

**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
JUNE 17, 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, June 17, 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.
Michael Miller; Member of the Public

**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 Carroll, seconded by Director Thomasson and, upon vote unanimously carried, the Agenda was approved, as presented.

Minutes: The Board reviewed the minutes of the May 20, 2026 Regular Meeting.

Following discussion and review, upon a motion duly made by Director DiPaolo, seconded by Director Carroll and, upon vote unanimously

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carried, the Board approved the minutes of the May 20, 2026 Regular Meeting, as presented.

PUBLIC COMMENT

No public comment.

OPERATIONS

Operations Report: Mr. Murphy discussed locates performed over the previous month and progress in jetting operations. Mr. Murphy noted that the permits required to continue jetting operations are expected by the end of the month. During the paving project, two manholes are known to have been buried and a 2nd person was required to keep pace with the paving crew and ensure that additional manholes were not buried. The paving crew has removed risers from District manholes without authorization to continue the paving project uninterrupted. The Board's discussion centered on the amount of paving, the height of some manhole covers, and the potential for damage during snow removal operations. Director Thomasson requested documentation of the removed risers and the Board directed Mr. Flynn to prepare communication to the City of Denver. Further discussion focused on future work and though the locations are known, the difficulty in anticipating the timing of that work.

Extra Work To Assist Paving Project: Following discussion, upon a motion duly made by Director Thomasson, seconded by Director DiPaolo and, upon vote unanimously carried, the extra work to assist the paving project was ratified.

Managers' Report: Mr. Janca discussed the Raptor CE redevelopment of 2375 S Locust Street which was expounded upon during the Engineer's report, updates on the paving project, and resident communications related to status letters and Xpress Bill Pay log-in difficulties.

ENGINEERING

Engineers Report: Mr. Raatz provided the following updates:

Raptor CE for the redevelopment of 2375 S Locust St. The designs have been received from Raptor CE and reviewed. Of note are the tap fees, which will require calculating the tap credits which Mr. Bakarich will investigate. Mr. Flynn noted that a tap permit form will require completion. The Board discussed the design, ownership, and maintenance of the system, with consensus being that the District should take over the system after confirming construction is to District specifications and securing the appropriate easements. Mr. Raatz noted that service lines 8" and above require manholes and will be owned by the District, while 4" and less will be owned the site's managing entity; tracer wire will be required regardless of pipe diameter. Mr.

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Raatz also noted that inspection fees are separate from the deposit required for the Extension and Review Agreements. It was further noted that with respect to the sewer mains that will be owned and operated by the District in the future, the developer will be required to execute a Sewer Main Extension Agreement and to convey appropriate sanitary sewer easements to the District.

Capital Improvement Plan: It was noted that the Directors had the opportunity to review before the meeting. Mr. Raatz confirmed that projected costs are for the replacement because the existing lining is beginning to fail in the Holly St. project area and every lining application reduces pipe diameter. However, in-tract sanitary sewer collection lines can be lined while major sanitary sewer interceptor transmission mains require replacement. Director Haugen, Director DiPaolo and legal counsel agreed with this approach. Director DiPaolo requested the plan be communicated to the community at an upcoming public meeting to bring the need for fee increases to their attention.

Holly Street Improvement Project: Mr. Raatz reported that the Project Needs Assessment required by CDPHE has been submitted. The next step is the public meeting which will be held at the Legion Hall. The Board agreed to contribute more than the required fee to support the Legion's community efforts and agreed to a donation of \$300 to the Legion, rental fee included. This project will occur in two phases with the first 400' of the project beginning in October, thus the project needs to go out to bid promptly. The phase of the project should take around one month. Mr. Janca and Mr. Raatz to work together on bidding and Mr. Raatz will oversee construction. The second phase is 4100' and will be overseen by Element Engineering. The Board concurred with this assessment. Also noted was that the street widening project west of Holly St. has begun and the Highline Canal Trail improvement project is expected to be completed in September.

Holly Hills Elementary School: Mr. Raatz noted that the water agreement has been executed and the project is moving forward.

LEGAL MATTERS

Legislative Update: None.

Update on Denver Water 2027 Cost of Service Study: Mr. Flynn reported that the Study is currently on-going, and Denver Water is expected to attempt to recoup lost revenue due to drought restrictions.

FINANCIAL MATTERS

Accounts Payable: Mr. Bakarich reviewed the accounts payable list with the Board for the period ending June 17, 2026.

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Mr. Bakarich noted that a payable of \$1021.52 was missing from the amount presented. This amount was for the Cassell software license agreement which moved to annual billing.

Following discussion, upon motion duly made by Director Kemmeries, seconded by Director Thomasson and, upon vote unanimously carried, the Board approved the accounts payable, in the amount of \$30,852.13, as presented.

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

Mr. Bakarich reported that the revenues are up \$30k compared to financials through May 2025, with a net change in fund balance of \$176k. In addition to revenues increasing, expenses are also increasing due to increased treatment costs and capital expenses.

Mr. Bakarich noted that Phase I is expected to cost \$650,000 and Phase II, \$2.7 million. Further discussion revolved around the future increase of the facility renovation fee. Mr. Bakarich reported that the cash flow analysis forecasts an additional \$786k from FRF increases and timing should coincide with rate increases. Following discussion, upon a motion duly made by Director DiPaolo, seconded by Director Carroll and, upon vote unanimously carried, the Board accepted the financial statements for the period ending May 31, 2026.

Mr. Bakarich noted that Chase Bank account is not yet set up and the paperwork is in process. He also noted that the 2025 Audit is not complete and the extension request will be ready for the July meeting.

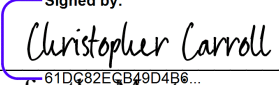
OTHER BUSINESS

Confirm Date, Time, and Location of Project Needs Assessment Public Meeting: The Board chose Tuesday, July 28, 2026 as the Public Hearing, pending the required publication. If publication is not possible to meet the 30-day posting requirement, the meeting date will be August 11, 2026.

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.

Respectfully submitted,

Signed by: 
By: _____
Secretary for the Meeting

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