

## RECORD OF PROCEEDINGS

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**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  
OCTOBER 21, 2020**

Due to the COVID-19 pandemic, the 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 by telephone conference call on Wednesday, the 21<sup>st</sup> day of October 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.

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**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; W2 Engineers  
Bill Flynn; Simmons & Wheeler  
Wayne Ramey and Ismael Gomez; Ramey Environmental Compliance, Inc.  
Jeff & Katie Ippen, James Riley; Residents

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**ADMINISTRATIVE  
MATTERS**

**20.110 Agenda:** President Thomasson called the meeting to order and reviewed the Agenda and proposed the addition of the following items for discussion:

- III. C. Update on Insurance Claims
- IV. A. Additional claim added for DRC.
- IV. F. Accounts Payable – Bill.com services
- IV. G. Facilities Renovation Fee
- VI. B. 2021 Capital Projects Recommendations

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

**20.111 Minutes:** The Board discussed the minutes of the September 24, 2020 Special Meeting.

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Following discussion, upon motion duly made by Director Rhea, seconded by Director Kemmeries and, upon vote, unanimously carried, the minutes of the September 24, 2020 Special Meeting were approved, as presented.

**PUBLIC COMMENT** **20.112 Public Comment:** Mr. Ippen 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** **20.113 OCCT/Denver Water Update:** Attorney Flynn reported that there was not any update from Denver Water.

**20.114 Agreement with Ramey Environmental Compliance:** Attorney Flynn discussed the Agreement for Emergency and Non-Emergency Maintenance Services with Ramey Environmental Compliance (REC). Mr. Ramey addressed the Board and explained the services provided by REC and what information is provided to the District.

Following discussion, upon motion duly made by Director Kemmeries, seconded by Director Rhea and, upon vote, unanimously carried, the Board approved the Agreement with Ramey Environmental Compliance with the understanding that the not to exceed amount in the Agreement may need to be amended in the future.

**20.115 Update on Insurance Claims:** Attorney Flynn updated the Board on the status of the claims related to the S Holly Place – E Yale project that were incurred due to the sewer backups that occurred during the project as a result of multiple water line breaks. All known claims have been submitted to Denver Water and/or the construction contractor (JBS) liability insurance carrier.

**FINANCIAL  
MATTERS**

**20.116 Claims:** Mr. Beck discussed with the Board the claims for the period ending October 21, 2020 and added the claim for the final invoice from DRC which revised the claims total as follows:

General Fund:	\$ 16,316.99
Capital Projects Fund:	\$ 5,342.50
Enterprise Fund:	<u>\$ 10,717.22</u>
<b>Total:</b>	<b><u>\$ 32,376.71</u></b>

Following discussion, upon motion duly made by Director Rhea, seconded by Director Thomasson and, upon vote, unanimously carried, the claims for the period ending October 21, 2020 were approved as revised.

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**20.117 Unaudited Financial Statements:** Mr. Beck reviewed the unaudited financial statements for the period ending September 30, 2020, and the updated cash position statement dated as of September 30, 2020.

Following discussion, upon motion duly made by Director Rhea, seconded by Director Thomasson and, upon vote, unanimously carried, the unaudited financial statements for the period ending September 30, 2020, and the cash position statement dated as of September 30, 2020, were accepted, as presented.

**20.118 2019 Audited Financial Statements:** Mr. Bill Flynn reviewed the final audit of the 2019 financial statements with the Board. Mr. Beck recommended the approval and acceptance of the 2019 audit and the ratification of the filing of the audit and the authorization of the execution of the Management Representations Letter.

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

**20.119 2021 Draft Budget:** Mr. Beck discussed the proposed 2021 Budget with the Board.

**20.120 Public Hearing and Resolutions to Certify Delinquent Accounts:** President Thomasson opened the public hearing on the Certification of Delinquent Accounts for the City and County of Denver and Arapahoe County. It was noted that publication of Notice stating that the Board would consider the certification of delinquent accounts and the date, time and location of the Public Hearing was made in a newspaper having general circulation within the District. No written objections were received prior to this Public Hearing. No public comments were received and the Public Hearing was closed.

