

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF
THE BOARD OF DIRECTORS OF THE
HAVANA WATER & SANITATION DISTRICT (THE "DISTRICT")
HELD
NOVEMBER 17, 2021

A special meeting of the Board of Directors of the Havana Water & Sanitation District (referred to hereafter as the "Board") was convened on Wednesday, November 17, 2021, 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:

Howard Buchalter, Secretary
Richard Keene, Vice-President
Steve Hellman, Treasurer
Mark Henning, Assistant Secretary

The absence of President Gehris was excused.

Also, In Attendance Were:

Lisa Johnson, Anna Jones, Nic Carlson & Gigi Pangindian; CliftonLarsonAllen LLP
Karlie Ogden; Icenogle Seaver Pogue, P.C.
Greg Sekera; Kennedy/Jenks Consultants
Brad Cromer, Vanesa Gasewicz, Aaron Spencer, Tom Croke, Dave Mohrhaus and Jane Rieck; public residents

ADMINISTRATIVE MATTERS

Call to Order and Approval of Agenda: The meeting was called to order at 5:00 p.m.

Upon a motion duly made by Director Keene, seconded by Director Buchalter and, upon vote, unanimously carried, the Board approved the agenda as amended, and excused the absence of President Gehris.

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.

RECORD OF PROCEEDINGS

Public Comments: Mr. Croke addressed the Board regarding the SWDS Service Plan amendment. He is the President of this HOA and would like to go on record that the and the HOA are not in favor of amending the Service Plan to provide SWDS to residents in their HOA.

Mr. Cromer of the Village East HOA is also opposed to having to change of trash services.

Director Keene addressed the audience as a member of the public and stated that the HOA he belongs to is also not interested in receiving SWDS from the District.

Mr. Spencer addressed the Board regarding the opposition to the District forcing HOA's to utilize SWDS. He also shared that he is not in favor of paying fees for not receiving service. Mr. Mohrhaus echoed the same sentiment as Mr. Spencer.

September 29, 2021 Special Meeting Minutes: The Board reviewed the September 29, 2021 Special Meeting Minutes. Upon a motion duly made by Director Hellman, seconded by Director Henning and, upon vote, unanimously carried, the Board approved the September 29, 2021 Special Meeting Minutes as presented.

FINANCIAL ITEMS

Prior Claims: Ms. Pangindian presented the prior claims to the Board and reported that the total is \$128,222.75. Following review, and upon a motion duly made by Director Henning, seconded by Director Keene and, upon vote, unanimously carried, the Board approved the prior claims as presented.

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

September 30, 2021 Unaudited Financial Statements: Ms. Pangindian presented the September 30, 2021 Unaudited Financial Statements to the Board. Upon a motion duly made by Director Buchalter, seconded by Director Keene and, upon vote, unanimously carried, the Board accepted the September 30, 2021 Unaudited Financial Statements as presented.

Public Hearing to Consider Adoption of 2022 Budget:

- **Consider Adoption of Resolution 2021-11-01, Adopting 2022 Budget, Appropriating Expenditures and Certifying Mill Levies:** Director Keene opened the public hearing at 5:23 p.m. The public hearing was closed at 5:37 p.m. There were no public comments. Ms.

RECORD OF PROCEEDINGS

Pangindian reviewed the 2022 Budget with the Board. Following review and discussion, upon a motion duly made by Director Buchalter, seconded by Director Henning and, upon vote, unanimously carried, the Board approved the 2022 Budget and adopted Resolution 2021-11-01, Adopting 2022 Budget, Appropriating Expenditures and Certifying Mill Levies at 4.226 mills.

Fiscal Focus Partners LLC Engagement Letter to Prepare 2021 Audit: This item was deferred until the engagement letter is made available to review.

Confirm 2022 Schedule of Fees: Upon a motion duly made by Director Henning, seconded by Director Keene and, upon vote, unanimously carried, the Board confirmed the 2022 Schedule of Fees with the changes to the violation to the Rules and Regulation penalties.

ENGINEERING MATTERS

Update on Projects/Engineer Report: Mr. Sekera presented his report to the Board. The Board discussed the concerns regarding supply shortages and additional costs associated with the capital project work.

- **Approval of Pay Estimate #3 - \$12,350:** Upon a motion duly made by Director Buchalter, seconded by Director Henning and, upon vote, unanimously carried, the Board approved Pay Estimate #3 for \$12,350.00.
- **Approval of Pay Estimate #4 - \$16,150:** Upon a motion duly made by Director Henning, seconded by Director Buchalter and, upon vote, unanimously carried, the Board approved Pay Estimate #4 for \$16,150.00.

MANAGER ITEMS

Solid Waste Disposal Business Plan Updates:

1. **Update on Service Plan Amendment:**
2. **Status of Survey:**

This item was deferred to the December 1, 2021 virtual called special meeting.

Update on Draft Rate Study:

1. **Rate Study Financial Forecasting:** Ms. Johnson provided an updated to the Board stating that CliftonLarsonAllen LLP (“CLA”) is to prepare the revenue forecast which will then be provided to Raftelis to complete the rate study. The goal is to have the rate study presented to the Board at the March Board meeting.

Director Henning suggested the Board consider changing their methodology on assessing sewer rates to an average winter consumption methodology. The Board discussed the initial pros and

RECORD OF PROCEEDINGS

cons to this suggestion. Following discussion, the Board directed CLA to prepare a business plan to research this option and schedule a work session in March 2022 to discuss the initial plan and research and prepare a list of other providers and their rates.

ATTORNEY ITEMS

Resolution 2021-11-02, 2022 Annual Resolution: Ms. Ogden reviewed the resolution with the Board. Following review, upon a motion duly made by Director Keene, seconded by Director Buchalter and, upon vote, unanimously carried, the Board approved Resolution 2021-11-02, 2022 Annual Resolution.

Resolution 2021-11-03, Calling May 3, 2022 Directors' Regular Election: Ms. Ogden reviewed the resolution with the Board. Following review, upon a motion duly made by Director Hellman, seconded by Director Buchalter and, upon vote, unanimously carried, the Board approved Resolution 2021-11-03, Calling May 3, 2022 Directors' Regular Election, subject to legal's revisions.

Approval of ISP Legal Services Engagement Letter for 2022 Legal Services: Ms. Ogden reviewed the engagement letter with the Board. Following review, upon a motion duly made by Director Henning, seconded by Director Keene and, upon vote, unanimously carried, the Board approved the ISP Legal Services engagement letter for 2022 legal services.

Approval of Estoppel Certificate with Stream Reality Acquisition L.L.C.: Ms. Ogden reviewed the estoppel certificate with the Board. Following review, upon a motion duly made by Director Buchalter, seconded by Director Henning and, upon vote, unanimously carried, the Board approved the Estoppel Certificate with Stream Reality Acquisition L.L.C.

Proposal from Community Resource Services, Inc. for 2022 Election Services: Ms. Ogden reviewed the proposal with the Board. Following review, upon a motion duly made by Director Buchalter seconded by Director Hellman and, upon vote, unanimously carried, the Board approved the proposal from Community Resource Services, Inc. for 2022 election services.

OTHER BUSINESS

Quorum for Next Meeting – January 19, 2022 at 5:00 p.m.: A quorum was confirmed for a hybrid meeting on January 19, 2022.

ADJOURNMENT

Upon a motion duly made by Director Buchalter, seconded by Director Keene and, upon vote, unanimously carried, the Board adjourned the meeting at 7:00 p.m.

Respectfully submitted,

DocuSigned by:

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Secretary for the Meeting