

**CHERRY HILLS HEIGHTS
WATER AND SANITATION DISTRICT
BOARD OF DIRECTORS – MEETING MINUTES**

Date: Monday, December 7, 2020

Time: 5:00 – 7:00 pm

Location: Virtual Meeting on Ring Central

Board Members Present: John Ashworth (President), Toby Ralston (Treasurer), Jonah Staller (Secretary), Melissa Grossman (At-Large), Cam Keshavarz (At-Large)

Residents/Audience: Rich Miller

MEETING CALLED TO ORDER: at 5:04 pm. Jonah Staller volunteered to take minutes.

REVIEW OF MINUTES: October 12, 2020 meeting minutes: John moved to approve, Toby seconded. Approved unanimously.

TREASURER’S REPORT:

1. **Presentation of Bills.** Toby Ralston, District Treasurer, presented the list of bills approved and paid for the period October 12, 2020 through December 7, 2020 (**see attached**). Eight checks were issued totaling \$1,030.88. Electronic withdrawals and phone payments totaled \$652.06. Amounts were for various items including legal fees, accounting fees, landscape maintenance and mowing, snow removal, Xcel Energy charges (related to park irrigation system), Colorado’s 811.org notification fees, water charges, new irrigation controller, irrigation shutdown and bank fees.

OLD BUSINESS:

1. **Adoption of 2021 Budget and Appropriation of Funds. Set Mill Levy.** Toby presented the proposed 2021 budget. Amounts as follows:

- a. Total – \$29,314, comprised of:
 - i. Accounting - \$400
 - ii. Administration - \$1,000
 - iii. Bank fees - \$60
 - iv. Insurance - \$5,500
 - v. Landscaping - \$12,000
 - vi. Legal - \$4,500
 - vii. Maintenance - \$1,500
 - viii. ORC management Fees - \$1,500
 - ix. Utilities - \$2,000
 - x. Emergency Reserves - \$854.

Jonah noted that landscaping costs may be less if our insurance covers part of the tree replacement, but we don’t know at this point. He also noted that insurance costs likely will be higher this year than last year because a review of our insurance revealed a need to increase general liability and fraud/criminal activity coverage, as well as a couple of other items.

Toby moved to adopt the budget, appropriate funds, and set the corresponding mill levy of 6.954 mills. John seconded. Approved unanimously. **Actions:** Toby will get the Resolution for these actions to John and Jonah for signature. Upon return of the signed Resolution, Toby will certify the mill levy to the County before the December 15th deadline.

2. **Ongoing Discussion – District procedures for sewer connections.** Jonah said he’s been working on a rule, adopting relevant provisions from Southgate’s rules. He thinks a rule would be the best approach as opposed to just a resolution. It’s slow going. He may ask Jim Landry, the ORC, for his suggestions and whether this is a task he could take on. Cost

would be an important consideration. **Actions:** Jonah will continue working on the rule and will seek input from Jim Landry as appropriate.

- 3. Status – District Website.** Jonah reported that SIPA’s contractor had finally reached out to him a couple of weeks ago and that they are ready to help us establish a District website on the State platform. Melissa has agreed to be the District’s project manager for this effort. Jonah and Melissa signed the work order to get the process started. This will be free to the District and will include ongoing web hosting. One of the things we’ll need for the website is a logo. The Board considered four draft designs that Melissa, Jonah, and Katty Staller worked on. The Board selected an all-blue design and asked for minor modifications.

Action: Jonah will modify the design and forward to Melissa.

Some Board members wondered whether we could post the neighborhood directory on the website. Others expressed privacy concerns (because the website will be public) and suggested it would be better to email the directory to neighbors on an annual basis. Board members agreed we should not post the directory on the website.

- 4. Status – Hampden Wall Process.** Melissa presented a new draft spreadsheet. She noted that the subdistrict owners would be paying more than in her prior spreadsheet if we follow the model we used in the original wall vote. Hampden perimeter owners’ share of the mill levy for the wall would be two and half times the share of interior owners. There are only four perimeter owners. Falchero/Zaranka would not be considered perimeter owners because their lot only borders Hampden for about 10 feet.

Rich Miller was invited to enter the discussion. He asked if the wall would provide noise reduction. Board members responded that, based on their experience, noise reduction would be limited. Rich asked about the purpose of the wall if not noise reduction. Board members responded that the wall would create a unified, attractive neighborhood appearance and would likely increase property values throughout the neighborhood. Rich indicated that he supported the wall but that it might be tougher to convince neighbors to approve it if it doesn’t provide sound reduction.

Board members felt that it might be more realistic to aim for an election in November 2021 rather than May 2021. Melissa emphasized the amount of work required, including significant outreach to neighbors to explain the purpose of the wall and the finances, and answer questions. **Actions:** Melissa will review the spreadsheet one more time and revise it as needed. Melissa will forward to the other Board members the Q’s and A’s from the last wall election. Cam will use the spreadsheet to start talking to neighbors about a Hampden wall.

