

RECORD OF PROCEEDINGS

MINUTES OF THE BOARD OF DIRECTORS OF THE COTTONWOOD WATER & SANITATION DISTRICT

July 16, 2026

ATTENDEES Directors present: Linda Dillon, Bill Thomas, Ron Hilton, Cody Flagg and Steve McCulloch.

Others present: Luis Tovar, Laurie Tatlock, and Enika Stasko; Mulhern MRE, Inc.; and Carolyn Steffl; Dietze and Davis, P.C.

THE AGENDA The Board considered the proposed agenda. Luis Tovar asked that the 2025 Audit be removed from the Agenda because it is not yet finalized. Upon motion, duly made by Director Hilton, seconded by Director Thomas and upon vote, the revised agenda was unanimously adopted as presented.

PUBLIC COMMENT

No members of the public were present.

CONSENT AGENDA

The Board considered the Consent Agenda. The Consent Agenda included;

- Approval of the minutes from the meetings held June 18, 2026, and July 10, 2026;
- Authorization of Disconnects of Delinquent Accounts.
- Approval of checks numbered, 23893-23930, listed on the check register;
 - ACH 6/23/26, BOK Financial, \$3,244.08 for 05/2026 credit card expenses;
 - ACH 7/1/2026 Path Point Merchant Services - \$5,552.41 for EF 06.2026 Credit Card Fees.
 - ACH 5/26/2026 Payroll Specialists, \$1,070.88 – 06.2026 Director's Payroll
 - ACH payment to Xcel Energy on 6/15/26 for \$62.24 and on 6/29/26 for \$60.95;
 - ACH payment to Xpress Bill Pay on 07/05/26 for \$1,758.92;
- Disclosure of potential conflicts of interest.

Following Board discussion and upon motion duly made by Director Thomas, seconded by Director McCulloch, and upon vote, the Board approved the consent agenda as presented.

FINANCIAL STATEMENTS

Enika Stasko reviewed the Financial Statements for the period ending May 31, 2026, with the Board. After review and discussion, upon motion, duly made by Director Thomas, seconded by Director Hilton, and upon vote, the Board accepted the Financial Statements for the period ending May 31, 2026.

JWPP OPERATIONS AGREEMENT, 4TH AMENDMENT

Luis Tovar asked that the Board approve the 4th Amendment to the JWPP Operations Agreement subject to review by legal counsel and authorize him to sign the Agreement. ACWWA has approved the Agreement. After discussion, subject to review by legal counsel, upon motion, duly made by Director Thomas, seconded by Director Flagg, and upon vote, the Board approved the 4th Amendment to the JWPP Operations Agreement and authorized Luis Tovar to sign the Agreement.

MANAGER'S REPORT

Luis Tovar reviewed the Manager's Report with the Board.

Mr. Tovar detailed the Colorado Water Conservation Board ("CWCB) Notes A, B, C and D; describing the need for each funding, the amount of each loan, i.e. line of credit, and the remaining balance that could be drawn upon. As Notes A and B have been closed and are in repayment, and further financing is not needed, he is recommending that the District close Notes C and D and start repayment of those Notes. Upon motion duly made by Director Thomas, seconded by Director Flagg, and upon vote, the Board unanimously directed staff to close Notes C and D and start repayment.

ACTION ITEMS

Luis Tovar reviewed the following Action Item with the Board:

- A. Assess potential changes to the JWPP Discharge Permit – \$40,040 Hazen & Sawyer. The study will be funded through the JWPP escrow account.

Following Board discussion and upon motion duly made by Director Thomas, seconded by Director Dillon, and upon vote, the Board unanimously authorized expenditure of the Action Item as presented.

REPORTS

Dashboard – Luis Tovar reviewed the dashboard with the Board and answered Board questions.

Legal Report – None.

DIRECTOR ITEMS

Director McCulloch detailed some observations and issues that he had with the watering restrictions.

ADJOURNMENT

Upon motion, duly made by Director Thomas, seconded by Director Hilton and upon vote, unanimously carried the meeting was adjourned at 8:15 p.m. The next regular meeting of the Board is scheduled for Thursday, August 20, 2026, beginning at 6:30 p.m. at 8334 Sandreed Circle, Parker, CO 80134.

READ AND APPROVED BY THE BOARD:

Date: August 20, 2026

William C Thomas
William Thomas, VP/Secretary