

**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 September 16, 2020 via video conference, the time and place of the meeting according to the posted notices. The public was invited to attend via a web address or telephone number according to the posted notices. Present were Chairman Walt Partridge, District Board Members Terry Franklin, Heidi Tackett, Steve Tinnes and Jim McGannon. Also present was Heather Beasley, District Manager, Joe Kinlaw, District Counsel, Thuy Dam from CliftonLarsonAllen, and Carol Malesky and Siyuan Rio from Stantec.

Chairman Partridge called the meeting to order at 6:35 pm and established that a quorum of the Board was present.

DIRECTOR BUSINESS

Director McGannon informed the Board that the Water Education Colorado's Water Fluency class was completed. He learned a lot and believes it was a great value for the District.

Chairman Partridge let the Board know that he would be writing the next Director's article for the upcoming newsletter.

PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA

Bruce Kelly, a resident of the Pinery who lives at 7779 Lakeshore Drive, addressed the Board about his extremely high water bills. He appeared before the Board last year about the same time and was told that the Board would be going through a Rates and Fees Study update in 2020 and that would be the time to provide input. Mr. Kelly asked about the status of the Study and in particular, a potential water budget-based rate structure that would remove the high rate on Tier 6 of the current rate structure. Mr. Kelly was invited to stay for the Rates and Fees Study that would be happening later in the meeting but was told that the Board would be discussing different rate structures at next month's regular board meeting. Mr. Kelly let the Board know that he would be tuning in for next month's meeting.

MINUTES OF THE AUGUST 19, 2020 REGULAR BOARD MEETING

The minutes for the August Regular Board meeting were approved as presented.

Motion: Terry Franklin

Seconded: Jim McGannon

Vote: All Directors present voted in favor.

CONSENT AGENDA

RESOLUTION 2020-19 APPROVING AN AGREEMENT WITH LILLARD AND CLARK FOR REPAIRS TO RESERVOIR 8

This is a small scope of work sole-sourced to Lillard and Clark that will draw on the experience of the original Reservoir 8 design engineer to make repairs recommended in the District's most recent State sanitary survey.

A motion was entered to approve Resolution 2020-19.

Motion: Heidi Tackett

Seconded: Steve Tinnes

Vote: All Directors present voted in favor.

ITEMS FOR BOARD ACTION/DISCUSSION:

RATES AND FEES WORKSHOP #2

The Stantec consultant team attended the Board meeting via Zoom call to present the Rates and Fees 101 workshop. The Board discussed the methodology used to evaluate the District's current and future Tap Fees and talked about the general Financial Plan developed to understand revenue needs in the future. Workshop #3 – Cost of Service and Rate Designs will be presented at next month's regular Board meeting on October 21, 2020.

DISCUSSION REGARDING THE FIRST DRAFT OF THE 2021 DISTRICT BUDGET

Staff presented and the Board discussed the first draft of the 2021 District Budget. Manager Beasley committed to have much more information regarding each line item of the Budget for next month's meeting. One line item that Manager Beasley requested direction from the Board on was the BEACON EyeOnWater Retrofit for the Residential customer class.

After much discussion, a motion was entered to remove the BEACON EyeOnWater project from the 2021 District Budget.

Motion: Walt Partridge

Seconded: Terry Franklin

Vote: The motion was denied with 2 votes for and 3 votes against.

Director Tackett requested that staff bring forth some more information about how the project would be implemented and how the customers that have already paid for the program would be reimbursed. A motion was made to include the BEACON EyeOnWater project in the 2021 District Budget and evaluate it again at the next Board meeting with more information.

Motion: Heidi Tackett

Seconded: Jim McGannon

Vote: The motion was approved with 3 votes for and 2 votes against.

ATTORNEY REPORT

Mr. Kinlaw discussed the Governor's Executive Order regarding late fees and disconnections and noted that by the current (extended) order related to the COVID-19 pandemic, disconnections are allowed

however fees associated with late payment of disconnection are not. The extended order is set to expire October 7, 2020.

ACCOUNTANT REPORT

Thuy Dam presented the Accountants Report including the financial statements and variance report. She said expenses and revenues are generally tracking with the 4-year average. Thuy noted the addition to the Variance Report of any changes that have occurred between monthly financial statements. She followed up with the Board about their desire to pay off Colorado Water Conservation Board loan agreements early. The Board directed Thuy to begin the process of paying off the D series loan from the CWCB by the end of this year.

TREASURER REPORT

Treasurer Tinnes presented the District's August's Disbursement and Interim reports for approval. Director Franklin asked if the Board was willing to revise the financial reports to show the information in a different way. The Board agreed that Director Franklin should work with Manager Beasley on those changes. There was a motion to approve the interim payments of \$497,542.91 and the current disbursements in the amount of \$44,309.65.

Motion: Steve Tinnes

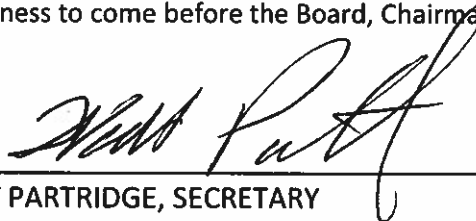
Second: Terry Franklin

Vote: All Directors present voted in favor.

MANAGER REPORT

Manager Beasley updated the Board on items of importance to the District. Manager Beasley again called the Directors' attention to the Water Report at the back of the Board packet to show the record-breaking water demand for the second month in a row. Manager Beasley explained that she would work with the Water Efficiency Task Force and Joe Kinlaw to develop a Drought Response Plan and mandatory water restrictions (when needed) to be added to the Rules and Regulations.

There being no additional business to come before the Board, Chairman Partridge adjourned the meeting at 10:20 PM.



WALT PARTRIDGE, SECRETARY
DENVER SOUTHEAST SUBURBAN WATER & SANITATION DISTRICT

ATTEST:



HEATHER BEASLEY, ASSISTANT SECRETARY