

RECORD OF PROCEEDINGS

CHERRY CREEK VALLEY WATER AND SANITATION DISTRICT

SPECIAL MEETING OF THE BOARD OF DIRECTORS

JULY 31, 2017

The special 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 31, 2017.

PRESENT

Paul Hanley – Chairman
Mark Lampert – Vice Chairman
William MacPhee – Secretary/Treasurer
Frederick Norman – Director
Bradley Rastall – Director

OTHERS PRESENT

John Warford – Manager
Lisa Glenn – Office Manager/Accountant
Darryl Farrington – Semple, Farrington & Everall, P.C.
Greg Baker – City of Aurora

Mr. Hanley, Chairman of the Board, called the meeting to order at 7:03 p.m.

Greg Baker from the City of Aurora presented a written report and discussed the City of Aurora's water conservation and rebate programs. Points made during the discussion included the following:

- Public Relations and Conservation budget for Aurora is 2.1M annually. The annual budget is rarely used fully. What's left over goes into cash reserves.
- Aurora is a stand-alone entity and has their own water rights. Aurora was served by Denver Water but Denver Water requested no growth. Therefore, Aurora obtained its own surface water sources of which 25% comes from the Arkansas Basin, 25% from the Colorado Basin and 50% from the Upper South Platte Basin. Aurora owns 4 reservoirs, partners in 8 reservoirs and is just about to embark on building a 13th reservoir in Park County. Aurora has a potable reuse system and a reclaimed water system where water is skimmed off the sewer system, treated, and used for irrigating parks and golf courses.
- The largest hurdle for Aurora's water system is the population. Half of the City is not developed and will double in population in the next 40-50 years and triple in the next 100 years. The City is concentrating on conservation, acquisition, and reuse to provide

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enough water for the growing population. There are 83,000 active accounts, which most are residential. There are only about 3,000 commercial accounts. Large institutional or industrial use is at the UC Health Center and Buckley Air Force Base.

- Aurora has a tiered rate structure - \$12.44 service charge, \$5.44/1000 gallons up to 20,000 gallons, \$6.19 from 20,001 up to 40,000, and \$7.74 above 40,000 gallons. The tiered rates help with conservation.
- Conservation programs were started in the 1980's due to drought and lack of infrastructure. The City was down to 26% capacity during the drought of 2002-2003 creating the need for conservation programs. They went from 1.5 conservation employees to 11 with 14 contingent employees in the summertime.
- Toilet rebates are for only 1.1 gallons average toilets. In doing research Aurora has discovered that 85% of their residents have already replaced their toilets since 1994 with higher efficiency toilets.
- Aurora has an irrigation assessment program. The city hires summer college interns to review customers entire irrigation system, map out broken & tilted heads, the type of heads and controllers and report recommendations. Aurora will pay up to 50% of the cost of the repairs based on the recommendations.
- Variance Program - Commercial and irrigation customers are on a billing allocation based on historic use, the highest usage in the last three years. If they stay under the budget set by Aurora, they're allowed to water more than three days per week. These customers have many zones which makes it difficult to water all areas in only three days per week. If they go over their allocation they must go back to the three day a week watering schedule. This has been their most successful program. These customers are typically multi-family, HOA's, metro districts, and other common space customers.
- In the last year Aurora has started rain sensor rebates and automatic controller rebates. They have a special incentive program where ten percent of the highest residential water users are targeted for these rebate programs. If these customers don't participate in the rebate program, these customers generally start conserving more water since the issue was brought to their attention. Aurora is testing out a new program where customers are given a water budget to help them use water more efficiently.
- Some of the large metro districts plant natural grasses in many of the common areas and have a temporary water tap for three years to get the grasses established. Aurora does not require them to pay tap fees.
- The xeriscape rebate program provides free design by Aurora's landscape architect on a contingent basis over the summer. The rebate is up to \$3,500 per year for the conversion of over 500 square feet. There is no cap on the how many years it takes to convert the customer's whole yard. This is the City's most expensive program and the City's return

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on investment is about twenty years. Xeriscaping does save water but is not a cost effective program. Demonstration gardens around the area tend to get others in the area to convert their properties to xeriscape. The program is very labor intensive working with the homeowners to design the landscape and watering requirements. About thirty people will attend the xeriscaping classes per year but only about six or seven apply for the rebate. Aurora has had thirty-five customers since 2007 use the xeriscape rebate program.

- The variance and assessment programs are the City's most successful programs as they are low in cost and have a short return on investment period.
- The City does not have a program for artificial turf because there is not enough benefit related to the cost. The turf must be replaced about every seven years.
- Classes are now being held in neighborhood areas since attendance was low at the Aurora Municipal Center. They use Nextdoor.com, Facebook and Twitter for notifying customers about classes, newsletters, and main breaks.

Mr. Lampert arrived at 7:49 p.m.

- Aurora recommends Reveille that's a Kentucky and Texas bluegrass hybrid that uses about 30% less water with the traditional look. Dog Tuff West African clump type grass is very resistant to dog waste and doesn't need supplemental water once it's established.
- Mr. Baker encouraged the Board to attend any of the Aurora classes. They aren't restricted to just Aurora residents.

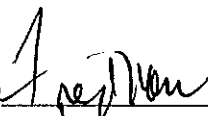
The Board thanked Mr. Baker and he left the meeting at 8:11 p.m.

Mr. Hanley asked for an analysis of the top water users by class in the District and then the Board will decide on which program to apply to those users.

Next on the agenda was the Creekside Office Park Waterline Replacement. The Board unanimously voted to award the bid to the lowest bidder, Ricor, for \$137,427.

There being no other business to discuss, the Board unanimously voted to adjourn. Chairman Hanley declared the meeting adjourned at 8:26 p.m.

READ AND APPROVED



DATED

