

RECORD OF PROCEEDINGS

CHERRY CREEK VALLEY WATER AND SANITATION DISTRICT

REGULAR MEETING OF THE BOARD OF DIRECTORS

January 19, 2010

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 January 19, 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
Lisa Desmond – Administrative Assistant
Chuck Buchanan – Maintenance Supervisor
Darryl Farrington – Semple, Farrington & Everall, P.C
Carmine Iadarola – AquaSan Network
J.M. Fay – Resident

ABSENT

Sheldon K. Ginsberg – Chairman
Ron Dvorak – McLaughlin Rincon

Mr. Hanley, Vice Chairman of the Board, called the meeting to order at 7:07 p.m., with a quorum present.

Mr. Hanley stated that Mr. Ginsberg was absent this evening and asked if there was a motion to excuse. Mr. Halsell made a motion to excuse Mr. Ginsberg for his absence. Mrs. Riley seconded. Motion was carried.

Mr. Hanley asked if there were any corrections or additions to the minutes of the December 15, 2009, Board meeting. There were none. Mr. Thayer 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# 21263 to the Metro Denver Water Authority an organization that does studies and promotional programs regarding water in the metro area. This amount is for annual dues based on number of taps. Check # 21271 to Water for People is a donation to this organization to help areas where water and sanitation issues are a serious problem. Mr. Hanley asked if there were any other questions regarding the bills. There were none. Mr. Halsell made a motion to receive the Treasurer's Report and to pay the Bills. Mrs. Riley seconded the motion. The motion carried.

Mr. Hanley then opened the meeting for public comments. Ms. Fay offered a written comment which Mr. Farrington read to the Board: 1) Your responsibility as elected officials is to the community as a whole this means getting answers to questions the community asks. We are now waiting many months to get answers to questions we posed in September and October. Did you know that on January first there was a fire at Westwood Apartments directly behind where we live? If the water main break had occurred at the same time as this fire there would have been a lot of problems battling this fire as well as the usual problems this complex brings because it is very compact with little room to maneuver. That means one nasty fire could have gotten a lot worse very fast. 2) The website needs to be up to date on a regular basis and not after someone

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mentions it. You need to respond to the questions from it as well. We are waiting for those answers from November. 3) No Answers as to why after Director Ginsberg offered to put library fundraiser on website in October and it was never put on the website. This was also asked in November. 4) The attire of the female staff. This is a public office building. We believe that you would agree with us that low cut blouses with no sleeves and spaghetti straps are not appropriate attire and this is not the first time we have seen this. This is the only office we have ever seen that this goes on in as well. 5) Lastly, you may think we are picking on you but, we do the same things to everyone else as it is accountability to the community and responsibility to the community as a whole. We may not like each other but we all need to get along and do the things this community needs. 6) There are 31 items left for the library fundraiser if anyone is interested in bidding and or donate items to people in need. 7) Coordinated Election with the Fire Department if Fire Department has an election. Or at least put a ballot box at each location. 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** – Case # 90CW218B Denver Aquifer Water. The only remaining objector in this case is the, Denver Country Club, is considering settling based on two requests. 1) We agree to replace post pumping depletion before we recommence pumping. 2) The decree must clarify the reliability of the source of replacement water. We are looking at our reservoir as the source of augmentation and will need to provide information to prove the reservoir is operational before using the Denver aquifer. Case #'s 03CW126 and 04CW344. The expert reports were filed. Opposers must file their technical reports by April 26th. Many have indicated they will settle prior to the April Date.
- **DW** - The Supreme Court decided in a Pagosa Springs Case that municipalities are also subject to the "speculation" clause. Water providers, must now specify land use mixes and formulas used to determine the amount of water needed to fulfill future growth. This requires more specificity than has previously been required under the "can and will doctrine" (by which water appropriators must demonstrate that they can and will divert the claimed water and apply it to a beneficial use.) Denver Water may seek statutory changes to reestablish deference for water providers to determine future water needs without having to justify their determination in such specific detail. A Draft Environmental Impact Statement for the Moffat Collection System has been released and public meetings have been scheduled. DW has taken steps to inform distributors about misleading claims concerning a diversion on the South Platte by a developer.

