

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF
THE BOARD OF DIRECTORS OF THE
HAVANA WATER & SANITATION DISTRICT (THE "DISTRICT")
HELD
NOVEMBER 16, 2022

A regular meeting of the Board of Directors of the Havana Water & Sanitation District (referred to hereafter as the "Board") was convened on Wednesday, November 16, 2022, at 5:00 p.m., at CliftonLarsonAllen LLP, 8390 E. Crescent Pkwy., Ste. 300, Greenwood Village, CO 80111 and virtually via Microsoft Teams. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Bernard F. Gehris, President
David Mohrhaus, Secretary
Steve Hellman, Treasurer
Timothy Duggan, Assistant Secretary
Blake Hodges, Assistant Secretary (via TEAMS)

Also In Attendance Were:

Lisa Johnson (via TEAMS), Nic Carlson & Gigi Pangindian;
CliftonLarsonAllen LLP
Anna Wool; Icenogle Seaver Pogue, P.C. (via TEAMS)
Greg Sekera; Kennedy/Jenks Consultants
Andrew Rheem; Raftelis Financial Consultants, Inc. (via TEAMS)

ADMINISTRATIVE MATTERS

Call to Order and Approval of Agenda: President Gehris called the meeting to order at 5:02 p.m.

Upon a motion duly made by Director Hellman, seconded by Director Mohrhaus and, upon vote, unanimously carried, the Board approved the agenda as presented.

Confirm Quorum, Location of Meeting and Posting of Meeting Notices: A quorum was confirmed, and the Board further noted that notice providing the time, date and video conference link information was duly posted and that no objections, or any requests that the means of hosting the meeting be changed by taxpaying electors within the District's boundaries.

Public Comments: None.

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September 21, 2022 Regular Meeting Minutes: The Board reviewed the September 21, 2022 Regular Meeting Minutes. Upon a motion duly made by Director Mohrhaus, seconded by President Gehris and, upon vote, unanimously carried, the Board approved the September 21, 2022 Regular Meeting Minutes as presented.

Authorize updates to website to comply with new legislation: Ms. Johnson and Ms. Wool reviewed the new requirements for websites beginning January 2023 with the Board. The Board directed CLA to make all required updates.

Discuss and consider approval of 2023 insurance renewal. Consider adoption of documents needed to obtain or maintain insurance coverage through the Colorado Special Districts Property and Liability Pool and T. Charles Wilson Risk Management and authorize membership in the Special District Association: Ms. Johnson reviewed the insurance with the Board, and the Board directed staff to compare the 2023 property schedule with insurance audit and confirm updates reflected in the renewal. The Board also requested Mr. Sekera then review the schedule to ensure proper replacement coverage. The Board also requested to add the generator to the property schedule.

FINANCIAL ITEMS

Prior Claims: Ms. Pangindian presented the prior claims to the Board and reported that the total is \$768,328.22. Following review, and upon a motion duly made by Director Hellman, seconded by Director Mohrhaus and, upon vote, unanimously carried, the Board approved the prior claims totaling \$768,328.22 as presented.

Directors' Fees: Ms. Pangindian reviewed the Directors' fees with the Board. Upon a motion duly made by Director Hellman, seconded by President Gehris and, upon vote, unanimously carried, the Board approved the Directors' Fees as presented.

September 30, 2022 Unaudited Financial Statements and November 11, 2022 Cash Position: Ms. Pangindian presented the September 30, 2022 Unaudited Financial Statements and November 11, 2022 Cash Position to the Board. Upon a motion duly made by President Gehris, seconded by Director Mohrhaus and, upon vote, unanimously carried, the Board accepted the September 30, 2022 Unaudited Financial Statements and November 11, 2022 Cash Position as presented.

Approval of Fiscal Focus Partners LLC Engagement Letter to Perform 2022 Audit: Ms. Pangindian reviewed the engagement letter with the Board. Following review, upon a motion duly made by Hellman, seconded by Director Duggan and, upon vote, unanimously carried, the Board approved the Fiscal Focus Partners LLC engagement letter to perform 2022 Audit as presented.

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Conduct Public Hearing to Consider Adoption of 2023 Budget: The Board opened the public hearing at 5:29 p.m.

It was noted that publication of Notice stating that the Board would consider approval of the 2023 Budget and the date, time and place of the public hearing was made in a newspaper having general circulation within the District. No written objections were received prior to the public hearing.

The Board closed the public hearing at 5:29 p.m.

