

RECORD OF PROCEEDINGS

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE NORTHERN DOUGLAS COUNTY WATER AND SANITATION DISTRICT HELD MAY 24, 2022

A Regular Meeting of the Board of Directors (the “Board”) of the Northern Douglas County Water and Sanitation District (the “District”) was held on Tuesday, May 24, 2022, at 8:30 a.m., at the offices of CliftonLarsonAllen LLP, 8390 E. Crescent Parkway, Suite 300, Greenwood Village, CO 80111, and by video-enabled web conference via Microsoft Teams. The meeting was open to the public.

ATTENDANCE

In Attendance:

Eric Keesen, President
Kevin Collins, Treasurer
Mike Perlman, Secretary (via videoconference)

Also in Attendance:

Matt Urkoski, Cass Aurich (via videoconference), Allison Slife (via videoconference) and Nic Carlson; CliftonLarsonAllen LLP (“CLA”) Barbara T. Vander Wall, Esq. and Connor Kruger, Esq.; Seter & Vander Wall, P.C. (via videoconference)
Greg Sekera and Aimee Fitzhugh; Kennedy Jenks (via videoconference)
Greg Livin; Wipfli (via videoconference)
Blair Zimmerman, resident and director candidate

ADMINISTRATIVE MATTERS

Call to Order and Approve Agenda: Mr. Carlson called the meeting to order at 8:33 a.m. Upon a motion duly made by Director Collins, seconded by Director Keesen and, upon vote, unanimously carried, the Board approved the agenda as presented.

Conflicts of Interest and Directors’ Fees: Ms. Vander Wall noted that disclosures of potential conflict of interest statements had been filed with the Secretary of State at least seventy-two hours in advance of the meeting in accordance with statute. No additional conflicts were disclosed. Upon a motion duly made by Director Collins, seconded by Director Keesen and, upon vote, unanimously carried, the Board approved the Directors’ fees.

Quorum, location of meeting and posting meeting notice: A quorum was confirmed based on attendance of Directors via physical and web conference locations. Public participation is made available via physical and web conference locations. The Board further noted that notice of the meeting date, time, location and video link information was duly posted.

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Re-Appointment of Blair Zimmerman: Ms. Vander Wall advised that the term previously held by Director Zimmerman had expired following the May 3, 2022 director election, and that Mr. Zimmerman must be re-appointed to such vacancy for a term of office, through 2025. Mr. Zimmerman will be required to participate in the election process in 2023 to be elected to fill the remainder of the term at that time. Upon a motion duly made by Director Collins, seconded by Director Keesen and, upon vote, unanimously carried, the Board re-appointed Blair Zimmerman to the Board of Directors. It was noted that Mr. Zimmerman will need to execute a new oath of office to be filed with the clerk and recorder.

Election of Officers: Upon a motion duly made by Director Collins, seconded by Director Keesen and, upon vote, unanimously carried, the Board elected the following slate of officers:

Eric Keesen, President
Blair Zimmerman, Vice-President/Assistant Secretary
Kevin Collins, Treasurer
Michael Perlman, Secretary

Public Comment: None.

Minutes: Upon a motion duly made by Director Perlman, seconded by Director Collins and, upon vote, unanimously carried, the Board approved the minutes from the April 26, 2022 regular Board meeting, with a correction to show that Greg Sekera and Ger Whelan were in physical (not virtual) attendance, as discussed.

FINANCIAL MATTERS

Claims: Ms. Aurich reviewed the claims with the Board. Upon a motion duly made by Director Keesen, seconded by Director Perlman and, upon vote, unanimously carried, the Board approved and/or ratified approval of the claims in the amount of \$208,568.15.

April 30, 2022 Unaudited Financial Statements: Ms. Aurich reviewed the April 30, 2022 unaudited financial statements with the Board. Following discussion, upon a motion duly made by Director Keesen, seconded by Director Collins and, upon vote, unanimously carried, the Board accepted the April 30, 2022 unaudited financial statements.

Director Collins asked about scheduled versus unscheduled water maintenance budget items, and whether there may be any overlap with unscheduled repairs. Ms. Aurich agreed to research and follow up with more information.

2021 Audit: Ms. Slife and Mr. Livin presented the 2021 Audit to the Board. Following discussion, upon a motion duly made by Director Collins, seconded by director Perlman and, upon vote, unanimously

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carried, the Board accepted the 2021 Audit and authorized filing with the State Auditor.

Other: Director Collins commented on legislation which addresses temporary changes to the District's assessed valuation.