Following discussion, upon motion duly made by Director Kemmeries, seconded by Director Rhea and, upon vote, unanimously carried, the Board approved Resolution No. 2020-10-1 for the Certification of Delinquent Accounts to the City and County of Denver.

Following discussion, upon motion duly made by Director Kemmeries, seconded by Director Rhea and, upon vote, unanimously carried, the Board approved Resolution No. 2020-10-2 for the Certification of Delinquent Accounts to Arapahoe County.

**20.121 Accounts Payable – Bill.com:** This item was tabled for discussion until the November meeting.

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**20.122 Facilities Renovation Fee:** Mr. Beck discussed the type of fee implemented by Districts to provide funding for the renovation and rehabilitation of their systems. The inclusion of this type of fee will be discussed in connection with the adoption of the District's 2021 budget.

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### **OPERATIONS**

**20.123 Grease Trap Inspections and Operations:** Mr. Beck discussed the status of the failed inspections and that Ramey Environmental would begin inspecting all traps on a regular schedule and would implement a program for maintaining the grease traps with the customers.

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### **CAPITAL PROJECTS**

**20.124 2019 Capital Projects:** Mr. Raatz discussed the Engineering Report for October and the status of the completion of the S Holly Place – E Yale Project and the punch list items that are being addressed.

**20.125 2021 Capital Projects:** Mr. Raatz discussed his recommendations for repairs that need to be made to three (3)-locations within the District:

1. MH63 – MH62 @ 30'-40' (South Locust St) to replace pipe and 2 service connections.
2. MH89 – MH90 @ 15'-25' (South Leyden St) to replace pipe and 1 service connections.
3. MH103 – MH95 @ 0'-10' (South Krameria St) to replace pipe and 1 service connections.

**20.126 2801 S Holly Place:** Mr. Riley presented his concerns regarding what he believes to be defects in the point at which his sewer service line connects to the District's sewer main in S Holly Place.

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### **OTHER BUSINESS**

**20.127 Other:** None.

**20.128 Executive Session:** Following a brief discussion, at approximately 8:50 p.m., pursuant to Section 24-6-402(4)(b), C.R.S., upon motion duly made by Director Rhea, seconded by Director Kemmeries and, upon an affirmative vote of all Directors present, the Board convened in executive session for the purposes of receiving legal advice from legal counsel with respect to matters regarding the May 23-25 and July 15 sewer backup.

Those present during the executive session consisted of Directors Thomasson, Kemmeries and Rhea, Legal Counsel, Mr. Raatz, the District Engineer and the District Manager.

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The executive session lasted approximately 25 minutes and was not recorded because it constituted a privileged attorney-client communication for which no electronic recording is required. At approximately 9:18 p.m. the Board returned to an open public meeting.

### ADJOURNMENT

There being no further business to come before the Board at this time, upon motion duly made by Director Rhea, seconded by Director Kemmeries and, upon vote, unanimously carried, the meeting was adjourned at approximately 9:30 P.M.

Respectfully submitted,

By: *Dinda Rhea*  
Secretary for the Meeting

### ATTORNEY STATEMENT

Pursuant to section 24-6-402(2)(4)(b), C.R.S., I, Timothy J. Flynn state that I am General Counsel for Holly Hills Water and Sanitation District and that I was present at the time the Board convened Executive Session on Wednesday, October 21, 2020 at approximately 8:50 pm. I further state that the Executive Session was not recorded because it constituted a privileged attorney-client communication, and that no electronic recording thereof was necessary. The Board did not adopt any proposed policy, position, rule, regulation or take any formal action during the Executive Session.

Date: *Dec 10, 2020*

By: *Timothy J. Flynn*  
Timothy J. Flynn