

RECORD OF PROCEEDINGS

**MINUTES OF REGULAR MEETING OF
THE BOARD OF DIRECTORS OF THE
HOLLY HILLS WATER AND SANITATION DISTRICT
AND THE BOARD OF DIRECTORS OF THE
WATER UTILITY ENTERPRISE
HELD
APRIL 19, 2017**

A Regular Meeting of the Board of Directors of the Holly Hills Water and Sanitation District and the Board of Directors of the Water Activity Enterprise (referred to hereafter as "Board") was convened on Wednesday, the 19th day of April, 2017, at 7:00 p.m., at the Skyline Firehouse, 6000 E. Yale Avenue, Denver, Colorado 80222. The meeting was open to the public.

Directors In Attendance Were:

Raymond V. Henney
Irina Bovee
David Plaul
William Dilatush

Also In Attendance Were:

AJ Beckman; Special District Management Services, Inc.

Timothy J. Flynn, Esq.; Collins Cockrel and Cole, P.C.

Richard Cassens; ENS Consulting, LLC

James Riley; Resident

JoAnn Underhill, Esq.; Attorney for James Riley

**ADMINISTRATIVE
MATTERS**

17.83 Agenda: Mr. Beckman presented the Agenda for the District's Regular Meeting.

Following discussion, upon motion duly made by Director Henney seconded by Director Plaul and, upon vote, unanimously carried, the Agenda was approved, as presented.

17.84 Minutes: The Board reviewed the minutes of the March 15, 2017 Regular Meeting.

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Following discussion, upon motion duly made by Director Plaul seconded by Director Bovee and, upon vote, unanimously carried, the minutes for the March 15, 2017 Regular Meeting were approved.

LEGAL MATTERS

17.85 Statement of Purpose: Attorney Flynn reported to the Board that there was nothing new to add on the legal description.

17.86 Denver Water's Gross Reservoir Hydropower Relicense Application: Attorney Flynn reported to the Board that the letter from the District to the Federal Energy Regulatory Commission was received and acknowledged.

17.87 Denver Water Matters: Attorney Flynn reported to the Board that the Denver Water's new rate schedule has been put into effect.

17.88 Executive Session: There was no need for an Executive Session at this time.

FINANCIAL MATTERS

17.89 Approval of Claims: Mr. Beckman then reviewed with the Board the claims for the period ending April 19, 2017, as follows:

General Fund:	\$ 11,259.88
Capital Projects Fund:	\$ -0-
Enterprise Fund:	\$ 9,791.64
Total:	\$ <u>21,051.52</u>

Following review and discussion, upon motion duly made by Director Henney, seconded by Director Plaul and, upon vote, unanimously carried, the Board approved the payment of claims for the period ending April 19, 2017, as presented.

17.90 Unaudited Financial Statements: Mr. Beckman reviewed the unaudited financial statements of the District setting forth the cash deposits, investments, and budget analysis for the periods ending March 31, 2017.

Following discussion, upon motion duly made by Director Henney, seconded by Director Bovee and, upon vote, unanimously carried, the Board accepted the unaudited financial statements for the periods ending March 31, 2017.

17.91 Delinquent Accounts: Mr. Beckman reviewed the Delinquent Accounts list with the Board.

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OPERATIONS

17.92 Sewer Backup: Attorney Flynn reported to the Board that the insurance company is working to close out the claim.

17.93 Manhole 87: Mr. Beckman reported to the Board that a drop-bowl was installed inside Manhole 87 to replace the tee formerly in place. Mr. Beckman then discussed the incident that occurred over the weekend. Mr. Beckman discussed the report provided by DRC and noted that DRC concluded that the back-up was caused by grease.

17.94 Grease Trap Inspections: Mr. Beckman reviewed the report with the Board.

17.95 Sewer Line Cleaning: Mr. Beckman reported to the Board that DRC has cleaned nearly the entire District within the last 18 months. Some sections in Area 1 still need to be cleaned.

