

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF THE
BOARD OF DIRECTORS OF THE
HAVANA WATER AND SANITATION DISTRICT
HELD

January 18, 2017

A regular meeting of the Board of Directors of the Havana Water and Sanitation District was duly held on Wednesday, January 18, 2017, at 5:00 p.m., at 8390 E. Crescent Parkway, Suite 500, Greenwood Village, Colorado. The meeting was open to the public.

Attendance

Board members in attendance:

Bill Kirven
Howard Buchalter
Bernard F. Gehris
Dan Marks

Also in attendance:

Matt Urkoski and Pat Shannon; CliftonLarsonAllen LLP
Tamara Seaver; Icenogle Seaver Pogue, P.C.
Mark Klee; Tetra Tech
Margaret Piccinelli; Resident
Tony Frost; Resident

**Call to Order/
Agenda**

Director Buchalter called the meeting to order at 5:02 p.m. Upon a motion duly made by Director Kirven, seconded by Director Gehris and, upon vote, unanimously carried, the Board approved the agenda.

**Review and
Approve
Minutes**

Following review, Director Kirven noted that the wording in the November 16, 2016 meeting minutes should be changed to reflect that Mr. Klee recommended maintaining the budgeted amount for major repairs and capital improvements at \$300,000. Director Kirven also noted that the wording "necessary revenue" should be changed to "required revenue." Upon a motion duly made by Director Kirven, seconded by Director Buchalter and, upon vote, unanimously carried, the Board approved the minutes of the November 16, 2016 Regular Meeting as amended.

**Public
Comments**

Ms. Piccinelli requested an update on the status of the graffiti at the AT&T site.

Ms. Piccinelli asked about the status of a potential upgrade to the AT&T cell tower site. Ms. Seaver reported that there is no update.

Ms. Piccinelli requested that the odor mitigation issue be moved up on the agenda.

Ms. Piccinelli reported that the gate at the AT&T site has been open. Mr. Shannon will notify AT&T.

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Legal Matters

- A. Executive session pursuant to C.R.S. §24-6-402(4)(b) and C.R.S. § 24-6-402(4)(e) for the purpose of conference with an attorney for the purposes of receiving legal advice on specific legal questions and determining positions relative to matters that may be subject to negotiations regarding an AT&T Lease.

Upon a motion duly made by Director Gehris, seconded by Director Kirven and, upon vote, unanimously carried, the Board entered into executive session at 5:37 p.m.

Upon a motion duly made by Director Gehris, seconded by Director Kirven and, upon vote, unanimously carried, the Board reopened the public meeting at 5:48 p.m.

Director Kirven stated that the board has an obligation to take advantage of the opportunity to receive fair value for AT&T through an evaluation of the lease. Further, the Board understands that there is a consultant that can perform such scope of evaluation. Upon a motion duly made by Director Gehris, seconded by Director Kirven and, upon vote, unanimously carried, the Board directed Ms. Seaver to engage Kutak Rock to evaluate the value of the lease for the AT&T site for an amount not to exceed \$4,000.

- B. Other

None

Administrative Matters

- A. Review and Consider Approval of Resolution No. 2017-01-01; Annual Administrative Resolution

After discussion, upon a motion duly made by Director Kirven, seconded by Director Gehris and, upon vote, unanimously carried, the Board approved Resolution No. 2017-01-01; Annual Administrative Resolution.

- B. Peoria Station Fence Project

Mr. Shannon reported that the Peoria Station fence project is complete.

- C. Cherry Creek Pump Station Damage and Repair

Mr. Shannon reported that the repair to the Cherry Creek Pump Station fence is complete.

- D. Other – graffiti

Mr. Shannon reported that both the Arapahoe County Sheriff and AT&T have been notified of the graffiti.

Director Gehris noted that the Sheriff may have a community service program to

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remove graffiti. Mr. Shannon will contact the Sheriff about this program.

**Financial
Matters**

A. Review and Ratify Previous Claims

Mr. Urkoski reviewed the previous claims. Upon a motion duly made by Director Buchalter, seconded by Director Kirven and, upon vote, unanimously carried, the Board ratified previous claims.

B. Review and Consider Approval of Current Claims

Mr. Urkoski reviewed the current claims. Upon a motion duly made by Director Buchalter, seconded by Director Kirven and, upon vote, unanimously carried, the Board approved current claims.

C. Consider Approval of Directors' Fees

Upon a motion duly made by Director Buchalter, seconded by Director Kirven and, upon vote, unanimously carried, the Board approved the directors' fees for those in attendance.

D. Review and Accept Unaudited Financial Statements as of December 31, 2016

Mr. Urkoski reviewed the unaudited financial statements as of December 31, 2016. Upon a motion duly made by Director Buchalter, seconded by Director Kirven and, upon vote, unanimously carried, the Board accepted the Unaudited Financial Statements as of December 31, 2016.

E. Review and Consider Approval of 2016 Audit Engagement Letter with Wagner Barnes, P.C.

Mr. Urkoski reviewed the 2016 Audit Engagement Letter with Wagner Barnes, P.C. Upon a motion duly made by Director Kirven, seconded by Director Buchalter and, upon vote, unanimously carried, the Board approved the 2016 Audit Engagement Letter with Wagner Barnes, P.C.

F. Discuss Potential Bond Refunding

Director Marks reported on a conversation he had with a colleague regarding refinancing the Districts' bonds. No action was taken and the discussion was tabled.

G. Other

None

**Engineering
Matters**

A. Update on Projects / Engineer Report

Mr. Klee reported on development activities and provided updates on the new

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storage facility, the Hampton Inn project, and the Horner inclusion.

Mr. Klee reported that Ramey Environmental Compliance notified the District that they are proposing a 6% rate increase to the monthly service fee. Ms. Seaver will prepare a new contract with Ramey.

B. Discuss Lift Station #1 Odor Mitigation

Mr. Klee provided an update on the Lift Station #1 odor mitigation efforts. Discussion ensued regarding options for measuring the severity of the issue.

Ms. Piccinelli noted that some residents may be upset by the visual presence of odor mitigation equipment. Mr. Klee will provide renderings of the potential odor mitigation equipment.

The Board directed Mr. Klee to acquire air quality monitoring proposals.

C. Discuss Developer Deposit

Mr. Klee stated that the District reserves the right to charge new developers for administrative, engineering and any related out of pocket costs that the District incurs. Mr. Klee recommended exercising the right to charge on a case by case basis. Ms. Seaver will review the rules and regulations in regard to developer fees.

Board Member None.

Matters

Other Business

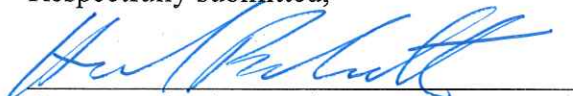
A. Confirm Quorum for the March 15, 2017 Regular Board Meeting

The Board decided to move the next meeting to Tuesday March 7, 2017.

Adjournment

There being no further business to come before the Board, upon a motion duly made by Director Buchalter, seconded by Director Kirven and, upon vote, unanimously carried, the Board adjourned the meeting at 6:35 p.m.

Respectfully submitted,



Secretary for the Meeting