

**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, 2024, the time, and place of the meeting according to the posted notices. Present were Chairman Walt Partridge, Jim McGannon, Rod Bergholm, Joshua Connors, and Chuck Hinson. Chairman Partridge opened the meeting at 6:00 PM and established that there was a quorum. Also, present were Heather Beasley, District Manager, Dan Hammann, District Director of Operation, Richard Krulish, Engineering Projects Manager, Thuy Dam, District Accountant and Joe Kinlaw, District General Counsel.

**DIRECTOR BUSINESS**

Chairman Partridge let the Board know that Josh Connors will be responsible for writing the newsletter for this coming month. Chairman Partridge noted a typo change to the agenda, the resolution under the consent agenda is changed from Resolution 2024-25 to Resolution 2025-29 to prevent a duplicate resolution number.

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

Michael Schildt and Alice Ramsey, both residents of the District were present at the meeting but did not have any public comments.

**MINUTES OF THE JULY 17, 2024 REGULAR BOARD MEETING**

Treasurer Connors made a motion to approve the minutes for the July 17, 2024, Regular Board meeting with two corrections. The motion was seconded by Director Bergholm. All Directors present voted in favor.

**CONSENT AGENDA**

**RESOLUTION 2024-29 APPROVING AN EASMENT AGREEMENT FROM SHALLOW WELL 14**

Mr. Krulish responded to a question about why the easement is bigger than the area needed to drill the well. There was a motion made by Secretary McGannon to approve Resolution 2024-29. Josh Connors seconded the motion. All Directors present voted in favor.

**BOARD ACTION OR DISCUSSION ITEMS**

**PUBLIC HEARING REGARDING INCLUSION OF 6793 SCOTT AVENUE**

Chairman Partridge opened the Public Hearing at 6:09 PM. Mr. Krulish introduced Jack Thiel and Connor Culligan, representing the developer of the 6793 Scott Avenue project. There were no questions from the public and the Public Hearing was closed at 6:12 PM.

**RESOLUTION 2024-26 APPROVING PETITION FOR INCLUSION OF 6793 SCOTT AVE**

Secretary McGannon asked about the meaning of labeling this project affordable housing. Mr. Culligan explained how rent will be restricted based on income levels for 30 years. There were some questions about a "third party" in the Inclusion Agreement. Director Bergholm made a motion to approve Resolution 2024-26. Director Hinson seconded the motion. All Directors present voted in favor.

### **RESOLUTION 2024-27 APPROVING INCLUSION AGREEMENT AND DEVELOPERS SERVICE AGREEMENT FOR 6793 SCOTT AVENUE**

There were some questions about how swimming pools would be connected to the District's infrastructure. Chairman Partridge made a motion to approve Resolution 2024-27. Director Bergholm seconded the motion. All Directors present voted in favor.

### **RATES AND FEES WORKSHOP #3 – COST OF SERVICE AND RATE DESIGN**

Carol Malesky of Stantec presented via video call the final step in the Rates and Fees Study update, the Cost-of-Service evaluation and Rate design. Bruce Kelly and one other resident joined the video call as well. Secretary McGannon asked Ms. Malesky how the Peak Day Factors are determined. He also asked how the base rate is determined. Ms. Malesky explained some of the expenses that are considered when formulating a base rate. The current base rate is 30% of all anticipated annual expenses. Secretary McGannon asked her to make sure these two items above are explained in the final report. At the end of the presentation, each of the Board members gave their input about which of the three rate designs they preferred. All Board members preferred Rate Scenario 1. However, Treasurer Connors asked for the team to tweak Rate Scenario a bit and bring it back to the Board next month. Manager Beasley will coordinate that work.

### **RESOLUTION 2024-28 APPROVING A CONSTRUCTION AGREEMENT WITH MERAKI FOR THE INSTALLATION OF THE LAGOON LINER AT THE WASTEWATER TREATMENT PLANT**

Secretary McGannon had a question about the vast difference in the bids for this project. Mr. Krulish explained the reasons for the discrepancy. He also pointed out the request for a higher than usual contingency in case the contractor must haul off the excavated dirt. Secretary McGannon made a motion to approve Resolution 2024-28. Treasurer Connors seconded the motion. All Directors present voted in favor.

### **DISCUSSION REGARDING THE THUNDER PROJECT POTENTIAL PETITION FOR INCLUSION**

There was much discussion about the proposed development and the request for a Conditional Will Serve Letter. The Board declined to provide the letter stating that more information was needed to be able to access whether serving this project is in the best interest of the District. Mr. Kinlaw pointed out that there is a formal process laid out in the District Rules and Regulations that would start the process of information gathering on this property. Mr. Krulish will follow up with the developers about the Board's decision.

### **DISCUSSION REGARDING THE FIRST DRAFT OF THE 2025 DISTRICT BUDGET**

There was no discussion about the proposed District Budget and there were no questions. Manager Beasley committed to supplying a very detailed memo about each of the line items in the Budget for next month's meeting.

### **ATTORNEY REPORT**

Mr. Kinlaw presented his Attorney Report. He noted that all notices of the Public Hearing were posted as required. There were no further questions.

### **ACCOUNTANT REPORT**

Thuy Dam was present to present the Financial Statements as of July 31, 2024. Only the Non-Operating Revenue is tracking behind the four-year average.

**TREASURER REPORT**

Treasurer Connors presented the Interim and Disbursement reports. Treasurer Connors made a motion to approve the interim payments of \$1,601,709.85 and the current disbursements in the amount of \$266,890.94 for a total authorization of payments in the amount of \$1,868,600.79. Director Bergholm seconded the motion. All Directors present voted in favor.

At 9:13 PM Chairman Partridge made a motion to enter **EXECUTIVE SESSION** pursuant to CRS §24-6-402(4)(b) regarding potential waiver of legal privilege concerning 2012 memorandum prepared by Red Oak Consulting. The motion was seconded by Secretary McGannon. All Directors present voted in favor. There were no decisions made during the Executive Session. At 9:22 PM, a motion was made to adjourn the executive session. In regular session the Board made a motion to waive its legal privilege on the Red Oak Consulting memo and directed Manager Beasley to share the memo with any interested customers.

There being no additional business to come before the Board, Chairman Partridge adjourned the meeting at 9:25 PM.



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WALT PARTRIDGE  
CHAIRMAN, DENVER SOUTHEAST SUBURBAN WATER & SANITATION  
DISTRICT

ATTEST:



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Heather Beasley, Assistant Secretary