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

A regular meeting of the Board of Directors of the Denver Southeast Suburban Water and Sanitation District was held on Wednesday September 16, 2026, the time, and place of the meeting according to the posted notices. Present were Chairman Partrdige, Secretary McGannon, Treasurer Joshua Connors, Rod Bergholm and Chuck Hinson. Chairman Partridge opened the meeting at 5:58 PM and established that there was a quorum. Also, present were Heather Beasley, District Manager, Dan Hammann, Director of Operations, and Joe Kinlaw, District General Counsel.

DIRECTOR BUSINESS

Chairman Partridge let Treasurer Connors know he is responsible for the newsletter article next month. He asked the Board to consider moving the regular October board meeting to October 14, 2026, since he will be out of town. All Board members agreed to move the next Board meeting. Chairman Partridge let the Board know that they needed to discuss two items from a memo Manager Beasley had sent last week 1) Watering Restrictions and 2) Cyber Security. He then went around the table to ask other Directors if they had any Directors Business to share.

Treasurer Connors thanked the staff and Board members for the thoughtful discussions and decisions made this year. It's been tough and the decisions have been made with the best data available at the time and for the good of the District.

Director Hinson asked Manager Beasley how the deep wells have faired with the heavy reliance on the nonrenewable water this year. Manager Beasley explained that the deep wells have been used extensively this year as intended; as a drought supply. The wells that were out of service at the beginning of the season are now back in service and all the water levels are sustaining.

Director Bergholm asked if high usage would jeopardize the District's ability to replace its depletions in time. Manager Beasley confirmed that if there were a sharp uptick in consumption in September, it would strain the District's ability to replace stream depletions by March 31, 2027.

Secretary McGannon stated that planting woody plants and shrubs in the fall is appropriate, but it is a waste of water to plant grasses in the fall. He made a motion to extend the watering restrictions through the end of October 2026. Director Bergholm seconded the motion. Four Directors voted in favor; Treasurer Connors voted against.

Manager Beasley briefly talked about the information in the memo regarding staff's efforts related to cyber security this past year. She noted that the memo also detailed District's exposure to Personally Identifiable Information and the goals for the program for next year. Treasurer Connors asked for the items that were addressed since CISA's last penetration test that were recommendations in the CISA report. Mr. Hammann committed to summarizing those items for him offline as well as the recommendations from the NetDiligence Quiet Audit cyber assessment.

PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA

Robert Bronson, Ann Frasher, Russ Frasher, Mark Kennedy, Rick Nelsen, Chris Bisio, Gin Schulz, and Uta Dierker, all residents of the District, were present.

Mr. Nelson passed along his HOA's frustration with the pipeline project in the area. Manager Beasley reminded Mr. Nelson that the Pinery is doing more than is required per the easement agreement in place. She assured him that every care is being taken to save the trees and that the project will soon be complete.

Mrs. Frasher read from a paper a list of questions about the proposed water budget. At the end she asked the Board to publish a FAQ page on the website about the proposed water budget. Manager Beasley committed to doing that and asked her to meet offline to discuss further.

MINUTES OF THE AUGUST 19, 2026, REGULAR BOARD MEETING

Secretary McGannon made a motion to approve the minutes for the August 19, 2026, Regular Board meeting as presented. The motion was seconded by Director Hinson. All Directors present voted in favor.

DISCUSSION AND ACTION ITEMS AGENDA

DISCUSSION ABOUT THE PROPOSED WATER BUDGET RATE STRUCTURE

There was a lot of discussion about the proposed rate structure from some members of the Public. The Board discussed four specific topics that were discussed in the Board Packet memo and directed Manager Beasley to prepare the final proposed water rate structure for review at the next Board meeting. The issues discussed were:

1) Increasing the proposed Tier 4 rate beyond what was recommended by the Rates and Fees Study to fund the Turf Removal Program in 2027. The Board agreed to add some amount to the Tier 4 and asked Manager Beasley to present some options to discuss at the October meeting.
2) Implementing a Winter-time rate structure. The Board members were in favor of implementing a winter-time rate structure. Manager Beasley will provide some options of a wintertime rate structure in October.
3) Implementing a maximum allowable irrigable area. The Board was in favor of capping the allowable irrigable area at 13,000 af. This amount corresponds to approximately the amount of irrigable area on a one-acre lot. About 90% of the lots in the District are one-acre or smaller.
4) Creating a policy to exempt the filling of personal swimming pools. The Board agreed to create an exemption to fill swimming pools if the homeowner applied and filled the pool before April 30th.

Manager Beasley will provide the Board with a final draft of the water and sewer rates and fees for the October Board meeting. Treasurer Connors then made a motion to call a Public Hearing on November 18, 2026 at 6:00 PM for proposed changes to the Water and Sewer Rates and Fees and for the 2027 District Budget. Director Bergholm seconded the motion. All Directors present voted in favor.

DISCUSSION ABOUT THE SECOND DRAFT OF THE 2027 DISTRICT BUDGET

Manager Beasley presented the second draft of the District Budget. Treasurer Connors gave kudos to the staff for finding an economical solution to the bio solids drying by planning to purchase a used Brown Bear. Secretary McGannon petitioned the Board to consider incentivizing moisture sensors for the customers. He also asked about the deep well planned at the Walker Reservoir site. Chairman Partridge explained that the Board had previously directed Manager Beasley to advocate for the construction of the well through her seat on the CCPWA Board. He also confirmed that the improvements at the wastewater treatment plant are being funded by the recent inclusion fees.

ATTORNEY REPORT
Mr. Kinlaw presented his Attorney Report. He is settling in at his new firm and told the Board there was nothing really to report.

ACCOUNTANT REPORT
Manager Beasley presented the financial statements of August 31, 2026. There were no questions.

TREASURER REPORT
Treasurer Connors presented the Interim and Disbursement reports. He highlighted some of the interesting payments including some Turf Removal Program payments, assessment for the CCPWA, and the Switchgear project. He made a motion to approve the interim payments of $981,861.38 and the current disbursements in the amount of $197,817.40 for a total authorization of payments in the amount of 1,179,678.78. Director Hinson seconded the motion. All Directors present voted in favor.

At 7:38 PM Chairman Partridge made a motion to adjourn into Executive Session pursuant to C.R.S. 24-6-402(4) (f) to discuss personnel matters related to the District Manager's employment contract. Director Bergholm seconded the motion. No decisions were made during this session, and it concluded at 7:55 PM.

Having no further business to come before the Board, Chairman Partridge adjourned the meeting at 8:02 PM.

WALT PARTRIDGE, CHAIRMAN
DENVER SOUTHEAST SUBURBAN WATER & SANITATION DISTRICT

ATTEST:

JIM MCGANNON, SECRETARY