

RESOLUTION NO. 2021-04-1

**HOLLY HILLS WATER AND SANITATION DISTRICT
ARAPAHOE AND DENVER COUNTIES, COLORADO**

**A RESOLUTION MEMORIALIZING THE ADOPTION OF A FEE TO DEFRAY
THE COST OF RENOVATING, REPLACING AND TO THE EXTENT
NECESSARY OPERATING THE DISTRICT'S SANITARY SEWER
COLLECTION SYSTEM**

WHEREAS, the Holly Hills Water and Sanitation District (“District”) operates by and through its Water Activity Enterprise (“Enterprise”) a sanitary sewer collection system (“System”) that was initially constructed in the early 1950’s; and

WHEREAS, the Board of Directors of the District and the Board of Directors of the Enterprise (collectively the “Boards”) have determined that there is a need to renovate on a timely basis the System due to deterioration caused by age and normal wear and tear; and

WHEREAS, the Boards have determined that existing revenue sources are not sufficient to fund the anticipated cost of replacing and renovating the System; and

WHEREAS, following public comment, a thorough analysis of the District’s future anticipated capital expenditure requirements, and in accordance with recommendations of the District’s engineer, the Boards determined that the imposition of a Facilities Renovation Fee is necessary; and

WHEREAS, the Boards have further determined it will promote the public health, welfare, and safety of the inhabitants of the District for the Enterprise to impose said Facilities Renovation Fee to defer the cost of System repair and renovation and, as necessary to defray annual maintenance cost and expenses associated therewith; and

WHEREAS, the revenues generated by the Facilities Renovation Fee shall be accounted for in an Enterprise Facilities Renovation Account or Facilities Renovation Fund; and

WHEREAS, after careful study and consideration, it has been determined that the imposition of a Facilities Renovation Fee on a single-family residential equivalent tap basis, is a fair and equitable method of recovering the cost of replacing, renovating and maintaining the System; and

WHEREAS, the Boards desire to establish a Facilities Renovation Fee initially in the amount of \$100 per year per single-family residential equivalent tap, payable at the rate of \$25 per calendar quarter.

WHEREAS, on April 21, 2021 the Boards reviewed in detail projections as to the revenues that would be collected by the Facilities Renovation Fee and accordingly adopted a Facilities Renovation Fee and desire by this Resolution to memorialize the adoption of said fee by Resolution.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE HOLLY HILLS WATER AND SANITATION DISTRICT OF ARAPAHOE AND DENVER COUNTIES, COLORADO AS FOLLOWS:

Section 1. Facilities Renovation Fee. As reflected in the minutes of the Board's April 21, 2021 meeting, the Boards adopted a Facilities Renovation Fee in the amount of \$100 per single-family residential equivalent tap payable at the rate of \$25 per quarter, effective with the third quarter sewer billing.

Section 2. Collection of Fee. The Facilities Renovation Fee shall be due and payable on or before the 5th day of the second month of each calendar quarter in the amount of \$25 per single-family residential equivalent tap. With respect to new connections, the Facilities Renovation Fee shall be prorated and shall be due and payable at the time of connection to the System.

Section 3. Use of Revenues. The revenues collected from the Facilities Renovation Fee shall be accounted for by the Enterprise in a Facilities Renovation Fund or Facilities Renovation Reserve, and such revenue shall be used to fund the renovation of the System as the Boards determine appropriate; provided, however, nothing herein contained shall preclude the Boards from using the Facilities Renovation Fee revenue for the purposes of defraying increasing costs of operating, maintaining, and repairing the System.

Section 4. Duration of the Fee. The Facilities Renovation Fee, as heretofore imposed and established, shall remain in effect until such time as the Boards have determined that sufficient revenues have been accumulated for the renovation of the System.

Section 5. Late Fees. Each Facilities Renovation Fee not paid by the due date imposed hereunder shall be considered delinquent and if such delinquency continues for five (5) consecutive days thereafter, the previously adopted District late fees shall be imposed.

Section 6. Reaffirmance of Other Rates, Fees, Tolls and Charges. All other rates, fees, tolls, and charges previously adopted by the Boards are hereby reaffirmed and shall remain in full force and effect until otherwise modified by appropriate Board action.

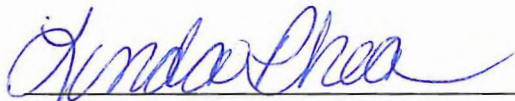
ADOPTED on the 21st day of April, 2021 and executed on this 19th day of May, 2021.

**HOLLY HILLS WATER AND
SANITATION DISTRICT**

By: 

Tom Thomasson, President

Attest:



Linda Rhea, Secretary/Treasurer