

RECORD OF PROCEEDINGS

CHERRY CREEK VALLEY WATER AND SANITATION DISTRICT

REGULAR MEETING OF THE BOARD OF DIRECTORS

JANUARY 17, 2019

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 17, 2019.

PRESENT

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

OTHERS PRESENT

John Warford – Manager
Lisa Glenn – Office Manager/Accountant
Darryl Farrington – Semple, Farrington, Everall & Case PC
Eric Hein – Merrick & Company
Kelli Kreycik – Billing Specialist

Chairman Hanley called the meeting to order at 7:01 p.m.

The Board unanimously approved the agenda.

The minutes from December 20, 2018, the December 2018 financial report, and the December 2018 payment of bills were unanimously approved by the Board, after a few questions from Chairman Hanley regarding the financial report.

Chairman Hanley opened the meeting for public comment at 7:12 p.m. There were no members of the public present; therefore, the public comment period was closed at 7:12 p.m.

The Board unanimously approved the 2019 Board meeting schedule that will be posted at the District office at 2325 S Wabash St., at the Eloise May Library at 1471 S Parker Rd, and at the South Metro Fire Rescue Station at 2250 S Emporia St, as well as at the office of the Arapahoe County Clerk and Recorder at 5334 South Prince Street, Littleton, Colorado. A resolution will be signed at next month's Board meeting.

Mr. Hein presented his engineering report:

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- Developer Projects – Popeye’s is complete. The pre-warranty walk-through was done and a letter went to the owner to start the warranty period. The GIS and base maps have been updated. Water and sewer main installation is ongoing at Solera. The water main tie-in to Wabash has been approved by Denver Water for Iliff Ave Townhomes. Reviewing plans for Highline East between Colorado and Mexico near Dayton Street. Waiting on site plans for the Parc at Cherry Creek clubhouse renovation and new pool house.
- Rules and Regulations – Grease Trap Interceptor Criteria –The Board unanimously approved the addition to the rules and regulations for grease trap interceptor standards, sections 9C-12 and 9C-13.

Mr. Warford presented the Manager’s report:

- Adoption of 2019 Water & Sewer Rates – Chairman Hanley feels it is important to get the long-term financial planning costs lined up more closely with the revenues over the next few years. The District’s service charges should increase more than usage rates to stabilize revenues. Currently the District’s water and sewer rates as well as service charges are lower than most other districts. Metro Wastewater is increasing rates to the District by 7.4%. Denver Water’s usage rate to the District is increasing 3.91% and the fixed service charges are increasing 4.53%. The Board requested an analysis showing service charge increases of 100% and 200%, and increases in the usage rates of \$4.25, \$4.30, \$4.35, & \$4.40. Also include the number of years it will take to equalize the water and sewer operating income/losses. The Board deferred adoption of rates until next month.
- Denver Water Agreement Amendment- Total Service Area at Quebec and Colorado – Denver Water provided a total service amendment to the District’s 1998 water service agreement for the proposed development at Quebec and Colorado. Mr. Farrington reviewed the draft amendment and is fine with the draft. Denver Water will be submitting separate amendments to the District’s distributor contract for each total service area added to the District. Panorama Park can be included by petition or election. Cherry Tree Estates must submit an inclusion petition. The Board unanimously approved the Denver Water amendment.
- Iliff Property – Sale to Arapahoe County Open Space – Arapahoe County accepted the District’s changes on the Purchase and Sale Agreement, Possession and Use Agreement, and Easement. The Board unanimously approved all documents and approved the sale of the parcel to Arapahoe County Open Space. Mr. Warford will work with the County and its contractors on access.
- Customer Privacy Policy – The Board requested an inventory be done for all personal

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information regarding customers and District personnel, including Board members. Mr. Farrington is drafting the District's privacy policy. This will be an ongoing agenda item.

- Fire Hydrant Maintenance – South Metro Fire will not be maintaining the District's fire hydrants as Cunningham did before the merger. Mr. Warford said the District may hire more staff or use an outside contractor. Districts are required to flush dead-end water mains, exercise valves, maintain and test hydrants and hydrant valves. Having all this information in electronic format for the District's GIS is imperative. Two outside contractors have been interviewed for hydrant maintenance. District staff will obtain more bids for Board approval.
- Slow the Flow – The Board was pleased overall with the service provided by Resource Central on water audits conducted in 2018. The Board decided the District will participate in the program for one more year.
- SEP Plan Update – The IRS approved the District's voluntary correction of its SEP retirement plan. Non-uniform contribution percentages were inadvertently made in the past and eligibility dates were done incorrectly. Some current and past participants are owed contributions, while other participants will be required to return excess contributions. The participants returning excess contributions will receive those amounts as wages from the District. All affected participants will be notified.

The Board unanimously voted in favor of going into executive session to discuss grease traps at 8:52 p.m. Legal Counsel Mr. Farrington stated the executive session is covered by attorney client privilege under code section CRS 24-6-402(4)(b), conference with attorney. The executive session will not be recorded. Mr. Hein left the meeting at 8:52 p.m.

Chairman Hanley declared the Board out of executive session at 8:55 p.m.

There being no further business, the Board unanimously voted to adjourn at 8:55 pm.

READ AND APPROVED *Mark L. Langert* DATED 2/21/19