

# RECORD OF PROCEEDING

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## MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF:

### HILLCREST WATER AND SANITATION DISTRICT

HELD TUESDAY, SEPTEMBER 30, 2025, AT 7:30 A.M.

#### ADMINISTRATIVE ITEMS

The special meeting of the Board of Directors of the Hillcrest Water and Sanitation District, Arapahoe County, Colorado was called to order on the day shown above by Director Dymond in accordance with the laws of the State of Colorado. The following Directors were in attendance:

Steve Dymond, President  
Neil Pepper, Treasurer  
John Haywood, Asst. Secretary/Treasurer  
David Wilkins, Asst. Secretary/Treasurer

Absent was Director Guckenberger, whose absence was excused.

Also, in attendance were:  
Sue Blair, Community Resource Services  
Carlos Arreola-Karr, Community Resource Services  
Lisa Schwien, Kennedy Jenks

#### CALL TO ORDER/DECLARATION OF QUORUM

A quorum of the Board was present, and the meeting was called to order at 7:30 a.m.

#### CONFLICTS OF INTEREST

There were none.

#### PUBLIC COMMENT

There was none.

#### DISTRICT OPERATIONS & MAINTENANCE UPDATE

- A) Discussion Regarding 2026 Projects:** Ms. Schwien provided an update on the Capital Improvement Project, reporting that manhole replacements and CIPP lining had been completed successfully and that the project performed well overall. She reviewed recommended 2026 improvements, noting that engineering advises continuing rehabilitation work in Basins 1–3 and allocating the budgeted \$75,000 toward remaining problem segments. The Board briefly discussed manhole steps, and Ms. Schwien explained that although some residents prefer them, they complicate maintenance access and are typically removed. After discussion and with no further questions, Director Dymond moved to approve the pay application as presented. Director Pepper seconded the motion, and it passed unanimously.
  
- B) Update on Basin 1 Maintenance:** Ms. Schwien informed the Board that Dale’s Environmental Services had begun Basin 1 maintenance earlier in the year but encountered delays due to a new city inspector requiring a full traffic

control plan. This represented a significant departure from previous requirements for residential street work. The contractor experienced difficulty obtaining a responsive traffic control provider, which caused the project to pause. After follow-up by District staff, the contractor secured an approved traffic control company and confirmed they are preparing to resume work. Ms. Blair also advised the Board that several long-time local contractors, including Gildner Pipeline and C&L Backhoe, have recently been acquired by larger firms such as Insituform, which may affect pricing and responsiveness in the future. The Board discussed the potential impact of these consolidations, and Ms. Schwien confirmed she would continue monitoring contractor performance and return at a future meeting with additional quotes for the remaining CIPP work.

## **FINANCIAL MATTERS**

- A) Review and Approve/Ratify Payment of Claims:** The Board reviewed the claims presented for payment totaling \$248,683.55. Director Wilkins moved to ratify the payment of claims as presented. Upon second by Director Dymond, a vote was taken, and the motion carried unanimously.
- B) Review and Approve Financial Statements:** Ms. Blair reviewed the financial statements for the period ending August 31, 2025, and the cash position dated September 16, 2025. There were no questions from the Board.
- C) Adoption of the 2026 Budget:** The Board next reviewed the draft 2026 Budget. Ms. Blair reported that staff did not recommend increasing sewer service fees given the District's healthy fund balance. She explained projected reductions in investment income based on anticipated interest rate changes and briefed the Board on updated Metro Wastewater treatment charges, which were slightly lower than the prior year. Engineering recommendations included budgeting \$14,000 for general engineering and an additional \$14,000 for Basin 3 engineering, as well as continuing to budget \$75,000 for the sewer improvement project. The Board discussed expected insurance cost increases and directed staff to raise the insurance line item to \$6,500. President Dymond then opened the public hearing on the 2026 Budget. With no public comment received, the public hearing was closed. Director Wilkins moved to adopt the 2026 Budget with the insurance modification. Director Dymond seconded, and the motion passed unanimously.
- D) Metro Charges:** Board reviewed Metro's updated tap fee schedule and noted the significant increases. No action was required for this informational item.
- E) Review Outfall Line Annual Report:** Ms. Blair summarized the annual outfall line report, confirming that system conditions remain stable and ongoing maintenance and inspection cycles continue to operate as planned. No action was required for these informational items.
- F) Certification of Delinquent Accounts:** Regarding the certification of delinquent accounts, Ms. Blair informed the Board that two accounts remained outstanding. She confirmed that required notices had been sent, making the accounts eligible for certification to Arapahoe County. Director Dymond moved to certify the delinquent accounts, and with a second by Director Pepper, the motion passed unanimously.

## **ADMINISTRATIVE ITEMS:**

- A) Review and Approve June 17, 2025, Minutes:** The Board reviewed the minutes of June 17, 2025, regular meeting. Director Dymond moved that the Board approve the minutes as presented. Upon second by Director Wilkins, a vote was taken, and the motion carried unanimously.

**ADJOURNMENT**

Director Dymond moved to adjourn the meeting at 7:58 a.m.

Respectfully submitted,

*Carlos Arreola-Karr*  
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Secretary for the Meeting