

## RECORD OF PROCEEDINGS

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### 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 JUNE 21, 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 21st day of June, 2017, at 7:00 p.m., at the Skyline Firehouse, 6000 E. Yale Avenue, Denver, Colorado 80222. The meeting was open to the public.

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**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.

James Riley; Resident

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**ADMINISTRATIVE  
MATTERS**

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

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

**17.113 Minutes:** The Board reviewed the minutes of the May 17, 2017 Regular Meeting.

Following discussion, upon motion duly made by Director Bovee seconded by Director Plaul and, upon vote, unanimously carried, the minutes for the May 17, 2017 Regular Meeting were approved.

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### LEGAL MATTERS

**17.114 Statement of Purpose:** Attorney Flynn reviewed with the Board the Statement of Purposes. He noted that the legal description is acceptable.

Following review and discussion, upon motion duly made by Director Henney, seconded by Director Bovee and, upon vote, unanimously carried the Board approved the Statement of Purposes and authorized Mr. Flynn to file it with the Arapahoe County Commissioners and with the Denver City Council.

**17.115 Sewer Backup Claims:** There was nothing new to report.

**17.116 Denver Water Matters:** Attorney Flynn discussed recent activities of the Suburban Distributors Denver Water Rates and Fees Technical Advisory Committee (“TAC”). He reported that the TAC is reviewing Denver Water’s capital project budgetary process. Attorney Flynn also discussed with the Board the water quality issues encountered and disclosed by Denver Water. The Board discussed lead pipes and Denver Water’s plan to cause replacement of the lead containing plumbing in public buildings.

**17.117 November 2017 TABOR Election:** Attorney Flynn discussed with the Board the upcoming November election. The Board determined not to pursue a TABOR election in November 2017.

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### FINANCIAL MATTERS

**17.118 Approval of Claims:** Mr. Beckman then reviewed with the Board the claims for the period ending June 21, 2017, as follows:

General Fund:	\$ 8,871.94
Capital Projects Fund:	\$ 2,500.00
Enterprise Fund:	<u>\$ 1,063.17</u>
<b>Total:</b>	<b><u>\$ 12,435.11</u></b>

Following review and discussion, upon motion duly made by Director Plaul, seconded by Director Henney and, upon vote, unanimously carried, the Board approved the payment of claims for the period ending June 21, 2017, as presented.

**17.119 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 May 31, 2017.

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

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**17.120 Delinquent Accounts:** Mr. Beckman reviewed the Delinquent Accounts list with the Board.

**17.121 Consumption Adjustments:** Mr. Beckman reviewed the water consumption adjustment records for all accounts for the period December 2016 through February 2017 with the Board. The Board determined to revisit the need to adjust sewer rates in August or September 2017.

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### OPERATIONS

**17.122 Sewer Backup:** Attorney Flynn reported to the Board that there is nothing new to report.

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

**17.124 Sewer Line Cleaning:** Mr. Beckman discussed with the Board the status of sewer line cleaning, explaining that Area 2 will be cleaned this fall. He also reported that DRC recently video inspected the line running along Monaco. DRC reported that the inspections revealed nothing that would indicate excessive grease discharge by any of the commercial customers connected to the line.

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### CAPITAL PROJECTS

**17.125 2017 Capital Projects:** Mr. Beckman opened the discussion noting that the District's Engineer previously reported to the Board that replacements of the sewer main from manhole #86 to manhole #87 is estimated to cost approximately \$150,000. Director Henney discussed the fact that the Engineer has previously stated that replacement of this section of sewer line would not provide a significant benefit to the district because in his opinion there is sufficient existing capacity to accommodate the flow. The Board discussed proceeding with the sewer line refurbishment program according to the Engineer's recommendations as presented earlier this year. Director Henney recommended proceeding with the bidding process based on the scope of work previously prepared by the District's engineer. The Board directed Mr. Beckman to coordinate with the District's Engineer to review bids at the next Board Meeting. Director Henney requested that the bids include replacement with both fiberglass and felt materials.

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### PUBLIC COMMENT

**17.126 Public Comment:** Mr. Riley addressed the Board and asked about who recommended repairs to the sewer lines. Attorney Flynn reported that the District engineer in connection with the District's maintenance contractor make recommendations to the Board concerning sewer line repairs. With respect to sanitary sewer spills, the District is obligated to make reports to the Colorado Department of Public Health and Environment (CDPHE). Mr. Riley noted that although Mr.

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Cassens recommended that the sewer main from manhole #86 to manhole #87 not be replaced, he wanted to go on record saying that all of the engineers that he has spoken with including Denver Wastewater do not recommend installing a section of pipe downstream of a larger upstream section. He also noted that in his opinion someone should be held accountable for design failures which contributed to the sewer backup on December 24, 2016.

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### EXECUTIVE SESSION

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

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### OTHER BUSINESS

**17.128** Director Plaul reported to the Board that he will be putting his house on the market. He noted that he will keep the Board apprised of the status of the sale and the status of his qualification to serve on the Board.

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### ADJOURNMENT

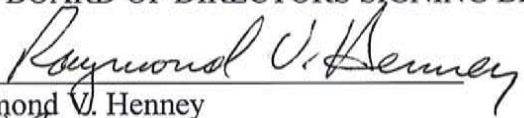
There being no further business to come before the Board at this time, upon motion duly made, seconded and, upon vote, unanimously carried, the meeting was adjourned at approximately 7:33 p.m.

Respectfully submitted,


By: 

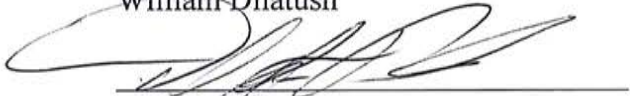
Secretary for the Meeting

THESE MINUTES ARE APPROVED AS THE OFFICIAL JUNE 21, 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