

RECORD OF PROCEEDINGS

**MINUTES OF A 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
AUGUST 15, 2018**

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 15th day of August, 2018, 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:

Irina Bovee
Marie E. Sullivan
Scott Kemmeries

Also In Attendance Were:

Steve Beck; Special District Management Services, Inc.

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

Will Raatz; W2 Engineers, LLC

Following discussion, upon motion duly made by Director Sullivan, seconded by Director Kemmeries and, upon vote, unanimously carried, the absence of Director Raymond Henney was excused.

**ADMINISTRATIVE
MATTERS**

18.85 Agenda: Mr. Beck reviewed the Agenda.

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

18.86 Minutes: The Board reviewed the minutes of the July 18, 2018 Regular Meeting.

Following discussion, upon motion duly made by Director Kemmeries, seconded by Director Bovee and, upon vote, unanimously carried, the minutes for the July 18, 2018 Regular Meeting were approved, as presented.

RECORD OF PROCEEDINGS

18.87 Resignation of Director: The Board discussed the resignation of Director William Dilatush.

Following discussion, upon motion duly made by Director Bovee, seconded by Director Sullivan, the resignation of Director Dilatush was accepted. The Board expressed its appreciation for Director Dilatush's service to the District and its customers.

18.88 Board Vacancy: Discussion was held regarding filling the vacancy on the Board. Board members will contact persons who they believe may have interest in serving on the Board and invite them to apply for the vacant position. No decisions were made as to the process that will be followed in filling the vacancy.

PUBLIC COMMENT

18.89 Public Comment: There were no public comments.

LEGAL MATTERS

18.90 OCCT/Denver Water Update: Attorney Flynn reported that Denver Water and the Colorado Department Public Health and Environment's Water Quality Control Division have entered into a Memorandum of Understanding (MOU). The MOU establishes a stakeholder process consisting of Water Providers and Wastewater and Watershed Entities that will focus on possible new studies, new mitigation plans, and possible future modifications of the Water Quality Control Divisions designation of phosphorus as the optimal corrosion control treatment (OCCT) for Denver Water's system.

Mr. Raatz joined the meeting at this time.

18.91 District By-Laws: Attorney Flynn distributed a draft set of By-Laws that have been developed for special district's generally. He explained that By-Laws are the rules which govern the conduct and actions of the Board in managing the District's internal affairs. He noted that the District has an adopted set of Rules and Regulations which applies to third parties and which establish the requirements that must be followed by third parties for purposes of obtaining water and sanitation service from the District. The Board will discuss the draft By-Laws and make whatever modifications are necessary at its September or subsequent Board meetings.

FINANCIAL MATTERS

18.92 Approval of Claims: Mr. Beck reviewed with the Board the claims for the period ending August 15, 2018, as follows:

RECORD OF PROCEEDINGS

General Fund:	\$ 10,920.34
Capital Projects Fund:	\$ 0.00
Enterprise Fund:	\$ 88,300.55
Total:	\$ 99,220.89

Following review and discussion, upon motion duly made by Director Kemmeries, seconded by Director Bovee and, upon vote, unanimously carried, the Board approved the payment of claims for the period ending August 15, 2018.

18.93 Unaudited Financial Statements: Mr. Beck reviewed the cash position as of August 15, 2018 and the unaudited financial statements of the District as of July 31, 2018.

Following review and discussion, upon motion duly made by Director Kemmeries, seconded by Director Sullivan and, upon vote, unanimously carried, the Board approved the unaudited financial statements as of July 31, 2018 and the cash position at August 15, 2018.

18.94 Ratify approval of 2017 Audit and authorization of execution of Representations Letter: Mr. Beck discussed the 2017 audit with the Board and reported that after discussion with Director Henney and Attorney Flynn they determined that the audit should be filed prior to July 31, 2018 and that it was deemed to be accurate and complete.

Following review and discussion, upon motion duly made by Director Sullivan, seconded by Director Bovee and, upon vote, unanimously carried, the Board ratified the acceptance of the 2017 Audit and its filing with the State Auditor's Office, and ratified and approved of the Management Representation Letter signed by Director Henney on behalf of the Board.

18.95 Delinquent Accounts: Attorney Flynn and Mr. Beck discussed the delinquent accounts and the process for certification and the need to set a date for certification of delinquent accounts.

Following discussion, upon motion duly made by Director Kemmeries, seconded by Director Bovee, and upon vote unanimously carried, the Board set the October 17, 2018 meeting as the date to adopt a resolution to certify delinquent accounts.

18.96 2019 Budget: Attorney Flynn and Mr. Beck discussed the budget process and the need to set date for the public hearing to adopt the budget for 2019.

Following discussion, upon motion duly made by Director Kemmeries, seconded by Director Sullivan, and upon vote unanimously carried, the Board cancelled the

RECORD OF PROCEEDINGS

Regular Meeting scheduled for Wednesday, November 21, 2018 and scheduled a Special Meeting for Thursday, November 29, 2018 to adopt the 2019 Budget.

18.97 Billing Adjustments: There were no billing adjustments to discuss.

OPERATIONS

18.98 Grease Trap Inspections and Operations: Mr. Beck reported that there was not an inspection or grease trap report for the month and that no problems had been reported.

CAPITAL PROJECTS

18.99 2018 Capital Projects: Mr. Raatz reported that he has prepared the bid documents and had advertised for the proposals and that all bid proposals were due back for review by August 29, 2018.

Following discussion, upon motion duly made by Director Sullivan, seconded by Director Kemmeries and, upon vote, unanimously carried, the Board authorized Director Henney to accept a bid and award the contract for improvements pending satisfactory review of the bids received by the District's Engineer and Attorney, in an amount not to exceed \$150,000.00.

EXECUTIVE SESSION

18.100 Executive Session: Not required.

OTHER BUSINESS

18.101 Other Business: None.

ADJOURNMENT

There being no further business to come before the Board at this time, upon motion duly made by Director Bovee, seconded by Director Sullivan and, upon vote, unanimously carried, the meeting was adjourned at approximately 8:25 p.m.

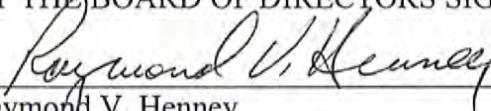
Respectfully submitted,

By: 

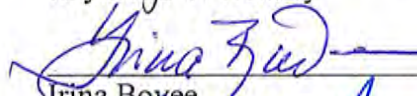
Secretary for the Meeting

RECORD OF PROCEEDINGS

THESE MINUTES ARE APPROVED AS THE OFFICIAL AUGUST 15, 2018
MINUTES OF THE HOLLY HILLS WATER AND SANITATION DISTRICT
BY THE BOARD OF DIRECTORS SIGNING BELOW:



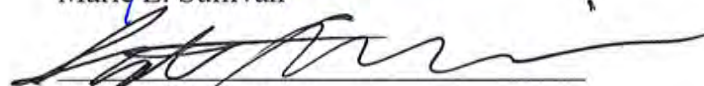
Raymond V. Henney



Irina Boyce



Marie E. Sullivan



Scott K. Kemmeries