

RECORD OF PROCEEDINGS

**MINUTES OF A SPECIAL 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
SEPTEMBER 24, 2020**

Due to the COVID-19 pandemic, the special 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 by telephone conference call on Thursday, the 24th day of September 2020, at 7:00 P.M. The call-in information was listed in the meeting notice posted by the District and the public was able to attend the meeting by telephone, if they so desired.

Directors In Attendance Were:

Thomas Thomasson
Scott Kemmeries
Linda Rhea

Also In Attendance Were:

Steve Beck; Special District Management Services, Inc.
Timothy J. Flynn, Esq.; Collins Cockrel and Cole, P.C.
Will Raatz; W2E Engineers
Dave Diver, James Riley; Residents

**ADMINISTRATIVE
MATTERS**

20.096 Agenda: Mr. Beck reviewed the proposed Board Meeting Agenda and added the discussion and approval of Pay App #3R1 from JBS Pipeline Contractors.

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

20.097 Minutes: The Board discussed the minutes of the August 19, 2020 Regular Meeting.

Following discussion, upon motion duly made by Director Kemmeries, seconded by Director Thomasson and, upon vote, unanimously carried, the minutes of the August 19, 2020 meeting were approved, as presented.

RECORD OF PROCEEDINGS

PUBLIC COMMENT **20.098 Public Comment:** Mr. Diver and Mr. Riley each addressed the Board regarding their comments about the District, the E Yale-South Holly Place Capital Improvements Project and other concerns.

LEGAL MATTERS **20.099 OCCT/Denver Water Update:** Attorney Flynn reported that Denver Water is continuing with the program for the replacement of lead pipes in homes, and has identified the homes built from 1983 to 1987 with potential lead soldering in the pipes and the interior plumbing fixtures. These homes are being provided with free test kits for the water. If lead is detected in the water, Denver Water will provide those homes with free water filtration pitchers and will replace those pitchers free of charge until the lead can be reduced to acceptable levels. Denver Water is considering implementing a rate increase that will generate approximately 1.5% of additional revenue, or \$4.5M. These revenues will be used to cover the costs of Denver Water's lead reduction program.

20.100 2021 Budget Calendar

Attorney Flynn discussed the budget process and schedule due to changes related to the COVID-19 pandemic. Mr. Beck will prepare the preliminary budget to have for the Board's review by October 15.

Following discussion, upon motion duly made by Director Kemmeries, seconded by Director Rhea and, upon vote, unanimously carried, the Board scheduled the 2021 Budget hearing for November 18, 2020. And, if it had not done previously, it appointed Steven Beck as the District's Budget Officer charged with preparing a draft Budget for 2021 and delivering it to the Board on or before October 15, 2020.

FINANCIAL MATTERS

20.101 Claims: Mr. Beck discussed with the Board the claims for the period ending September 16, 2020:

General Fund:	\$ 14,042.84
Capital Projects Fund:	\$ 8,450.00
Enterprise Fund:	\$ 7,718.55
Total:	<u>\$ 30,211.39</u>

Following discussion, upon motion duly made by Director Thomasson, seconded by Director Rhea and, upon vote, unanimously carried, the claims for the period ending September 16, 2020 were approved.

20.102 Claims: Mr. Beck discussed with the Board the special check payment for Sewage Treatment Services to Metro Wastewater in the amount of \$ 94,680.25.

RECORD OF PROCEEDINGS

Following discussion, upon motion duly made by Director Rhea, seconded by Director Kemmeries and, upon vote, unanimously carried, the payment of the claim for sewer treatment services was ratified.

Mr. Beck then discussed with the Board the claim from JBS Pipeline Contractors for Pay App #3R1. Mr. Raatz, District Engineer, has reviewed the claim and has recommended approval of the payment in the amount of \$283,927.55.

Following discussion, upon motion duly made by Director Thomasson, seconded by Director Kemmeries and, upon vote, unanimously carried, the claim for Pay App #3R1 to JBS Pipeline Contractors was approved.

20.103 Unaudited Financial Statements: Mr. Beck reviewed the unaudited financial statements for the period ending August 31, 2020, and the updated cash position statement dated as of August 31, 2020.

Following discussion, upon motion duly made by Director Kemmeries, seconded by Director Rhea and, upon vote, unanimously carried, the unaudited financial statements for the period ending August 31, 2020, and the cash position statement dated as of August 31, 2020, were accepted, as presented.

20.104 2019 Audited Financial Statements: Mr. Beck reviewed the draft audit of the 2019 financial statements with the Board.

Following discussion, upon motion duly made by Director Kemmeries, seconded by Director Rhea and, upon vote, unanimously carried, the Board approved the 2019 Audited Financial Statements and authorized execution of the Representations Letter.

OPERATIONS

20.105 Grease Trap Inspections and Operations: Mr. Beck discussed the Grease Trap Report received from Mr. Carroll and the status of the failed inspections.

20.106 Ramey Environmental Compliance Engagement: Mr. Beck discussed the engagement of Ramey Environmental with the Board. The Board had previously approved the termination of the DRC contract and approved the Ramey Environmental proposal and authorized Attorney Flynn to proceed with the termination notification and to prepare the Ramey Environmental contract.

CAPITAL PROJECTS

20.107 2019 Capital Projects: Mr. Raatz and Director Thomasson discussed the E. Yale-South Holly Place project with the Board and that the project was near completion and the punch list items were being addressed.

RECORD OF PROCEEDINGS

OTHER BUSINESS

20.108 Other: None.

20.109 Executive Session: The Board did not convene into Executive Session.

ADJOURNMENT

There being no further business to come before the Board at this time, upon motion duly made by Director Thomasson, seconded by Director Kemmeries and, upon vote, unanimously carried, the meeting was adjourned at approximately 8:00 P.M.

Respectfully submitted,

By: Linda Rhea

Secretary for the Meeting