14 for the interim report and \$228,932.76 for the disbursement report.

Motion: Steve Tinnes

Second: Jim Evans

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 pointed the Board's attention to the memo charting the progress of the Asset Management

Implementation Plan. She also discussed in length a memo in the packet giving background information about the 2000 Wastewater Utility Plan and the current capacity of the District's wastewater treatment plant. Manager Beasley noted that staff has been contacted by various people, some Franktown residents, some representing a developer of Franktown to inquire about the District's ability to serve wastewater. The District issued a "Will Serve" letter in 2013 and has been asked to update that letter. The Board was agreeable to potential future discussions of wholesale wastewater service to Franktown and directed staff to proceed with issuing an updated Will Serve letter to the developer.

There being no additional business to come before the Board, Chairman Partridge adjourned the meeting at 8:20 PM.



WALTER PARTRIDGE, CHAIRMAN
DENVER SOUTHEAST SUBURBAN WATER & SANITATION DISTRICT

ATTEST:



HEATHER BEASLEY, ASSISTANT SECRETARY