

**RECORD OF PROCEEDINGS
Minutes of a Regular Meeting
of the Board of Directors for the
PARKER WATER AND SANITATION DISTRICT**

Thursday, September 26, 2019
at the PW&SD North Water Purification Facility
11865 Heirloom Pkwy, Parker, Colorado 80134

CALL TO ORDER

Director Beard called the meeting to order at 6:00 pm and confirmed that a quorum was present.

ROLL CALL

- Members of the Board present: Darcy Beard, Bill Wasserman, and Dale Reiman.
- Excused: Kelly McCurry and Merlin Klotz
- The District's Leadership Team was represented by Ron Redd, James Roche, Steve Hellman, Susan Saint Vincent, and Rebecca Tejada. Staff also in attendance: Eric Pierce, Travis Scurlock and Debra Laschanzky.
- General Counsel, Jeff Parker.

PLEDGE OF ALLEGIANCE – Stated.

UNSCHEDULED ITEMS OF PUBLIC INTEREST – *None*

CHANGES AND ADDITIONS TO THE AGENDA – *Item # 4 was move up and presented next, prior to Board Comments*

4. EMPLOYEE RECOGNITION – Travis Scurlock

Mr. Roche introduced Travis Scurlock to the Board of Directors. Travis has been with the District for over twelve years. In that time, Travis held positions in both water and wastewater as an operator and a lead operator. Travis not only is an excellent technical operator in the field, but also exemplifies the District value of outstanding customer service.

Travis received the RMSAWWA Outstanding Distribution System Operator award due in large part to his contribution to the Water Resources Consolidation Project (WRCP). His input and leadership was instrumental in the successful conversion from free chlorine to chloramines. The RMSAWWA Outstanding Distribution System Operator award covers New Mexico, Colorado and Wyoming. Director Beard presented Travis with a plaque commissioned by PWSD to commemorate his achievement. As this presentation was for informational purposes only, no action was requested or taken by the Board.

BOARD COMMENTS

Directors Wasserman and Beard commented on the SDA Conference they attended last week. They both attended sessions that were very informative, especially the presentation on cyber security.

LEADERSHIP TEAM COMMENTS

District Manager

Rueter-Hess Reservoir

Parker Water continues to be out of priority on the river. Over the last two weeks, the reservoir volume decreased approximately 211 AF for a total storage volume of 22,435 AF and the depth is currently 98.14 feet (down 5 inches).

Notice to Terminate Sales Contract

The potential buyer elected to terminate the contract for the property at 6176 Stroh Road, located near the District's diversion structure.

Director of Operations

September 9 to September 23, 2019

- Maximum 2019 demand: 14.59 MG on Sep 19. Average: 13.7 MGD
- Maximum 2018 demand: 16.5 MG on Sep 18. Average: 13.8 MGD
- Totals: 2019 – 202.25 MG; 2018 – 207 MG
- Production by Source: 54% Wells, 34% WPF, 12% WISE
- PWSD received 795 system locate requests, resulting in 178 actual locates performed.
- Since the last Board meeting, the District received one water quality concern call for odor and three for color. There were also three water quality concern calls for skin rashes. The District tested the water in all three locations, followed up with the affected customers, and determined the water quality was not the cause of the rashes.

General Updates

- Vandalism on the Rueter-Hess spillway was sandblasted and cleanup is complete.
- PWSD agreed to allow United Rotorcraft to test a new type of firefighting helicopter called Firehawk at Rueter-Hess Reservoir. The test was conducted on September 25, 2019. The District notified surrounding neighborhoods via Nextdoor, Facebook, and direct mail to Castle Park Ranch residents.
- Fish stocking will take place on October 16, 2019 at Rueter-Hess Reservoir.

Director of Business Solutions

- Ms. Saint Vincent recently presented a Rueter-Hess recreation update to the Mayor and City Council of Castle Pines, including 2019 recreation offerings, capital projects, and emergency response.
- Debra Laschanzky participated in the Special District Association Conference this year, including volunteer time at the registration desk.

- A tour of Rueter-Hess Reservoir is scheduled next week with the class of one of the Castle Pines teachers who visited the reservoir with the Douglas County teachers group this past summer. Topics of discussion will include preserving and taking care of the environment, and the role of the reservoir in providing water to our customers.

Director of Engineering

Water Purification Facility

Ms. Tejada reported that the plant is operating well, with no problems, at 10 MGD during the day. Mr. Parker will discuss the status of the warranty for the ceramic membranes during his legal counsel update.

Well Houses

Four pump tests are complete at the RidgeGate and Canyons sites. Preliminary results indicate excellent production from the Canyons site. Due to the RidgeGate site not producing as well as anticipated, the District's geologists will be consulted to determine the reason for the reduced capacity, and if additional measures can be taken to increase production.

North Water Reclamation Facility

Construction at the North Plant continues, and the access road is now open. Staff will continue to coordinate with CDPHE on a compliance schedule to meet effluent limits.