MANAGER MATTERS

Response from CWSD regarding backflow preventers and master meters: Mr. Carlson reviewed the response received from Centennial Water and Sanitation District regarding backflow device requirements at master meter connections. Centennial requires master meter and backflow prevention devices to be modified to be compliant with its rules and regulations, which would require the District to make significant adjustments to the meter vaults and/or its meters in order to accommodate Centennial's criteria. Mr. Sekera estimates this modification will cost the District approximately \$2.5m for 17 connections, and recommended the District seek a variance from Centennial, based on the extraordinary costs to the District, and other factors in support of the goals of both CWSD and NDCWSD. The Board discussed making a presentation to Centennial to portray the District's position and factors in support of a request for a variance from Centennial related to the backflow preventers and master meter connection requirements.

Following further discussion, the Board directed CLA to work with CWSD on a request for a variance. CLA and Kennedy Jenks will draft the official request and remit to CWSD. Director Collins agreed to attend the CWSD board meeting to make the request.

Other: None.

LEGAL MATTERS

Other: Ms. Vander Wall updated the Board on the Memorandum of Understanding with CWSD for the turf conversion program, noting that it has been approved by Centennial with the addition of a mutual 30-day termination provision.

Ms. Vander Wall updated the Board on the 2022 legislative session and changes in laws impacting the District.

ENGINEER MATTERS

Engineering Information Report: Mr. Sekera reviewed the engineering report provided in the meeting packet. The Board discussed the water system analysis report and possible issues causing the meter reading discrepancies, including timing issues, problems with meter register accuracies, or meter recalibration issues. After further discussion, the Board instructed CLA and Kennedy Jenks to look into adjustments to meter readings, including adjusting NDCWSD's reading to be consistent with CWSD reading and vice versa. Director Zimmerman agreed to work with Kennedy Jenks in reviewing potential recalibration issues. The Board also instructed staff to look into regular maintenance on meters, twice a month, to do reading comparisons.

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Status of Installation of New Meters: Discussed under the Engineering Information Report.

Other: None.

DIRECTOR MATTERS

Quorum for June 28 regular Board meeting: A quorum was confirmed.

Director Perlman asked whether the District was still operating under COVID restrictions for holding Board meetings via web conference. Legal counsel advised that modifications to laws were made in 2021 which authorize Board meetings to be held physically or via teleconference, which may be useful in times of public health emergencies or otherwise. The Board agreed to continue to use a hybrid methodology for holding its meetings, which allows Directors and the public to attend physically in person or via web conference.


OTHER BUSINESS

Other: None.

ADJOURNMENT

Upon a motion duly made by Director Collins, the Board adjourned the meeting at 10:14 a.m.

Respectfully submitted,

DocuSigned by:

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Secretary for the Meeting

Certificate Of Completion

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| Envelope Id: 4D06521619804C90A883A65A073E8160 | Status: Completed |
| Subject: NDCWSD : Minutes 05-24-2022 NDCWSD Final.pdf | |
| Client Name: NDCWSD | |
| Client Number: 011-030554-OS02-2022 | |
| Source Envelope: | |
| Document Pages: 4 | Signatures: 1 |
| Certificate Pages: 5 | Initials: 0 |
| AutoNav: Enabled | Envelope Originator: |
| Envelopeld Stamping: Enabled | Kathy Suazo |
| Time Zone: (UTC-06:00) Central Time (US & Canada) | 220 S 6th St Ste 300 |
| | Minneapolis, MN 55402-1418 |
| | Kathy.Suazo@claconnect.com |
| | IP Address: 165.225.10.179 |

Record Tracking

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| Status: Original | Holder: Kathy Suazo | Location: DocuSign |
| 6/29/2022 8:49:26 AM | Kathy.Suazo@claconnect.com | |

Signer Events

Michael Perlman
 mperlman3@comcast.net
 Security Level: Email, Account Authentication (None)

Signature

DocuSigned by:

 8DA98EB790FF45E...

Timestamp

Sent: 6/29/2022 8:51:26 AM
 Viewed: 6/29/2022 11:30:57 AM
 Signed: 6/29/2022 2:53:54 PM

Signature Adoption: Pre-selected Style
 Signed by link sent to mperlman3@comcast.net
 Using IP Address: 71.237.21.158

Electronic Record and Signature Disclosure:
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| In Person Signer Events | Signature | Timestamp |
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Catherine Bright
 cbright@svwpc.com
 Security Level: Email, Account Authentication (None)

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 Viewed: 6/29/2022 2:56:52 PM

Electronic Record and Signature Disclosure:
 Accepted: 4/21/2021 12:10:14 PM
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| Witness Events | Signature | Timestamp |
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| Notary Events | Signature | Timestamp |
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