- 5. Status – Irrigation System Repairs.** John has picked up a new controller. In the spring, he will install the new controller and make sure it is working.
- 6. Status – Trees on University.** Jonah reported that the District’s insurance agent said trees lost due to the late and early freezes are covered by the District’s insurance. So, a claim should be submitted. **Action:** Jonah will submit a claim based on the highest estimate we’ve received. He will also try to get more estimates. John will have the CSU forestry extension look at the location and recommend species to install. This is a free service.
- 7. Status – Snow removal for 2020-2021.** Jonah tried to negotiate a better deal with Denver Sprinkler without success. Toby formally accepted Denver Sprinkler’s contract for snow removal for 2020/2021. The cost is \$165 per plow, a significant increase from last year.
- 8. Status – Inspection reimbursements – Freemans, Whitaker.** The District has received payment from the Freemans. Toby will contact Carol Whitaker in the next couple of weeks.
- 9. Ongoing Discussion – Possible uses of the ORC.** Members briefly discussed that we could use the ORC to respond to Colorado 811 locate requests, but the cost is \$80 per locate. Jonah wondered whether we could pass ORC costs to homeowners who need the locates. Other ideas were mentioned for use of the ORC, such as getting the ORC involved in District management. No decisions were made.

NEW BUSINESS:

1. **Upcoming Deadlines.** The 2021 mill levy must be certified by December 15, 2020. The transparency notice must be finalized and posted by January 15, 2021. A certified copy of the budget must be filed with the Division of Local Government by January 31, 2021. The request for exemption from audit must be filed with the State Auditor by March 31, 2021.
2. **Insurance Policy – decide on coverages.** Members discussed current coverages and agreed that it would be wise to increase general liability coverage and crime/fraud coverage, add the irrigation system to listed property covered under the policy, and add volunteer coverage for Board members (at \$1 per member per year). Some members noted that their individual umbrella policies were greater than the District's liability coverage, and that didn't make sense to them. Jonah reported that the insurance agent recommended that crime coverage should be roughly equivalent to the money in the District's bank accounts at any one time. This would protect the District in the event of criminal behavior on the part of a Board member. Adding the irrigation system to listed property will protect the District in the event of damage to the system, and adding volunteer coverage for the five Board members will protect the District for work Board members conduct outside of Board management activities, like trimming shrubs, marking sewer lines, working on the irrigation system, etc. Toby moved that general liability coverage be increased from \$2 million to \$5 million, that crime/fraud coverage be increased from \$5,000 to \$200,000, that the irrigation system be added as listed property, and that volunteer coverage be added to cover the five Board members. John seconded. Approved unanimously. We can revisit this if the premiums exceed our budget.
3. **Transparency Notice – Including meeting dates in 2021.** Members agreed on meeting dates for 2021 and January 2022. **Action:** Toby agreed to take a first cut on the transparency notice and will share it with the rest of the Board for review. He will contact Peggy Rupp and tell her we will do the transparency notice and she shouldn't do it.
4. **Other business.** None.
5. **Visitor comments/remarks.** As noted above, Rich Miller provided comments regarding the Hampden Wall. Rich left the meeting after that agenda item.
6. **Adjourn.** The meeting was adjourned at 7:00 pm

-- END OF MEETING MINUTES --

Cherry Hills Heights Water & Sanitation District

Treasurer's Report

For the period of October 13, 2020 through December 7, 2020

Checks Issued (\$1,030.88):

- 1) #723 – John Ashworth - **\$139.92** (Reimb. for new sprinkler equip.)
- 2) #724 - Collins, Cockrel & Cole - **\$200.00** (September Legal Fees)
- 3) #725 – UNCC - **\$1.49** (October 811 locates)
- 4) #726 – Peters' Construction - **\$22.00** (October Mowing)
- 5) #727 – Monaco Sprinkler - **\$75.00** (Park Winterization)
- 6) #728 - Collins, Cockrel & Cole - **\$88.00** (October Legal Fees)
- 7) #729 – UNCC - **\$4.47** (November 811 Locates)
- 8) #730 – Simmons & Wheeler - **\$500.00** (2019 Audit Exemption Prep)

Electronic Withdrawals & Phone Payments (\$652.06)

- 1) Online Payments to Denver Sprinkler:
 - a. **\$165.00** – for snow removal on 11/24/20
- 2) Denver Water
 - a. **\$454.72** on 11/12/20 for Sept/Oct water bill (Park)
- 3) Xcel Energy – Electronic Bank Payments – **\$22.34** (Sept/Oct and Oct/Nov Bills)
- 4) US Bank – Bank Fees - **\$10.00** (October & November Fees)

Deposits - \$724.12:

- 1) **\$362.84** – Reimbursement for Engineering Costs for 3415 S Clayton Sewer Review
- 2) **\$360.49** – November deposit(s) of standard Mill Levy revenue – Arapahoe County
- 3) **\$0.79** – Interest received on Bank Deposits – US Bank