

**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
APRIL 15, 2026**

A Regular Meeting of the Board of Directors of the Holly Hills Water and Sanitation District and the Board of Directors of its Water Activity Enterprise (referred to hereafter as “Board”) was convened by Zoom video conference and telephone conference call on Wednesday, April 15, 2026 at 7:00 p.m. The Zoom meeting and call-in information were listed in the meeting notice posted by the District and the public was able to attend the meeting by Zoom or telephone call if they so desired.

ATTENDANCE

Directors in Attendance Were:

Thomas Thomasson
Scott Kemmeries
Christopher Carroll
Liv Haugen
Jim DiPaolo

Also In Attendance Were:

Justin Janca; Public Alliance, LLC
Timothy J. Flynn, Esq.; Ireland Stapleton Pryor & Pascoe, PC
Mike Bakarich; Moraine Bakarich CPAs
Will Raatz; W2 Engineers, LLC
Mike Murphy; Ramey Environmental Compliance, Inc.

**ADMINISTRATIVE
MATTERS**

Agenda: Director Thomasson, noting that a quorum of the Board was present, called the meeting to order and reviewed the Agenda with the Board.

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

Minutes: The Board reviewed the minutes of the March 18, 2026 Regular Meeting. Director Kemmeries noted that discussion regarding amendments to the February minutes were omitted from the March minutes and requested March’s minutes be amended to include that discussion.

RECORD OF PROCEEDINGS

Following discussion and review, upon a motion duly made by Director Kemmeries, seconded by Director Thomasson and, upon vote unanimously carried, the Board approved the minutes of the March 18, 2026 Regular Meeting, as amended.

PUBLIC COMMENT

No public comment.

OPERATIONS

Operations Report: Mr. Murphy introduced himself and noted his attendance on behalf of Ismael Gomez. Mr. Murphy provided an overview of locates and noted no abnormalities from typical service tasks. Mr. Murphy did not comment on status of the District's maintenance schedule but would confer with Mr. Gomez to gather the information.

Managers' Report: Mr. Janca noted one repair permit was received for 2451 S Ivanhoe Place. Mr. Janca also noted his work with Legal and the Accountant to compile a lien notice list, the updating of homeowner information, and completion of status letters.

ENGINEERING

Engineers Report: Mr. Raatz reported on the Capital Improvement Plan and the need to increase Facility and Renovation Fee to repay the loan. He drew attention to the extension of the plan by ten years. He will share the document with the Board for review, and a final version will be presented for approval at the May Board meeting.

Mr. Raatz updated the Board on the South Holly Place Project. He spoke on the progress of the project's design, noting that it is currently being finalized and revisions being incorporated. The need for strategic implementation and timing is due to non-related city projects, defining a window of opportunity between September and November. A construction estimate is pending final design and will include both phases of the project. The Project Needs Assessment has been drafted and includes a 20-year cash flow projection. Mr. Raatz requested the Mr. Bakarich review that projection, and Mr. Bakarich confirmed that it appeared logically sound. Mr. Raatz noted that the projection emphasized the need to raise the Facilities and Renovation fee in increments with the first increase occurring earlier than anticipated. Mr. Bakarich recommended that the District begin the communication process if the Facility Renovation Fee is to be raised in 2027. The anticipated Facility Renovation Fee escalation schedule is anticipated to increase to \$150 annual contribution in 2031, raised to \$175 in 2036, \$200 in 2041, \$250 in 2046. The existing reserve of \$2 million is included in the related calculations. Discussion ensued related to alternating Facility Renovation Fee increases

RECORD OF PROCEEDINGS

with rate increases and transitioned to the public meeting required for the State Revolving Fund application. The meeting shall be discrete and not incorporated in a Regular Meeting and in. Director Thomasson will contact the Church located within District boundaries to inquire about its use of a posting and meeting site. Mr. Raatz anticipates the PNA review process to take 2-3 months and the Public Meeting is required for PNA approval. However, the PNA could be submitted as long as a specific date for the Public Meeting is provided. It was noted that the Directors targeted July 29-30 for a Public Meeting date. The Board directed Public Alliance to post notice on the District's website and to distribute an email notice. The Board also directed Public Alliance to update the number of email addresses on the mailing list and begin the process of a physical mailing. Mr. Raatz will draft the communication and highlight expenditure of the Facilities Renovation Fee funds collected to date. Director Carroll suggested that the Board consider an audio and visual public relations campaign. Following discussion, the Board agreed this avenue should be explored and Director Carroll would research the proposition.

Holly Hills Elementary School: Mr. Raatz noted the need for a signature from either Director Thomasson or Mr. Janca. Mr. Janca will have the Cross Connection Agreement sent to Director Thomasson via DocuSign.

LEGAL MATTERS

Update on Denver Water Drought Surcharge: Attorney Flynn noted that the lien notices are complete and will enter the mail in the coming days. Mr. Bakarich is listed as point of contact on the notice. Attorney Flynn also noted the implementation of drought restrictions and surcharges.

FINANCIAL MATTERS

Accounts Payable: Mr. Bakarich reviewed the accounts payable list with the Board for the period ending April 15, 2026.

Mr. Bakarich noted that Director Carroll would not be paid for this meeting as he received payment for the last meeting for which he was absent. The title of report contained a scrivener's error which was corrected to the intended date of April 15, 2026. Mr. Bakarich also noted that there are no abnormal transactions this month.

Following discussion, upon motion duly made by Director DiPaolo, seconded by Director Kemmeries and, upon vote unanimously carried, the Board approved the accounts payable, in the amount of \$318,884.38, as amended.

Financial Statements: Mr. Bakarich reviewed with the Board the financial statements for the period ending March 31, 2026.

RECORD OF PROCEEDINGS

Mr. Bakarich drew attention to the \$28,000 payment to Element Engineering for design services due to its relationship to the improvement project. The 2025 audit remains pending and the District is no longer eligible to apply for exemptions. He also noted that cash on hand has decreased due payment to Metro Water Recovery.

Following discussion, upon a motion duly made by Director Haugen, seconded by Director Kemmeries and, upon vote unanimously carried, the Board accepted the financial statements for the period ending March 31, 2026.

OTHER BUSINESS

Transferring District Funds to Chase Bank: Mr. Bakarich noted that if the District transitioned to Chase Bank, Director approval would be needed on the same day the invoice batch is submitted. Discussion concluded that this is a non-issue with clear communication and set scheduling. Directors agreed that a rotating approval schedule should be implemented and further discussion described the signing process in detail to clarify the expectations of that month's signer. Mr. Bakarich noted that there is no concern related to the check limit threshold due to the payment types the District typically receives. He also expressed confidence that the change would improve the District's banking experience.

Following discussion, upon a motion duly made by Director DiPaolo, seconded by Director Carroll and, upon vote unanimously carried, the Board authorized Director Thomasson as a signer on the list of authorized signers.

ADJOURNMENT

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

Respectfully submitted,

By:  Signed by:
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Secretary for the Meeting