

**MINUTES OF THE BOARD MEETING
OF THE BOARD OF DIRECTORS OF THE
DENVER SOUTHEAST SUBURBAN WATER
AND SANITATION DISTRICT**

A special meeting of the Board of Directors of the Denver Southeast Suburban Water and Sanitation District was held on Tuesday February 24, 2026, 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 Operations, Joe Kinlaw, District General Counsel, and Carol Malesky and Everett Delate from Stantec.

DIRECTOR BUSINESS

Chairman Partridge let the Board know board know that he would not be present at the next Board meeting and asked Secretary McGannon to chair the meeting. There was no other Directors Business.

PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA

Barb Ramsey and Michael Schildt, both residents of the District, were present but had no comments during the public comment period.

DISCUSSION AND ACTION ITEMS AGENDA

BOARD WORKSHOP DISCUSSING POSSIBLE FUTURE WATER RATE STRUCTURES INCLUDING A WATER BUDGET RATE STRUCTURE

Carol Malesky and Everett Delate, from Stantec, were present via Zoom to present the preliminary results of the Water Budget Rate study. They presented four water rate structures, three of which were water budgets, and the fourth was no changes to the current rate structure. Ms. Malesky talked first about the limitation of the GIS data and how if the Board wished to implement a water budget rate structure, some more refinement of the irrigable area would be necessary. Carol explained that each of the water budget rate structures (Scenario 1-3) was developed to be revenue neutral in line with the 2024 Rates and Fees Study and the fourth rate scenario was developed to generate enough revenue to pay the debt service on a \$18M, 30-year loan at 4% interest rate over the next 30 years. This loan would be used to pay for improvements necessary to continue to deliver water at the rate it is currently being consumed, with no conservation. Secretary McGannon asked for a footnote in the slides that explains the assumptions used for price elasticity and water conservation assumptions.

Secretary McGannon asked to hear from the two members of the public that were present. Alice Ramsey expressed concern about the climate change and how doing nothing and building infrastructure as if the water would always be available was foolhardy. Michael Schildt thought there was a lack of concern from his neighbors about their water bill that a water budget rate structure wouldn't make any difference.

There were many questions and a lot of discussion, but at the end the Board directed Manager Beasley to refine the Scenario 3 rate structure using an irrigable area of 30%.

At 8:00 PM the Secretary McGannon made a motion to enter into **Executive Session pursuant to section 24-6-402(4)(e)(I) of the Colorado revised statutes, for the sole purpose of developing strategy for**

negotiations and instructing negotiators regarding a potential intergovernmental agreement related to the Ramblewood development.

The motion was seconded by Director Hinson. All Director present voted in favor. No action was taken during the executive session and at 8:35 PM, Director Hinson made a motion to leave executive session. Director Bergholm seconded the motion and all Directors present voted in favor.

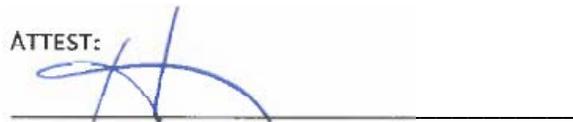
There being no additional business to come before the Board, Chairman Partridge adjourned the meeting at 8:40 PM.



JIM MCGANNON

SECRETARY, DENVER SOUTHEAST SUBURBAN WATER & SANITATION DISTRICT

ATTEST:



HEATHER BEASLEY, ASST. SECRETARY