

RECORD OF PROCEEDINGS

CHERRY CREEK VALLEY WATER AND SANITATION DISTRICT

REGULAR MEETING OF THE BOARD OF DIRECTORS

October 20, 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 October 20, 2009.

PRESENT

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

OTHERS PRESENT

John R. Warford – Manager
Lisa Desmond – Administrative Assistant
Chuck Buchanan – Maintenance Supervisor
Ron Dvorak – McLaughlin Rincon
Darryl Farrington – Semple, Miller, Mooney & Farrington P.C.
Carmine Iadarola – AquaSan Network
J.M. Fay – Resident

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

Mr. Ginsberg asked if there were any corrections or additions to the minutes of the September 15, 2009, Board meeting. There were none. Mr. Halsell made a motion to approve the board meeting minutes as presented. Mr. Thayer seconded the motion. Motion carried.

Next on the agenda was the Treasurer's Report and Bills Payable. Mr. Warford discussed check#21048 to Aztec Consultants Inc. which covers surveying for the property relating to the Jewish Campus and the Wabash St Bridge. This should be all the costs for the surveying on this project. The check to Datamatic is a regular service charge. We are working toward changing out all of the meters so that we can eliminate this monthly charge, hopefully in 2010. Check# 21067 covers water tap fees to Denver Water for 9300 E Florida Ave. We have also been approached by Prospect Village regarding their tap fees. They are concerned about the tap fees going up so they may pay their fees this year. This could create a significant increase in income this year. Check# 21070, National Safe and Vault who installed a buzzer entry system on the front door. This is a necessary security precaution. This expense will be applied to repair and maintenance. The Western Concrete check# 21076 is for a vault/valve that we put in Iliff. It replaced an existing valve that we believe was not operational. We were able to save some money on that replacement by getting it done while the developer was installing another valve on the same line to the west. We are still working on getting a right-of-way for the other connection on Dayton. Mr. Ginsberg asked if there were any other questions regarding the bills. There were none. Mr. Hanley made a motion to receive the Treasurer's Report and to pay the Bills. Mr. Halsell seconded the motion. The motion carried.

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Mr. Ginsberg then opened the meeting to the public for any comments. Ms. Fay offered a written comment which Mr. Farrington read to the Board: 1) The District has denied information that we asked for four weeks ago. (Mr. Ginsberg asked who she meant by "we" and she signed confirmation that it means herself, JM Fay.) On water main break. 2) Two water main breaks in about a year at Harvard and Syracuse Way. What concerns us are future breaks before the bridge is built. Since pipes in our area are probably about the same age. What provision is being made for us and our neighbors for fire and sheriff access? 3) Can the Board and Manager spread the word to their customers requesting any donations for Library Craft and Gift Show and Silent Auction Thanksgiving weekend, to benefit the Library? 4) Prospect Village Tap Fees, can they legally prepay for taps that will not be used for years? How does Denver Water plan to increase fees to deal with long term projects in 2010?

There were no further public comments.

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:

- Wabash Complex – augmentation requirements averaged about 3.75 million gals. During the past few weeks. The Cherry Creek Country Club's augmentation well production has declined and should continue to be monitored. SWSP renewal has been submitted through October 31, 2010. The district's augmentation plan is scheduled for trial in August 2010.
- Conservation Plan – 55 rebates have been issued in the CCV service area. Most for high efficiency washers and toilets. The CCV Board will need to decide whether to be included in the Denver Water (DW) conservation plan or adopt its own plan. Should the Board decide to be included in the DW water plan it appears they would apparently be subject to tiered rate plan and the new operating rule, which were handed out to the Board in AquaSan's September report.
- DW has not yet adopted the rate increases for 2010 due to delays related to the preparation of the Ten Year Capital Plan. Rate increases are expected to become effective in February 2010.
- DW has approved a non-potable lease Agreement with Greenwood Village for park Irrigation
- DW reminds master meter distributors to respond to them regarding the cross connection control program.

Mr. Ginsberg asked if there were two rate increases from DW. Mr. Iadarola explained that the rate increases referred to in his report were to cover DW's proposed increases in capital expenditures. There are two increases a rate increase and a tap fee increase. Regarding rate increase, DW must give us 90 day notice. On Tap Fee increases they do not have to give notice. Mr. Ginsberg asked if we refund tap fees if they are paid in advance and then the project goes bankrupt. Mr. Warford stated refunds are at the Board's discretion.

Mr. Ginsberg asked if there were any other comments regarding Mr. Iadarola's report. There were none so they moved on to the Manager's Report.

Mr. Warford Thanked the Board, Carmine Iadarola and Jorge-Ayn Riley for the nomination for SDA Manager of the Year.

Mr. Warford stated that the information he had heard is that rates for master meter districts will only increase by 1.8%, if at all. The TAC committee has been challenging these increases and has done well for the master meter districts.

Mr. Warford asked if there were any questions regarding the budget. Mr. Hanley asked about

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capital expenditures and why there were no figures listed in that category. Mr. Warford said there should have been about 2 million for the Wabash storage facility. So that change needed to be made for the budget. Mr. Farrington asked if we should set the budget hearing. Mr. Warford said we should set it for the November meeting. Mr. Farrington reminded Ms. Desmond that she needed to get the notice for the budget hearing published and offered his assistance.

Mr. Hanley asked for the latest time line on the reservoir project and expenditures. Mr. Warford stated that we were waiting on the agreements with the school and the county to be finalized. Mr. Farrington addressed the developments on those agreements. The agreement with the school has been revised to include additions to account for a parcel we will be transferring to them that will end up on the other side of the bend in the road once the realignment is done. The County has now given us a proposed agreement regarding drainage improvements. As part of the compensation to the school for the parcels we will be receiving, the District has agreed to construct a detention pond and drainage system to bring the school's drainage underneath the street. It makes sense to do the drainage project in conjunction with the new road construction. The county is proposing to do that drainage project as part of the street construction project with the district paying for it. Mr. Warford had some concerns about the cost. He said he got another bid. It was decided that this discussion should be continued in executive session because it involved legal advice.

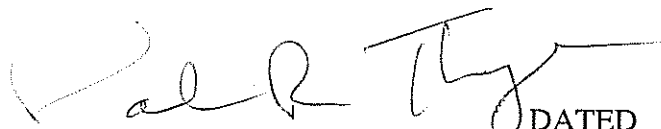
Next Mr. Warford discussed Prospect Village. There is only one other connection to be made for this project. We may be receiving the tap fees for this project yet this year.

There being no further matters to come before the Board Mr. Ginsberg called for the board to go into Executive Session to confer with counsel about a specific legal matter being the proposed drainage improvements agreement with Arapahoe County as authorized by § C.R.S.24-6-402(4)(b), and that Mr. Warford, Mr. Farrington, Ron Dvorak and Lisa Desmond join the Board in executive session. Mr. Halsell so moved and Mr. Thayer seconded. The motion carried. The Board entered executive session at 7:40 P.M.

The Board came out of executive session at 7:50 P.M.

Mr. Thayer moved to adjourn, seconded by Mr. Halsell. Motion carried. Mr. Ginsberg declared meeting adjourned at 7:55 p.m.

READ AND APPROVED



DATED