Consider Adoption of Resolution 2022-11-01, Adopting 2023 Budget, Appropriating Expenditures and Certifying Mill Levies: Ms. Pangindian reviewed the 2023 Budget and Resolution with the Board. Following review and discussion, upon a motion duly made by President Gehris, seconded by Director Hellman and, upon vote, unanimously carried, the Board adopted Resolution 2022-11-01, Adopting 2023 Budget, Appropriating Expenditures and Certifying Mill Levies, subject to final Assessed Valuation received by the County.

Appointment of Board member to sign DLG-70 Certification of Mill Levies: Ms. Pangindian presented the new process of the signing of the DLG-70 Certification of Mill Levies with the Board. Following discussion, the Board appointed President Gehris to sign the DLG-70 Certification of Mill Levies.

ENGINEERING MATTERS

Update on Projects/Engineer Report: Mr. Sekera presented his report to the Board, and the Board accepted the report.

MANAGER ITEMS

Policy Related to the District's Payment of Fees Related to Customer Use of Online Bill Pay Service: Ms. Johnson discussed with the Board, and following discussion, upon a motion duly made by Director Hellman, seconded by Director Mohrhaus and, upon vote, unanimously carried, the Board determined to cease absorbing the online payment fees by the District and to have customers who use the service pay fees directly effective January 1, 2023.

Review, Discuss and Accept Rate Study: Mr. Rheem and Ms. Johnson reviewed the rate study with the Board. Following review and discussion, upon a motion duly made by Director Hellman, seconded by Director Mohrhaus and, upon vote, unanimously carried, the Board accepted the proposed District rates as outlined in the study and directed Raftelis to update the entire rate study to reflect changes to the Single Family Residential Equivalents to be consistent with Metro Water Recovery's methodology. The Board accepted the rate study subject to those changes.

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Approval of CliftonLarsonAllen LLP Statements of Work: Ms. Johnson reviewed the Statements of Work with the Board. Following review, upon a motion duly made by Director Mohrhaus, seconded by Director Duggan and, upon vote, unanimously carried, the Board approved the CliftonLarsonAllen LLP Statements of Work as presented.

Other: None.

LEGAL MATTERS

AT&T Cell Tower Site Update:

Approval of 7th Amendment to the AT&T Lease Agreement: Attorney Wool reviewed the 7th Amendment to the AT&T Lease Agreement with the Board. Following review, upon a motion duly made by President Gehris, seconded by Director Duggan and, upon vote, unanimously carried, the Board approved the 7th Amendment to the AT&T Lease Agreement, subject to final legal review.

Resolution 2022-11-02 Annual Resolution: Attorney Wool reviewed the Annual Resolution with the Board. Following review, upon a motion duly made by President Gehris, seconded by Director Mohrhaus and, upon vote, unanimously carried, the Board approved Resolution 2022-11-02 Annual Resolution as presented.

Resolution 2022-11-03, Calling May 2, 2023 Directors' Regular Election: Attorney Wool reviewed the Election Resolution and 2023 process with the Board. Following review, upon a motion duly made by President Gehris, seconded by Director Hellman and, upon vote, unanimously carried, the Board approved Resolution 2022-11-03, Calling May 2, 2023 Directors' Regular Election as presented.

Engagement of Community Resource Services of Colorado, LLC: Upon a motion duly made by President Gehris, seconded by Director Duggan and upon vote, unanimously carried, the Board approved the engagement of Community Resource Services of Colorado, LLC, subject to reasonable proposal and final review by legal counsel.

Resolution 2022-11-04 Regarding 2023 Schedule of Fees and Charges: Attorney Wool reviewed the resolution with the Board. Following review and discussion, upon a motion duly made by Director Hellman, seconded by President Gehris and, upon vote, unanimously carried, the Board approved Resolution 2022-11-04 Regarding 2023 Schedule of Fees and Charges, subject to changes reflected in the rate study. The Board directed Billing Services to draft a memo to be included in the next billing cycle to residents explaining the rate charges.

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Other: None.

OTHER BUSINESS

Quorum for Next Meeting – January 18, 2023 at 5:00 p.m.: The Board confirmed a quorum for the January 18, 2023 meeting at 5:00 p.m., to be held via Microsoft Teams and at the offices of CliftonLarsonAllen LLP.

ADJOURNMENT

There being no further business to come before the Board, President Gehris adjourned the meeting at 8:10 p.m.

Respectfully submitted,

DocuSigned by:

David A. Mohrhaus

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Secretary for the Meeting