

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF THE
BOARD OF DIRECTORS OF THE
HAVANA WATER AND SANITATION DISTRICT
HELD
SEPTEMBER 20, 2017

A regular meeting of the Board of Directors of the Havana Water and Sanitation District was duly held on Wednesday September 20, 2017, at 5:00 p.m., at 8390 E. Crescent Parkway, Suite 500, Greenwood Village, Colorado. The meeting was open to the public.

Attendance

Board members in attendance:

Howard Buchalter
Bernard F. Gehris
Dan Marks
Richard G. Keene

Also in attendance:

Patrick Shannon, Gigi Pangindian; CliftonLarsonAllen LLP
Jennifer Ivey; Icenogle Seaver Pogue, P.C.
Mark Klee; Tetra Tech
Kyle Thomas; George K. Baum & Co.
Don Bieber; Kline Alvarado Veio, P.C.
Margaret Piccinelli; Resident

**Call to Order/
Agenda**

Director Buchalter called the meeting to order at 5:00 p.m., excusing the absence of Director Kirven.

Upon a motion duly made by Director Buchalter, seconded by Director Marks and, upon vote, unanimously carried, the Board approved the agenda.

**Review and
Approve
Minutes**

Upon a motion duly made by Director Keene, seconded by Director Buchalter and, upon a vote, unanimously carried, the Board approved the May 17, 2017 regular meeting minutes and the July 11, 2017 special meeting minutes as presented.

**Public
Comments**

Ms. Piccinelli asked the Board for an update on the AT&T cell tower. Ms. Ivey noted that this item will be discussed later on the agenda. Ms. Piccinelli asked if the odor mitigation is still being considered. Director Buchalter stated that it has not been officially approved or denied and is currently tabled.

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Legal Matters

A. Consider Approval of the 5th Amendment to the Option and Lease Agreement

Ms. Ivey explained that AT&T has requested to make modifications to the premises. In exchange for allowing changes, the Board will receive a 10 percent increase in monthly rent and agree that there will be an automatic rent escalation for any future material modifications. Mr. Klee explained that the scope of services for the agreement has not changed, only the terms.

Ms. Piccinelli asked about the proposed visual changes. AT&T will paint new antennae to match what is currently there. Antennae must be covered by faux vegetation screen to hide antennae from view.

Upon a motion duly made by Director Gehris, seconded by Director Buchalter and, upon vote, unanimously carried, the Board approved the 5th Amendment to the Option and Lease Agreement.

B. Consider approval of Resolution Certifying Delinquent Accounts to the Arapahoe County Treasurer Pursuant to Section 32-1-1101(1)(e), C.R.S.

Ms. Ivey presented the list of delinquent accounts and explained the process for certifying delinquent accounts to the Board.

Upon a motion duly made by Director Gehris, seconded by Director Buchalter and, upon vote, unanimously carried, the Board approved the Resolution Certifying Delinquent Accounts to the Arapahoe County Treasurer.

C. ADOPT A RESOLUTION AUTHORIZING HAVANA WATER AND SANITATION DISTRICT, ACTING BY AND THROUGH ITS WASTEWATER SYSTEM ENTERPRISE, TO OBTAIN A LOAN IN THE PRINCIPAL AMOUNT OF \$1,761,300, TO BE EVIDENCED BY THE ISSUANCE OF A WASTEWATER SYSTEM ENTERPRISE REVENUE REFUNDING NOTE, SERIES 2017, FOR THE PURPOSE OF REFUNDING, PAYING AND REDEEMING OUTSTANDING REVENUE BONDS OF THE ENTERPRISE; AND PROVIDING VARIOUS MATTERS DOCUMENTS IN CONNECTION THEREWITH

Mr. Bieber explained to the Board that the acceptance of the resolution authorizes refinancing. Mr. Thomas stated that the bonds are scheduled to be paid off in 2024, noting that the District will save \$100,000 per year, locked in at 1.96%. This will result in a net savings of \$293,000.

Upon a motion duly made by Director Buchalter, seconded by Director Marks and, upon vote, unanimously carried, the Board approved the resolution as presented.

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**Administrative
Matters**

A. Manager's Report

Mr. Shannon noted that he received a call from a resident complaining about fumes from the Generator at Lift Station #2. Mr. Klee explained that he also spoke with this resident and the resident is claiming that the release of fumes from the generator caused their daughter to get lung cancer. The resident requested that the generator be removed. Mr. Klee noted that the generator is run once a week for 15 minutes and that the resident lives at least 1/8th of a mile northwest from the generator.

The Board discussed and determined to take no action at this time.

**Financial
Matters**

A. Review and Consider Approval of Current Claims

Ms. Pangindian reviewed current claims with the Board.

Upon a motion duly made by Director Buchalter, seconded by Director Keene and, upon vote, unanimously carried, the Board approved the current claims.

Mr. Klee noted that the payment to Canyon Systems was missing.

Upon a motion duly made by Director Keene, seconded by Director Gehris and, upon vote, unanimously carried, the Board approved payment to Canyon Systems for \$24,345.21.

B. Review and Accept Unaudited Financial Statements as of August 31, 2017

Ms. Pangindian presented the unaudited financial statements to the Board, noting the details of sources and uses of the bond refinancing.

Upon a motion duly made by Director Gehris, seconded by Director Buchalter and, upon vote, unanimously carried, the Board approved the unaudited financial statements as of August 31, 2017.

C. Discuss 2018 Budget Process

1. Consider Authorizing Gigi Pangindian and Matthew Urkoski to Prepare 2018 Budget

Upon a motion duly made by Director Gehris, seconded by Director Buchalter and, upon vote, unanimously carried, the Board authorized Gigi Pangindian and Matthew Urkoski to prepare the 2018 Budget for the District.

Upon a motion duly made by Director Gehris, seconded by Director Buchalter and, upon vote, unanimously carried, the Board approved to set the budget hearing at the November 15, 2017 meeting.

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D. Other

None.

Engineering Matters

A. Update on Projects / Engineer Report

Mr. Klee provided an update on projects to the Board. He noted that the rebuild of rotating assembly of pumps at lift station #1 has been completed. The replacement pumps for lift station #2 should arrive and be installed in October. He reported that the Navy Credit Union is still going through the referral process. Mr. Klee noted that there is no further development for Self Storage.

Mr. Klee reported that he will be retiring from services to the District in early 2018. The Board instructed management to receive engineering proposals. The Board would like engineers in for interview at the November 15, 2017 meeting.

Board Member Matters

A. Other

None.

Other Business

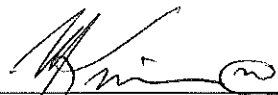
A. Confirm Quorum for the November 15, 2017 Regular Board Meeting – Budget Hearing

The Board confirmed quorum for the November 15, 2017 Regular Board Meeting.

Adjournment

There being no further business to come before the Board, upon a motion duly made by Director Keene, seconded by Director Buchalter and, upon vote, unanimously carried, the Board adjourned the meeting at 6:16 p.m.

Respectfully submitted,



Secretary for the Meeting