Cherry Creek Basin

Ms. Tejada is meeting regularly with the Cherry Creek Basin Water Quality Authority to discuss and understand the impact of Rueter-Hess on phosphorus in the Cherry Creek Basin and Reservoir. Discussions include effluent limits, and a potential "trading program".

WEFTEC Conference

Ms. Tejada and Ms. Sansom attended the annual WEFTEC Conference this week in Chicago. They both found the conference to be very beneficial. Ms. Tejada focused on the sessions regarding utility management, and Ms. Sansom attended the sessions on technical issues such as odor control.

Director of Enterprise Services

Castle Pines North Metro District Update

- Staff met with Jacobs Engineering on September 17 to discuss their analysis and options for service. After confirming long-term water needs, Jacobs will compile cost projections for the various options and alternatives.
- In their October newsletter, the CPNMD Board indicated that they anticipate placing a responsible water and wastewater service-integration question on the May 2020 or November 2020 election ballot. While PWSD is satisfied with the results of the study thus far, the determination of the costs will be a major factor as to whether an integration or inclusion is feasible.
- As of today, PWSD has not received any additional inquiries as to a possible event at the reservoir.

Bond Refinance

As discussed previously, refinancing the 2010 Build America Bonds could result in significant savings to the District. The intent is to be ready to go to market anywhere from early November to late January. With rates so low, finance staff are considering a smaller money issue to offset construction price increases for the NWRP expansion and the Cherry Creek Interceptor projects. Other projects may also be considered. The 2020 rate update will be available early next week, and will include a new money issue, if warranted.

2020 Budget Schedule

Mr. Hellman presented to the Board the 2020 Preliminary Budget for upcoming individual discussions. The 2020 Proposed Budget will be presented to the Board, and made public, at the October 10, 2019 meeting. The Public Hearing and first reading is October 24, 2019, with final passage requested on November 14, 2019.

GENERAL LEGAL COUNSEL UPDATE

Mr. Parker highlighted specific legal matters involving the Kime Ranch property inclusion, the Kruger tolling agreement and warranty, the Logan Farms agreement, updates to the PWSD Ethics Policy, and a regulation from the Colorado Oil & Gas Conservation Commission.

ITEMS FOR DISCUSSION AND ACTION BY THE BOARD

1. APPROVAL OF MINUTES September 12, 2019

Director Wasserman made a motion to approve the September 12, 2019 minutes as stated; Director Reiman seconded the motion.

Vote:

| | |
|-----|-----------------------|
| YES | <i>Darcy Beard</i> |
| YES | <i>Bill Wasserman</i> |
| YES | <i>Dale Reiman</i> |

Motion passed on a vote of 3-0

2. ACCOUNTS PAYABLE - September 1 – 15, 2019

Mr. Hellman presented the check register previously provided to the Directors, as well as the memo highlighting selected checks for discussion and consideration.

Following review and discussion, Director Reiman made a motion to approve the September 1 - 15, 2019, disbursements; Director Wasserman seconded the motion.

Vote:

| | |
|-----|-----------------------|
| YES | <i>Darcy Beard</i> |
| YES | <i>Bill Wasserman</i> |
| YES | <i>Dale Reiman</i> |

Motion passed on a vote of 3-0

3. MONTHLY FINANCIAL REPORT – August 2019

Financial reports were provided to the Directors for informational and discussion purposes. Mr. Hellman provided a presentation regarding the updated financials through August 2019. Additional information was provided regarding Capital Projects, Cash and Investments, Billed Water Revenue, Billed Consumption charts and graphs, and other associated reports. Highlights were provided including variances in the budget. The presentation and discussion were for informational purposes only; no action was requested or taken by the Board.

4. EMPLOYEE RECOGNITION – Travis Scurlock – *This agenda item was presented prior to Board Comments*

5. REQUEST FOR APPROVAL – Renewal of Professional Services Agreement for the 2019 Financial Statement Audit

Mr. Hellman presented this agenda item for Board consideration of the continuation of services by RSM US LLP, to audit the District's financial statements for the fiscal year ending December 31, 2019. The all-inclusive maximum price for audit services for the year ending December 31, 2019 is \$46,500, and is included in the District's 2020 budget.

Following review and discussion, Director Wasserman made a motion to approve the agreement; Director Reiman seconded the motion.

Vote:

YES *Darcy Beard*
YES *Bill Wasserman*
YES *Dale Reiman*

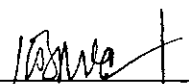
Motion passed on a vote of 3-0

MEETING ADJOURNMENT

A motion was made and seconded to adjourn the meeting at 7:10 pm.

The next Regular meeting of the Parker Water & Sanitation District Board is scheduled for Thursday, October 10, 2019 at 6:00PM.

The foregoing minutes constitute a true and correct copy of the minutes of the above referenced meeting and were approved by the Board of Directors of the Parker Water and Sanitation District.



PWSD Board of Directors