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

Mr. Warford stated that he had schedule Jonathan Fung with Bernstein to attend this meeting to review their statement. However he rescheduled due to the addition of an Executive Session to tonight's meeting. This month the District reinvested about 1 million of the 2 million in Smith Barney investments that were called. Smith Barney is still reviewing options to reinvest the remainder. John will be meeting with Smith Barney yet this week to discuss this further.

Mr. Warford explained that we have the easements for the Tursick's and Nelson's however there needs to be some adjustments made to the legal descriptions. Checks have been issued for one thousand dollars each for these easements to be reimbursed by Prospect Village.

Mr. Thayer made a motion to approve the easement agreements and payments subject to the changes to the legal descriptions. The motion was seconded by Mr. Halsell. Motion carried.

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The Purchase Agreement with Denver Campus for Jewish Education was presented to the Board by Mr. Farrington. Mr. Farrington stated that this draft agreement is very close to being finalized. He said. Arapahoe County is requesting February 12th, 2010 closing so that they can move forward on the realignment project. If we can't make that date there is back up language included in this agreement. Mr. Farrington then referred to 12 B on page 9. This states that DCJE will obtain engineering standards in regards to the compaction for filling in the detention pond which the district will be responsible for completing. He suggested we try to come to agreement on engineering standards before the document is signed, Mr. Warford said he would ask Ron Dvorak to provide language. Section 12 D provides that the buyer (the District) will have no responsibilities for repair and maintenance for drainage pipes. There will be a license agreement between the District and whoever will do the maintenance on the DCJE drainage system since it will be at least partially on District property. Mr. Warford then showed the Board a drawing of the realignment. Mr. Farrington then referred to paragraph 13 regarding the house on the property next door to the district office. DCJE would like to continue to use that building for housing an employee until the District needed to use the property for the reservoir. John indicated he would settled on a year and half of use for that purpose, however DCJE has not agreed to that yet. John would also like to have access to the property to clean it up. If this is agreed upon by the DCJE there will be a lease agreement outlining the responsibilities of the tenant. Mr. Farrington then outlined the consideration for the Purchase Agreement. The District is paying \$ 275,000.00, also paying for the installation of two elliptical drain pipes underneath the roadway, and we are participating in the cost of developing the detention pond on the west side of Wabash, and building DCJE a well and irrigation reservoir that they will take ownership and assume maintenance of after it is built. These are all in exchange for the properties on the west side of Wabash. Mr. Warford stated the total cost to the District for this exchange would be Five to Six hundred thousand. Mr. Farrington said Arapahoe County has agreed that none of these property exchanges will be subject to county subdivision requirements. Mr. Farrington said he is also close to having a final version of the IGA with Arapahoe County documenting the District's agreement to pay for installation of the two elliptical pipes under the roadway.

Mr. Hanley then asked if there was a motion to approve the Agreement for Purchase and Sale of Real Property between Cherry Creek Valley Water and Sanitation District and The Denver Campus for Jewish Education subject to final changes to be approved by Mr. John Warford and legal counsel, authorizing John Warford to sign that Purchase Agreement along with the corresponding Intergovernmental Agreement with Arapahoe County on the Board's behalf. And authorizing John Warford to sign the deed to convey the remnant being transferred to DCJE under the Purchase Agreement, and authorizing John Warford to do all other acts and things necessary to complete the closing of the transactions with DCJE on February 12, 2010, or as soon thereafter as practicable. Mr. Halsell then made a motion for the resolution. Seconded by Mrs. Riley. Motion unanimously passed.

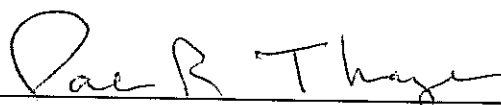
Mr. Hanley then asked if anyone had anything else.

There being no other items for regular session the Board moved into Executive Session to discuss staff salaries, as authorized by CRS-24-6-402(4) (e), matters that may be subject to negotiations. Mr. Halsell made a motion to move to Executive Session. Mr. Thayer seconded the motion. Motion carried. The Board entered executive session at 7:55 P.M.

The Board came out of executive session at 8:35 P.M.

Mr. Halsell made a motion for a 3% increase to all salaries, seconded by Mr. Thayer. There being no further matters to come before the Board Mr. Hanley called for the Board to adjourn, meeting adjourned at 8:38 P.M.

READ AND APPROVED



DATED

2/18/10