

**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 20, 2019 at the District Office at 5242 Old Schoolhouse Road, the time and place of the meeting according to the posted notices. Present were Chairman Walter Partridge, District Board Members Russ Hokanson, Steve Tinnes and Jim McGannon. Heidi Tackett was absent and excused. Also present were Heather Beasley, District Manager, Kevin Collins, District Accountant and Joe Kinlaw, District Counsel.

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

DIRECTOR BUSINESS

Director McGannon had a question about the term of the District Accountant's agreement. Mr. Collins informed him that the agreement renews annually unless the District terminates the contract.

Director Tinnes gave the other Board members some insight regarding the last article in the District newsletter. Mr. Tinnes' goal was to inform the customers more about their stake in the District. He also suggested the staff include more pictures in the newsletter.

PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA

Drew Massey, owner of a lot in the Colorado Golf subdivision at 7250 Preservation Trail, was present to discuss the request he made last month and in a letter for the Board to waive his water and sewer tap fees. The Board let Mr. Massey know that the Board would be discussing the topic and his request in Executive Session later in the meeting and that Manager Beasley would get in touch with him tomorrow.

Michael Schildt, Pinery resident, was in attendance. He had some questions about the status of the WISE project. That topic was on the agenda to discuss later in the meeting as well.

MINUTES OF THE JANUARY 16, 2019 REGULAR BOARD MEETING

The minutes for the January 16, 2019 Regular Board meeting were approved as presented.

Motion: Jim McGannon

Seconded: Steve Tinnes

Vote: All Directors present voted in favor.

CONSENT AGENDA:

RESOLUTION 2019-04 APPROVING A PROFESSIONAL SERVICES AGREEMENT WITH LOGICAL SYSTEMS, LLC.

A motion was entered to approve Resolution 2019-04.

Motion: Jim McGannon

Second: Russ Hokanson

Vote: All Directors present voted in favor.

ITEMS FOR BOARD ACTION AND/OR DISCUSSION:

DISCUSSION REGARDING THE REQUEST TO WAIVE WATER AND WASTEWATER TAP FEES AT 7250

A motion was made by Chairman Partridge at 7:25 PM to adjourn into executive session pursuant to C.R.S. § 24-6-402(4) (b) for the purpose of receiving from the District's attorney legal advice on a specific legal question. The motion was seconded by Steve Tinnes and the motion was passed 4-0.

At 7:42 PM the Board moved to adjourn from the Executive Session and re-entered into the Regular Board Meeting session. All 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. 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.

Chairman Partridge made a motion to deny Mr. Massey's request to waive the water and wastewater tap fees. The motion was seconded by Director McGannon and the motion was passed 4-0.

Chairman Partridge made a motion to direct Manager Beasley to formulate a plan to construct a sewer service line from the District's nearest manhole to 5 feet inside of Mr. Massey's property line (7250 Preservation Trail), at the District's expense, with a spending limit up to \$10,000. The motion was seconded by Director Tinnes and the motion passed 4-0. Manager Beasley committed to contact Mr. Massey to discuss the Board's decision and direction.

RESOLUTION 2019-05 APPROVING A PURCHASE AND SALE AGREEMENT FOR WISE INFRASTRUCTURE CAPACITY

Last month the Board directed Manager Beasley to prepare an agreement for the sale of certain WISE infrastructure to Meridian Metropolitan District. This agreement will sell 0.75 million gallons per day of Pinery's capacity in the Wester Pipeline and the future Binney Connection to Meridian for a total of \$785,770.36.

A motion was entered to approve Resolution 2019-05.

Motion: Walt Partridge

Seconded: Russ Hokanson

Vote: All Directors present voted in favor.

DISCUSSION REGARDING THE CYBER RISK ANALYSIS

Manager Beasley discussed the findings of the Cyber Risk Analysis that was prepared by staff with the help of an outside consultant. Staff has started progress on some of the recommendations in the report and Manager Beasley will report on the progress periodically.

ATTORNEY REPORT

Joe Kinlaw presented the Attorney Report for this month and noted that Verizon has decided not to move forward on the planned cellular mono-pine tower near Wells J & P at Bingham Lake.

ACCOUNTANT REPORT

Kevin Collins presented the draft December 31, 2018 financial statements. He noted that these reports would likely change slightly with any late invoices. Mr. Collins informed the Board that the 2018 Audit would begin in March and asked if the Board would like to review the Audit as they did last year, without a committee. The Board agreed that a work session with the entire Board at the April or May regular Board meeting would be appropriate.

TREASURER REPORT

Treasurer Tinnes discussed the status of the District's working capital and net worth. He presented the District's January Disbursement and Interim reports for approval. There was a motion to approve the interim payments of \$1,197,423.30 and the current disbursements in the amount of \$98,981.92.

Motion: Steve Tinnes

Second: Russ Hokanson

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. There was a map of all active projects included in this month's Board packet for the Board members reference. Director McGannon asked that a summary of the Water Efficiency Task Force meetings be included whenever applicable.

There being no additional business to come before the Board, Chairman Partridge noted the time of the next meeting on Wednesday March 20, 2019 starting at 6:30 PM and adjourned the meeting at 7:50 PM.



WALTER PARTRIDGE, CHAIRMAN
DENVER SOUTHEAST SUBURBAN WATER & SANITATION DISTRICT

ATTEST:



Steve Tinnes, Treasurer