

RECORD OF PROCEEDINGS

**MINUTES OF A REGULAR MEETING OF THE
BOARD OF DIRECTORS OF
THE CHERRY CREEK VILLAGE WATER DISTRICT AND
THE BOARD OF DIRECTORS OF ITS WATER UTILITY ENTERPRISE
HELD
JULY 9, 2013**

A regular meeting of the Board of Directors of the Cherry Creek Village Water District and the Board of Directors of its Water Utility Enterprise (referred to hereafter as "Board") was held on Tuesday, July 9, 2013 at 9:00 a.m., at the offices of Community Resource Services, 7995 E. Prentice Avenue, Suite 103E, Greenwood Village, Colorado. This meeting was open to the public.

ATTENDANCE

The regular meeting of the Board was called and held, as shown, in accordance with Colorado law. The following directors were present:

John Forney
Lou Schroeder
Joseph Ryan
Phil Viseur
Roger Baer (via telephone)

Also present were:

Cathy Noon and Cathy Fromm; Community Resource Services (CRS)
Tim Flynn, Esq.; Collins Cockrel & Cole P.C.
Greg Sekera; Kennedy/Jenks Consultants
Neil Schilling; Schilling & Company

CALL TO ORDER

Director Forney called the meeting to order at 9:17 a.m.

QUORUM/QUALIFICATIONS/& DISCLOSURES

It was noted that a quorum was present. All of the Directors are qualified and there are no conflicts of interest disclosures required.

ADMINISTRATIVE ITEMS

Agenda: Upon review and discussion of the Agenda and a motion duly made, seconded and, upon vote, unanimously carried, the Board accepted the agenda as amended to include IV. Item C – 2013 SDA Conference, Item D – Duplex Meter Splitting and Item E - Meter Monitor Request from Mr. Gnuse.

Minutes: The minutes of the June 11, 2013 regular Board meeting were presented to the Board. Following review and

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discussion, upon a motion duly made, seconded and, upon vote, unanimously carried, the Board approved the June 11, 2013 minutes as presented.

FINANCIAL ITEMS

Review and Approve Payment of Claims – Ms. Noon reviewed the June 2013 claims totaling \$98,006.38 represented by check numbers 4673 – 4684. Following review and discussion, upon motion duly made, seconded and, upon vote, unanimously carried, the Board approved the June 2013 claims as presented.

Review Cash Position: Ms. Noon reviewed the cash position with the Board for the period ending July 3, 2013. Following review and discussion, the Board accepted the cash position as presented.

Review Financial Statements: Ms. Noon distributed the financial statements dated July 3, 2013. After review, the Board accepted the financial statements.

Review Delinquent Account Report – Ms. Noon presented the report to the Board for their review.

Presentation by Neil Schilling of Draft 2012 Audit – Mr. Schilling presented the draft 2012 audit to the Board. Discussion ensued. It was noted there was a 13% change in net position which Mr. Schilling noted was very reasonable for a public water entity with an aging infrastructure. The Board expressed their appreciation of the work of the CRS accounting staff and for Mr. Schillings' review. Upon motion duly made, seconded and, upon vote, unanimously carried, the Board accepted the 2012 audit as presented and authorized its filing with the State Auditor's office. **Mr. Flynn will add a footnote to the signature page of the Management Representation Letter to be signed by President Forney, and will forward an original signed Management Representation Letter to Mr. Schilling and a copy to CRS for their files. CRS staff was directed to file the Audit with the State Auditor's office.**

DIRECTOR MATTERS

There were none.

MANAGEMENT MATTERS

Review Consumption Report – Ms. Noon reviewed the Consumption Report with the Board noting that residents seem to be following Denver Water watering guidelines as there was a 36% water conservation rate over the same period last year.

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Update on Denver Water Drought Surcharge and Usage Monitoring – Ms. Noon reviewed the current Denver Water plan with the Board, indicating they have gone from Stage 2 (2 days per week) to Stage 1 (3 days per week) watering restrictions and that they will not be imposing a drought surcharge. It was noted that the District’s customers are still being asked to follow the watering guidelines established by Denver Water and that a flyer outlining these guidelines was included in the last utility billing.

