

RECORD OF PROCEEDINGS

CHERRY CREEK VALLEY WATER AND SANITATION DISTRICT

REGULAR MEETING OF THE BOARD OF DIRECTORS

JULY 21, 2009

The regular meeting of the Board of Directors of the Cherry Creek Valley Water and Sanitation District was held at the District Offices, 2325 S. Wabash Street, Arapahoe County, Colorado at 7:00 P.M. on July 21, 2009.

PRESENT

Paul Hanley – Vice Chairman
Paul Thayer – Secretary/Treasurer
Louis D. Halsell Jr. - Director
Jorge-Ayn Riley – Director

OTHERS PRESENT

John R. Warford – Manager
Rita Hiller – Bookkeeper
Lisa Desmond – Admin.
Chuck Buchanan – Maintenance Supervisor
Ron Dvorak – McLaughlin Rincon
Darryl Farrington – Semple, Miller, Mooney & Farrington P.C.
Carmine Iadarola – AquaSan Network
Ray Russell – Hayney & Co
Jonathan Fung – Bernstein & Co
Larry Hill - Bernstein & Co
J.M. Fay – Resident

ABSENT

Sheldon K. Ginsberg – Chairman

Mr. Hanley, Vice Chairman of the Board, called the meeting to order at 7:00 p.m., with a quorum present.

Mr. Hanley asked the Board for a motion to excuse Mr. Ginsberg's absence. Mrs. Riley made the motion and Mr. Halsell seconded. Motion passed unanimously.

Mr. Hanley asked if there were any corrections or changes to the minutes of the June 16, 2009, Board meeting. Mrs. Riley made a motion to approve the board meeting minutes as presented. Mr. Halsell seconded the motion. Motion carried.

Next on the agenda was the Treasurer's Report and Bills Payable. Mr. Warford discussed check #20817 representing the paving for the water main break at Clinton & Florida. He also explained that the check for Guildner Pipeline represents sewer maintenance which is being done in the district on a yearly basis. Mr. Hanley asked if there were any other comments. There were none. Mrs. Riley made a motion to receive the Treasurer's Report and to pay the Bills as presented and Mr. Halsell seconded the motion. The motion passed.

Mr. Hanley then opened the meeting to the public for any comments. Ms. Fay offered a written comment which Mr. Farrington read to the Board as follows: "Why can't the District do mandatory inspection of sprinkler systems prior to the irrigation season?" Mr. Hanley asked if there were any other public comments. There were none.

Mrs. Riley informed the Board that she had submitted the application nominating John Warford for Distinguished Manager of the Year. She believes the Special District Association will make their choice from the Nominees by the end of August and if chosen he will have to attend a

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luncheon in September. The Board thanked Mrs. Riley for handling this matter.

Next on the agenda Mr. Ray Russell presented the Annual Financial Report. He stated there were no changes made from the original draft. During the review of the audit Mr. Halsell questioned the significant difference between 2007 and 2008 insurance amounts listed on page 17. Mr. Russell said he would check into this matter and inform Mr. Warford of his findings. Mr. Hanley asked if there were any other questions. There were none. Mr. Halsell made a motion to approve the Annual Financial Report subject to clarification of his insurance question. Mrs. Riley seconded the motion.

Mr. Iadarola's report was next on the agenda. He presented his water report, which was also submitted in written form to the Board. Highlights included:

- Mr. Iadarola's meeting with Ms. Veva Deheza, Conservation and Drought Planning Director of the Colorado Water Conservation Board, to discuss including CCV under Denver Water's "Tap Smart" program. Ms. Deheza said that she would recommend CCV be exempt from completing a new conservation program subject to two requirements as stated in Mr. Iadarola's report.
- Denver Water has amended their 2009 budget to include capital improvements projects which are being bid at significantly lower rates. DWB has requested that the Master Meter Districts respond ASAP to the cross connection control backflow prevention survey. Denver has allocated monies for leak detection services.
- Parker Water and Sanitation District provides a good lesson regarding relying on tap fees to fund projects.

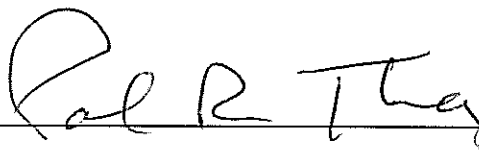
Next on the agenda was the Manager's Report. Mr. Warford asked Mr. Farrington to update the board on the DCJE School property negotiations. He said the negotiations were essentially complete pending fine-tuning based upon the new alignment of Wabash. He said that the Arapahoe County Attorney's office appeared cooperative on the issue of a subdivision exemption to divide the parcels that would be involved in the transaction with the school.

Mr. Farrington also discussed the amendments to the License Agreement between CCV and Huntington Estates for Fox Crossing Park. Mr. Hanley asked Mr. Warford to get an estimate for maintenance on the park. Mr. Hanley asked the board to defer approval of this contract until the next meeting.

Mr. Jonathan Fung and Mr. Larry Hill presented the District's portfolio with Bernstein & Co. Mr. Fung explained that they have invested half of the allocated three million dollars reassuring that all investments are in compliance with the statutes. The portfolio has increased in value. Mr. Hanley asked if the board could receive monthly statements. Mr. Hill briefly reviewed pre-refunded bonds. Mr. Fung asked the Board if they would consider purchasing bonds with maturity dates longer than the statutory limits. Mr. Fung also said the longer maturity dates are showing better yields. Mr. Farrington said he would look into the laws regarding limitations on the maturity dates of special district investments. Mr. Fung asked if there were any further question. There were none.

There being no further matters to come before the Board, Mr. Halsell made a motion to adjourn. Mr. Thayer seconded the motion. The motion passed unanimously. Vice-Chairman Hanley declared the meeting adjourned at 8:50 P.M.

READ AND APPROVED

 DATED Aug 18 / 09