

RECORD OF PROCEEDINGS

CHERRY CREEK VALLEY WATER AND SANITATION DISTRICT

REGULAR MEETING OF THE BOARD OF DIRECTORS

June 25, 2020

The regular meeting of the Board of Directors of the Cherry Creek Valley Water and Sanitation District was held at the District Office, 2325 S. Wabash Street, Arapahoe County, Colorado, at 7:00 p.m. on June 25, 2020.

PRESENT

Mark Lampert – Chairman
Bradley Rastall – Vice Chairman
William MacPhee – Secretary/Treasurer
Fred Norman – Asst Secretary/Treasurer
Ken Jensen – Director

OTHERS PRESENT

John Warford – Manager
Lisa Glenn – Office Manager/Accountant
Sara Lamb – Billing Specialist
Darryl Farrington – Semple, Farrington, Everall & Case PC
Eric Hein – Merrick & Company
Christine McLeod – Haynie & Company (by phone)

Chairman Lampert called the meeting to order at 7:07 p.m.

The Board unanimously approved the agenda.

Christine McLeod from Haynie & Company presented the 2019 audited financial statement draft. An unmodified opinion was issued on the financial statements, the highest level opinion. There were no disagreements with management or other issues and no audit adjustments. Total assets increased from \$52 million to \$53 million from 2018 to 2019. Capital assets remained steady at about \$13.7 million, and net position increased from \$51.4 million to \$52.5 million from 2018 to 2019. The loss from water operations decreased from \$783,000 to \$775,000 from 2018 to 2019. Income from sewer operations increased from \$765,000 in 2018 to \$767,000 in 2019. Income before capital contributions increased from a loss of \$64,000 in 2018 to income of \$1.1 million in 2019. Capital contributions decreased from \$320,000 to \$31,000 from 2018 to 2019. The changes in capital assets is detailed on page 11 in Note 4 to the financial statements. Long term obligations are detailed in Note 5 on page 13 and budget to actual figures are shown on pages

RECORD OF PROCEEDINGS

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE CHERRY CREEK VALLEY WATER AND SANITATION DISTRICT ON JUNE 25, 2020, CONTINUED

18-21. Chairman Lampert asked if there were any suggestions for processes to implement in the future. Mrs. McLeod said there are good controls in place, and they have not noted anything that should be changed. Chairman Lampert had a few more questions. Mrs. Glenn confirmed that the decrease in current liabilities on page III was mostly due to retirement plan contributions payable, that the current retirement contributions payable was in the mid twenty thousands, and if the remaining past participants to be paid in the plan can't be located, the funds would be remitted to the State of Colorado as unclaimed property after five years if the participants can't be located. The Board unanimously adopted the 2019 draft financial statements. The Board thanked Mrs. McLeod for her service and report, and she left the meeting at 7:20 p.m.

The Board unanimously approved the consent agenda approving the minutes from May 28, 2020, the May 2020 financial report, and May 2020 payment of bills.

Chairman Lampert opened the meeting for public comment at 7:21 p.m. There were no members of the public present; therefore, the public comment period was closed at 7:21 p.m.

Mr. Hein presented his engineering report:

- Developer Projects – Merrick is working through Denver Water design and easement comments for Avere on S Quebec Wy. Merrick is working with the developer and engineer for the design and next steps for the Iliff Ave Townhomes line completion loop tie into Yosemite. Mr. Warford said plan review time by Denver Water will be longer since staff is working from home until September 1, 2020. Cherry Tree Estates sanitary plans are complete except for updating a couple standard details.
- Capital Improvement Projects – Merrick is working on design revisions for the Iliff/Quebec vault. Also coordinating vault design with the Iliff corridor plans.
- Iliff Corridor Project – Completed review on County's "FOR" plans, which is about 80% complete. Comments were submitted to the County with request for revised plans. Mr. Warford noted that the District will request reimbursement from the County on Merrick's plan review time. It is unlikely that the County will fund Merrick's inspection during the project. The District will need to include these costs in the budget.

Mr. Warford presented the Manager's report:

- Total Service Area Inclusions - Denver Water agreed to Mr. Farrington's revision of the 2013 amendment to the 1998 Denver Water contract for the total service areas included in the District - Cherry Tree Estates on the northeast corner of S Quebec St & Cherry Creek S Dr, and the new development on the southwest corner of S Quebec St and E Colorado Ave.

RECORD OF PROCEEDINGS

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE CHERRY CREEK VALLEY WATER AND SANITATION DISTRICT ON JUNE 25, 2020, CONTINUED

- Customer Payments – Past due accounts over 30 days were 13.7% of total accounts receivable as of April 30, 2020 and 7.6% as of May 31, 2020. Mrs. Lamb said there have been no more requests for special payment terms related to the coronavirus. One apartment complex has three months owing. She will work with new management company to get the account current. Mr. Lampert would like to include this topic next month. Liens may need to be filed on properties that are not paying.
- Grease Traps – Mr. Farrington sent a letter to the property owner and businesses for the grease trap at 2260 S Quebec St stating they have until July 1, 2020 to start work on the interior plumbing of the grease trap or they will be fined \$75.00 per day. Zamzam International Market at 7449 E Iliff Ave has informed the District they are in the process of permitting their internal grease trap plumbing with Arapahoe County.
- Employee Handbook – Mr. Farrington provided new language for the conceal carry permit section. Chairman Lampert requested a section regarding social media that Mr. Farrington will prepare.
- Police Training – Aurora Swat will be using the house next door for training next week.
- Wabash Project – Mr. Warford inquired about the status of the intake off the creek for the Wabash reservoir. Mr. Hein said he would like to complete the Iliff/Quebec vault plans first and then devote time to the reservoir project.

The Board then discussed using the house south of the District office as an education center for water use and conservation. They discussed obtaining funds through contributions from universities and other municipalities and possibly from grants. The Board will tour the house next month and discuss the next steps in devising a plan.

There being no further business, the Board unanimously voted to adjourn at 8:44 p.m.

READ AND APPROVED



DATED

23 July 2020