

**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 21, 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 Heidi Tackett, Russ Hokanson, Steve Tinnes and Jim McGannon. Also present were Heather Beasley, District Manager, Thuy Dam, District Accountant representative, 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

Chairman Partridge added an additional item, Resolution 2019-15, to the Consent Agenda. Director Hokanson asked Manager Beasley if she knew about the residential development near Franktown. The District was not included in the referral of project information, so she had no information about the development.

There was discussion about the idea of having an Assistant Manager position to back up the District Manager in emergency or unexpected situations. No decisions or action was taken.

Director Tinnes passed along some information about a low-pressure complaint on Huggins Court to Ms. Beasley. She committed to pass the information along to the Water Superintendent to have the issue resolved.

PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA

There were no comments from the public.

MINUTES OF THE JULY 17, 2019 REGULAR BOARD MEETING

The minutes for the July 17, 2019 Regular Board meeting were approved as presented.

Motion: Jim McGannon

Seconded: Russ Hokanson

Vote: Director Tackett abstained, and all other Directors present voted in favor.

CONSENT AGENDA:

RESOLUTION 2019-11 APPOINTING DISTRICT MANAGER HEATHER BEASLEY TO SERVE AS BUDGET DIRECTOR AND TO PREPARE THE 2020 DISTRICT BUDGET

RESOLUTION 2019-12 APPROVING AN EASEMENT DEED AND AGREEMENT WITH CELEBRITY DEVELOPMENT OF COLORADO, LLC RELATED TO THE CANYONS SOUTH 1A REPLAT

RESOLUTION 2019-15 APPROVING AN EASEMENT AGREEMENT WITH PUBLIC SERVICE COMPANY OF COLORADO

A motion was entered to approve Resolutions 2019-11, 2019-12, and 2019-15.

Motion: Heidi Tackett

Second: Steve Tinnes

Vote: All Directors present voted in favor.

ITEMS FOR BOARD ACTION AND/OR DISCUSSION:

RESOLUTION 2019-13 APPROVING A LICENSING AGREEMENT WITH SEDARU, INC FOR ASSET MANAGEMENT SOFTWARE

This agreement will continue the asset management implementation program by purchasing the CMMS software license and paying SEDARU to assist in the conversion and start up of the system. Director McGannon asked about the status of the items number in the memo that are contained in the 2019 Asset Management Strategic Plan.

Motion: Walter Partridge

Seconded: Russ Hokanson

Vote: All Directors present voted in favor.

RESOLUTION 2019-14 APPROVING A PROFESSIONAL SERVICES AGREEMENT WITH CH2MHILL ENGINEERS, INC

This professional services agreement is for assistance in the water quality sampling plan mandated by the USEPA.

Motion: Walter Partridge

Seconded: Russ Hokanson

Vote: All Directors present voted in favor.

DISCUSSION REGARDING THE FIRST DRAFT OF THE 2020 DISTRICT BUDGET

Manager Beasley explained the first draft of the 2020 District Budget. She noted that the assumption for the Water Revenue is that the rate generated revenue is 1% higher. Chairman Partridge expressed the Board's desire to limit residential rate increases. There was also discussion about how any revenue not spent each calendar year is rolled over in the District's fund balance to be able to use in the next year. Chairman Partridge asked that a note be added to the annual Budget clearly noting that the negative balance for the year 2020 is just a draw down on the fund balance and also one to note that the revenue received from the investment of the funds exceeds the expense to have an agent monitor our restricted funds. The Board discussed the need for a Rates and Fees Study and agreed that the effort should stay budgeted in 2020.

ATTORNEY REPORT

Joe Kinlaw presented the monthly Attorney report. He updated the Board on the status of the Canyons South assignment agreements.

ACCOUNTANT REPORT

Thuy Dam from CliftonLarsonAllen presented the July 31, 2019 financial statements. She started by fielding any questions about the reports included in the Board packet and the *Cash and Cash Equivalents* form.

TREASURER REPORT

Treasurer Tinnes discussed the status of the District’s net worth, working capital and debt to equity. He presented the District’s August Disbursement and Interim reports for approval. There was a motion to approve the interim payments of \$3,236,357.76 and the current disbursements in the amount of \$46,210.36.

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. There were no questions on the Manager’s report. There was a discussion about rescheduling the next two meetings to accommodate conference attendance and Manager Beasley’s time out of the office in October.

There was a motion made to cancel the regular September Board meeting and schedule a Special Board Meeting on September 17, 2019 beginning at 7:30 PM.

Motion: Walt Partridge

Second: Russ Hokanson

Vote: All Directors present voted in favor.

There was a motion made to cancel the regular October Board meeting and schedule a Special Board Meeting on October 22, 2019 beginning at 6:30 PM.

Motion: Heidi Tackett

Second: Walt Partridge

Vote: All Directors present voted in favor.

There being no additional business to come before the Board, Chairman Partridge noted the time of the next meeting on Tuesday September 17, 2019 starting at 7:30 PM and adjourned the meeting at 8:15 PM.

WALTER PARTRIDGE, CHAIRMAN
DENVER SOUTHEAST SUBURBAN WATER & SANITATION DISTRICT

ATTEST:

HEIDI TACKETT, BOARD SECRETARY

