

RECORD OF PROCEEDINGS

CHERRY CREEK VALLEY WATER AND SANITATION DISTRICT

REGULAR MEETING OF THE BOARD OF DIRECTORS

OCTOBER 18, 2016

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 18, 2016.

PRESENT

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

OTHERS PRESENT

John Warford – Manager
Chuck Buchanan – Maintenance Supervisor
Lisa Glenn – Office Manager/Accountant
Darryl Farrington – Semple, Farrington & Everall, P.C.
Eric Hein – Merrick & Company
Jonathan Fung - Bernstein

ABSENT

Frederick Norman – Director

Mr. Hanley, Chairman of the Board, called the meeting to order at 7:02 p.m.

The Board unanimously voted to excuse Director Norman's absence.

The first item on the agenda was approval of the agenda. The Board unanimously approved the agenda.

Next on the agenda was the investment report from Mr. Fung from Bernstein. Mr. Fung distributed his written presentation and went over the District's current investments as well as income earned since inception. He also discussed income expected for the rest of the year and for 2017. The Board thanked Mr. Fung and he left the meeting at 7:34 p.m.

Mr. Farrington arrived at 7:07 p.m. and Mr. Lampert arrived at 7:15 p.m. during Mr. Fung's

RECORD OF PROCEEDINGS

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE CHERRY CREEK VALLEY WATER AND SANITATION DISTRICT OF OCTOBER 18, 2016, CONTINUED

presentation.

The Board unanimously approved the September 20, 2016 minutes, the September Financial Report, and the September Payment of Bills.

Mr. 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 Engineering Report from Mr. Hein included the following topics:

- Updates on the status of the 2016 Capital Improvement Projects – Florida Sewer, Dayton St. Waterline, High Line Canal Sewer, and the Creekside Waterline.
- Merrick is awaiting a response on the drawings submitted to Denver Water for preparation of the license agreement for the District to construct the sewer in the High Line Canal property for service to new development on S. Uinta Wy.
- Updates on the status of Developer Projects – Valentia Court, Sky Mark Apartments, Iliff Avenue Townhomes, Falling Water, Denver Jewish Senior Living, and Popeye's Louisiana Kitchen.
- The Drainage Project north of the District office is complete.
- The non-potable water supply plan will be discussed later in the meeting.

Mr. Farrington reported that the District may not have to convert to a Metro District for the Iliff median if the District only maintained the landscaping, which would include weeding, pruning, and watering. The Board will inquire if the county is intending on providing the initial landscaping of the median, which could be a factor in determining if the District would need to convert to a Metro District.

Next on the agenda was the Manager's Report from Mr. Warford.

- There are no new developments regarding the Emergency Plan.
- A second draft of the 2017 budget was submitted to the Board. Final figures for investment income will be included on the next draft. Denver Water will discuss rates on November 9th and vote on the rates on December 14th. The Board unanimously voted to have the budget hearing at the November 15th meeting and to vote on the District's rates at the December meeting after Denver water has announced its rates for 2017.
- The District received a letter from Denver Water regarding the water treatment plant concept discussed last month with the Board. Denver Water has stated that any system the District develops, potable or non-potable, must be

RECORD OF PROCEEDINGS

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE CHERRY CREEK VALLEY WATER AND SANITATION DISTRICT OF OCTOBER 18, 2016, CONTINUED

completely separate from Denver Water's system. Mr. Warford also relayed that Denver Water is not interested at this time in allowing the District to use the Highline Canal for augmentation and they are reluctant in granting the easements in the High Line Canal property for the proposed sewer line running parallel to S. Uinta Wy.

- Mr. Warford verified with the Board members that 6:00 p.m. for the December Board meeting and 7:00 p.m. for the District holiday party was acceptable.
- The District has received the signed conveyance document and addendum from Valentia Court. The Board unanimously voted to accept the water and sewer lines in Valentia Court.
- Mr. Warford brought up the fact that the Country Club has not conveyed the water and sewer lines to the District. The Board asked that a letter be written to the Country Club to notify them that the lines have not been conveyed and that the District requires submittal of the mylar drawings for all the water and sewer lines.
- Bids were received for the Florida sewer rehabilitation between S. Parker Rd. and S. Alton St. The District's engineer has recommended that the District go with the lowest bid for the UV-Cured CIPP product option, since the inside diameter of that option is 1.84 inches larger than the lowest bid option which was for HDPE sliplining. Since the current sewer appears to be at capacity, the Board decided that the larger capacity option would be the best option to serve the District's needs. The Board unanimously voted to award the Florida Sewer rehabilitation to Layne Inliner, LLC for the UV-Cured CIPP option.

The following points were made during the discussion of the District's non-potable water supply plan.

- Merrick submitted a variance request to the SEMSWA Technical Review Committee regarding the placement of the sedimentation basin within the floodplain. A response will be given in five days. If the variance is granted, the District moves ahead with current plans. If the variance is denied, The District can appeal the decision or investigate options for relocating the sedimentation basin.
- Since it appears that Denver Water may not participate in the District's non-potable water supply plan, the Board would like to get Mr. Dvorak and/or Mr. McLaughlin from Merrick to update the cost analysis to remove the estimated value of a Denver Water rebate and determine if the project is viable.

Mr. Farrington said it was not necessary to go into executive session to discuss the Fay litigation.

RECORD OF PROCEEDINGS

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE CHERRY CREEK VALLEY WATER AND SANITATION DISTRICT OF OCTOBER 18, 2016, CONTINUED

The motion was granted this morning for the venue to be changed from Jefferson County to Arapahoe County. There has been no response as of October 14th from Ms. Fay in response to the District's Motion to Dismiss. Her response was due October 11th. Based on her failure to respond, Mr. Farrington's office will ask for a judgment dismissing the case against the District. Because venue has been changed, that request will be made in Arapahoe County.

There being no other business to discuss, the Board unanimously voted to adjourn. Mr. Hanley declared the meeting adjourned at 8:47 p.m.

READ AND APPROVED *[Signature]* DATED 11/15/16