CAPITAL PROJECTS

17.96 2017 Capital Projects: Mr. Beckman reported to the Board that Mr. Cassens is looking into the work on the line from Manhole 86 to Manhole 87. Mr. Cassens reported he is working with DRC on locates necessary for the design. Mr. Cassens noted that there is a high pressure gas main and the Utility Locating Service will charge approximately \$1,020.00.

Following discussion, upon motion duly made by Director Henney, seconded by Director Dilatush and, upon vote, unanimously carried, the Board ratified approval of the Service Agreement with CCS Consultants for Surveying Services and authorized Mr. Cassens to engage the Utility Locating Service.

Mr. Cassens reported to the Board that the fiberglass liner is currently bidding at about 1.8 times the cost of felt liner.

Mr. Riley asked why the District is looking at replacing the line. Mr. Cassens explained that the Board asked him to look at options, but in his opinion the line has sufficient capacity. Director Henney explained that the District is looking at all options.

Mr. Riley addressed the Board regarding his alleged damages and his conclusions related to the incident. He explained that in his review of the sewer line videos made by DRC, he believes that the video ends at the end of the sewer line but does not enter the drop-tee located within the manhole. Mr. Riley concluded that in his opinion this is negligence by the contractor, and in his opinion the District's engineer. He then reiterated that a backup at manhole 87 has happened twice, resulting in sewage backups to the church, and his house. Mr. Riley distributed materials taken from DRC's report following the December 24th sewer backup and a profile view of

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manhole 87 which he prepared, to illustrate what he believes is the drop-tee and the location where the backup occurred. Attorney Underhill asserted that the videos stop short of the tee and the inspections, while performed frequently, are not performed sufficiently. She also asserted that the video voice over identifies an 8" pipe upstream of Manhole 87. Mr. Riley contends that the map has not been updated since the pipe was realigned reducing the actual diameter size to what he believes is six inches. He contends that the District has been slow to respond to his public records requests, and explained that in his opinion, DRC should not be keeping the videos. He asserted that DRC's contract calls for them to turn over the videos to the District. It was his contention that DRC or the District should have let him know that certain video records could not be provided.

Attorney Underhill asserted that the settlement offer of \$30,000 is inadequate for the loss suffered by the Riley's. Mr. Riley reviewed a letter sent to residents by the District regarding root infiltration with the Board and asserted that the letter went out, 17 months after the video inspection. Mr. Riley then discussed the District's policy regarding sewer cleanup, and asserted that attached to the policy is a form authorizing entry by the contractors performing the work. He contends that he was never given the form. Mr. Riley then suggested that perhaps the District's cleaning schedule is too infrequent for grease infiltration problems. He then asserted that the negligence he believes he has observed is driving up the cost of service throughout the District. Attorney Underhill asserted that the Board is ultimately responsible, as the decision making body for the District. Mr. Riley then stated that the District's consultants are contractors who work for the Board which is why his message is intended for the Directors.

Mr. Riley then itemized his losses. He stated that in his opinion the professional restoration company threw away hundreds of dollars' worth of bike parts but kept less valuable things like a laundry basket. The itemized damages he has compiled total approximately \$59,732.11 however, for the personal property plus inconveniences and frustrations suffered through the incident he is requesting \$70,000.

ADJOURNMENT

There being no further business to come before the Board at this time, upon motion duly made by Director Plaul, seconded by Director Henney and, upon vote, unanimously carried, the meeting was adjourned at approximately 8:51 p.m.

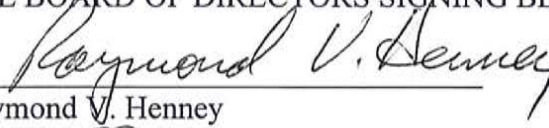
Respectfully submitted,

By: 

Secretary for the Meeting

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THESE MINUTES ARE APPROVED AS THE OFFICIAL APRIL 19, 2017
MINUTES OF THE HOLLY HILLS WATER AND SANITATION DISTRICT BY
THE BOARD OF DIRECTORS SIGNING BELOW:



Raymond V. Henney



Irina Bovee

William Dilatush



David Plaul