

**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 October 21, 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, Steve Tinnes and Jim McGannon. Heidi Tackett submitted a letter of resignation from the Board as she sold her house and is no longer a District resident. Also present was Heather Beasley, District Manager, Joe Kinlaw, District Counsel, Thuy Dam and Alison Slife from CliftonLarsonAllen, and Carol Malesky and Siyuan Rio from Stantec. Several members of the public were present for the meeting including Sonya Eyre, Alice Ramsey, Bruce Kelly (all residents of the District) and Heidi Tackett.

Chairman Partridge called the meeting to order at 6:40 pm and established that a quorum of the Board was present.

**DIRECTOR BUSINESS**

Chairman Partridge let the Board know that Director Tackett had resigned from the Board last week because she has sold her house in the District and is no longer a resident. He also explained the process the Board will go through to elect a new member. Staff will advertise to the community about the vacant seat. All those interested will be asked to submit a resume and attend the November Board meeting. The Board, after reviewing the resumes and talking to interested parties, will decide who will fill that vacancy. Also, in November, Chairman Partridge told the Board to expect to review the District Manager's contract and performance for 2020. Both discussions will be handled in executive session.

Director Franklin informed the Board that he watched a presentation from South Metro Fire Rescue Authority regarding the house fire that happened in the Timbers last month. He said it was very good and informative and it was complimentary of the District. The presentation can be found on SMFPA at the following link <https://www.southmetro.org/CivicMedia?VID=10>

**PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA**

Bruce Kelly, a resident of the District who lives at 7779 Lakeshore Drive, had no comments at this time but let the Board know that he was interested in the conversation about the Rates and Fees. Sonya Eyre, a resident of the District who lives at 8636 Lakeview Drive let the Board know that she was interested in filling the vacant seat on the Board. Alice Ramsey, a District resident who lives at 7644 Lakecliff Way did not have any questions or comments at the time and was simply listening to the discussion. Heidi Tackett had no comments.

**MINUTES OF THE SEPTEMBER 16, 2020 REGULAR BOARD MEETING**

The minutes for the September Regular Board meeting were approved with one change to add some information related to the COVID19 pandemic in the Attorney Report section.

**Motion:** Walt Partridge

**Seconded:** Terry Franklin

**Vote:** All Directors present voted in favor.

Director McGannon made a motion for the Board to accept a five-tiered water rate structure as presented by Stantec. This motion was seconded by Director Franklin. The motion passed with three directors voting for and one vote (Treasurer Tinnes) voting against.

Chairman Partridge made a motion to call a Public Hearing on December 16, 2020 at 6:30 during the regular December board meeting via Zoom call to gather input from the public regarding the 2021 District Budget and potential revisions to the Districts Water and Wastewater rates and fees in 2021. All Directors present voted in favor.

The presentation moved on to the potential wastewater rate scenarios. The discussion centered around more accurately charging for wastewater that is used rather than a flat rate. Treasurer Tinnes made a motion to accept a tiered wastewater rate and Director Franklin seconded the motion. Director McGannon asked that the Board be provided more information about a tiered wastewater rate before the Board accepts it. The motion failed with one in voting for (Tinnes) and three voting against. Chairman Partridge then made a motion to direct Stantec to investigate a tiered wastewater rate and present at the next Board meeting. Director Franklin seconded the motion. The motion passed with all directors voting in favor.

Mr. Kinlaw noted that any increase to the Out-of-District wholesale rates need to be consistent with rate increases across all customer classes.

Chairman Partridge made a motion to move forward with a \$997 tap fee increase after it has been properly noticed and the public hearing has been held. The motion was seconded by Director Franklin and the motion passed with all directors present voting in favor.

#### **2021 DISTRICT BUDGET – DETAIL DISCUSSION**

Manager Beasley present the most recent draft of the 2021 District Budget. The Board was given the opportunity to discuss each line item in the presented budget. Chairman Partridge asked the Board to consider limiting the Bulk Water sales (which may be taken out of District) in dry years or when the water supplies in the District are strained. Chairman Partridge made a motion to prevent Bulk Water sales to customers that are out of District at any time when the source of supply in the District is 50% or greater from the deep Denver Basin wells. The motion was seconded by Director Franklin. The motion passed with three directors voting for and one director, Director McGannon voting against.

Director McGannon asked Manager Beasley to schedule a presentation to the Board of Director to discuss the District's water supply portfolio and its two separate Plans for Augmentation. Manager Beasley committed to present that information sometime in the first few months of 2021.

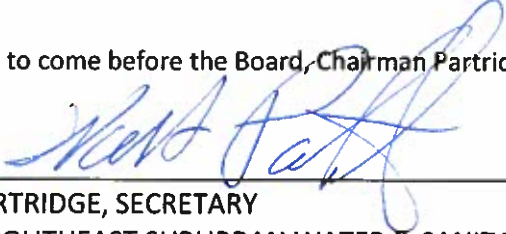
Director Franklin warned the other Board members about the potential/probability in a huge cost increase in the WISE water costs in the next couple of years. Manager Beasley clarified that rate increases and the ramp up schedule per the WISE Water Delivery Agreement had been incorporated into the financial plan used in the Rates and Fees Study update.

Thuy Dam from CliftonLarsonAllen clarified that, unless there is a single audit for the Colorado Water Resources and Power Development Authority funds, the audit should only cost around \$10,000 in 2021.

- Increasing the District's retirement matching from 6% up to 8%,
- Adding a \$200 reimbursement for costs associated with health club membership,
- Changing the sick leave accrual so that 50% is paid out upon separation if the employee has worked at the District at least 10 years.

The motion was seconded by Director Franklin passed with all directors voting in favor

There being no additional business to come before the Board, Chairman Partridge adjourned the meeting at 10:15 PM.



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WALT PARTRIDGE, SECRETARY  
DENVER SOUTHEAST SUBURBAN WATER & SANITATION DISTRICT



ATTEST  

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HEATHER BEASLEY, ASSISTANT SECRETARY