

RECORD OF PROCEEDINGS

CHERRY CREEK VALLEY WATER AND SANITATION DISTRICT

REGULAR MEETING OF THE BOARD OF DIRECTORS

SEPTEMBER 20, 2018

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 September 20, 2018.

PRESENT

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

OTHERS PRESENT

John Warford – Manager
Darryl Farrington – Semple, Farrington & Everall, P.C.
Eric Hein – Merrick Engineering
Johnathan Fung – Bernstein
Kelli Kreycik – Billing Specialist

PARTICIPATING BY CONFERENCE PHONE

Frederick Norman – Director
Lisa Glenn – Office Manager/Accountant

Chairman Hanley called the meeting to order at 7:04 p.m.

The Board unanimously approved the agenda.

Jonathan Fung from Bernstein presented how the investments transferred to Bernstein for Morgan Stanley will be invested. High quality corporate bonds are a good part of a portfolio. The Board unanimously voted to approve that Mr. Warford would sign the Bernstein authorization form to transfer fifteen million in investments from Morgan Stanley to Bernstein. Chairman Hanley asked Mr. Fung to work with Mrs. Glenn to do an investment projection. Mr. Fung exited the meeting at 7:35 p.m.

The Bboard unanimously approved the consent agenda approving the August 16, 2018 minutes, the August 2018 financial report, and the August 2018 payment of bills.

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MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE CHERRY CREEK VALLEY WATER AND SANITATION DISTRICT ON SEPTEMBER 20, 2018, CONTINUED

Chairman Hanley opened the meeting for public comment at 7:36 p.m. There were no members of the public present; therefore, the public comment period was closed at 7:36 p.m.

The Bboard opened the meeting for nominations of the election of officers. Vice Chairman Lampert nominated Chairman Hanley to continue to serve as Chairman of the Board. The nomination was seconded, and Chairman Hanley was unanimously re-elected. A motion was presented that all officers be re-elected to their current positions. The motion was unanimously approved by the Board.

Mr. Hein presented his engineering report:

- Developer Project Updates – Iliff Avenue Townhomes have started construction this week. Manager Warford stated that there is another catch basin on top of the District's 24-inch water main. District inspectors must keep close watch during construction to try and prevent future damage.
- Galilee Church Water Line – The easement has been signed by the Church and has been recorded with the County. Surveyors should be out within the next couple of weeks to do a full survey. Design will be done for spring construction. Manager Warford said that construction can be done in the winter months because the church is not a high traffic area and there should be very little difference in cost since it is straight forward project.
- Iliff/Quebec Vaults – There is no shut off valve in the vaults. Denver Water must shut-off their main a half a mile west of the intersection for work done in this area. The meter runs in the vault are fairly short, which makes it more difficult to install check valves. Access to the vault is also challenging because it is located in the intersection. The new vault should solve these concerns. Merrick has located a good spot for the new vault on the north side of Iliff where the vault access is in the sidewalk or landscaped area. There will be one main shut off valve in the intersection between Denver Water and the District. Some financial support from Denver Water has been discussed. A rough estimate of the vault and valve replacement is \$200,000.00.

Next on the agenda was the Manager's report from Manager Warford:

- Bank Account – Manager Warford states that he and Mrs. Glenn have had discussions with a couple of banks and they have another meeting next week. Chairman Hanley asked Mrs. Glenn to do an analysis of what all the banks have to offer and then make a recommendation to the Board.
- Panorama Park Water Association and Quebec & Colorado Development – Manager Warford met today with Denver Water regarding the Quebec & Colorado Development

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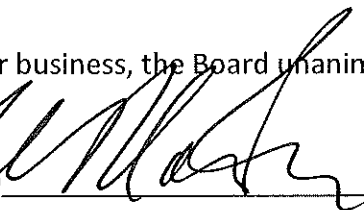
MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE CHERRY CREEK VALLEY WATER AND SANITATION DISTRICT ON SEPTEMBER 20, 2018, CONTINUED

that is requesting to be included in the District's Boundaries. The District continues to negotiate with Denver Water on a total service agreement.

- High Line Canal Underpass project at Parker and Mississippi –The easement with the Galilee Baptist Church has been signed and recorded.
- Iliff Parcel Appraisal for Arapahoe County Trailhead – The District's appraisal came in at \$421, 000. Arapahoe County also needs a small portion of the larger 9-acre parcel to the south that they have appraised at \$2,250. The County's appraisal for the Iliff fronted parcel was \$374,300. The parcel will be used as a trailhead for Arapahoe County Open Space. The Board would like to see a more detailed plan of the land use.
- Grease Traps – The District has videoed its sewer mains in front and downstream of the establishments that need a grease trap. There is grease build up in all areas. Penalty letters won't be sent unless the property and business owners do not cooperate in installing the grease traps. Chairman Hanley said we definitely need to let them know about the video evidence. The Board agreed that in light of the video, the Board would not allow a variance for the Piper Inn.
- Draft Budget – Denver Water will not vote on rates until October. Assumed increases in water purchased are water revenue is 3.5%. Metro Wastewater's rates are increasing by 7.4% in 2019, thus sewage treatment and revenue has been shown in the budget at that increase. Tap fees for Denver Water are not increasing for 2019 and Metro Wastewater's tap fees are increasing \$50 per SFRE. The Board had no changes to the tap fees estimated in the draft budget. In capital expenditures, Chairman Hanley asked that the pros and cons of going forward with the reservoir be an agenda item next month, and also verify the diligence period and what should be done for diligence. He also asked for verification that SEMSWA approved that the settling basin and intake from creek can be located in the flood plain. The draft budget will be revised as new information is received.

There being no further business, the Board unanimously voted to adjourn at 8:54 pm.

READ AND APPROVED



DATED

15 NOV 2018