2013 Special District Association Conference – Ms. Noon noted for the Board that the conference this year will be in Keystone from September 18th through the 20th and asked that **any Directors interested in attending notify staff at CRS as soon as possible.**

Splitting of Meters at Duplexes – Ms. Noon informed the Board that we have had a number of requests to split meters at duplexes within the District. She noted that this issue has come up in the past and that a quick survey of some of these properties in the District indicates some duplexes have already been split. It was noted that in order to split a meter, a new tap, meter and service line to the building would be required and that the District would pay for the meter, but that the customer requesting the split would be responsible for all other costs. She noted these duplexes had been built in 1970 which was prior to Denver Water having tap fees. **Mr. Sekera will check with Denver Water to confirm if an additional tap fee would be required at this time. Following discussion, the Board directed CRS staff to send any future inquires to Mr. Sekera so that he may work directly with the resident.**

Request from Mr. Gnuse Regarding Remote Water Meter/Leak Monitor – Ms. Noon reviewed communications from Mr. Gnuse regarding his inquiry into having the District install said monitor on his meter and perhaps, within the entire District. Following discussion, **the Board asked Mr. Sekera to check with National Meter on compatibility issues and to work directly with Mr. Gnuse on his request for his property.**

MAINTENANCE AND OPERATIONAL MATTERS

Engineering Report – Mr. Sekera reviewed his report with the Board noting the following:

- The City of Greenwood Village paving necessitates C & L Water Solutions to raise the valve box lid in some areas;
- He attended the Denver Water Lawn Irrigation Return Flows meeting and noted they are discussing the

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possibility of having all districts provide their water use history, by individual address, from December 2011 – November 2013. Should this be requested, **Mr. Flynn will draft a disclaimer on the data sent noting it is confidential and for specific use only;**

Mr. Sekera indicated he will check with Denver Water to determine if they will be sending out notices for non-compliance for cross-connection control.

LEGAL

Update on Greenwood Village/Marina Water Tap – Mr. Sekera updated the Board in regard to this matter as per the Engineering Report attached to, and made a part of, these minutes.

Review Utility Customer Payment Plan Agreement – **Mr. Flynn will prepare this agreement for review and approval at the August Board meeting. Following discussion, CRS staff was directed to move forward with their suggestion of utilizing the Global Note option in the utility billing system as a reminder to send monthly billings to those customers on a payment plan with the District.**

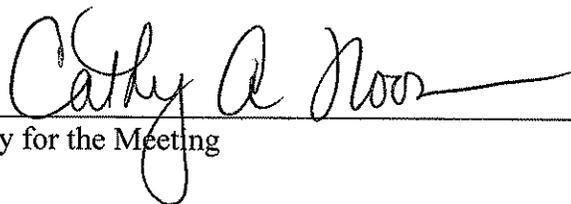
Resolution to Revert to Stage 1 Drought Restrictions – Following discussion, upon motion duly made, seconded and, upon vote, unanimously carried, the Board voted to revert watering from Stage 2 (2 days) to Stage 1 (3 days) and remove the drought surcharge.

Other – Director Viseur raised the question about the legislation requiring elections to be all mail ballot. Mr. Flynn stated that for 2013 elections, he believes specials districts need to comply, but that technical clean-up legislation is being proposed for 2014 to exclude special districts.

ADJOURNMENT

There being no further business to come before the Board, upon a motion made, seconded and upon vote, unanimously carried, the meeting was adjourned at 11:40 a.m.

Respectfully submitted,



Secretary for the Meeting

July 1, 2013

Memorandum

To: Cathy Noon, District Manager

From: Greg S. Sekera, P.E.

Subject: Engineering Report for Board of Directors Meeting on July 9, 2013
Cherry Creek Village Water District
KJ Job No. 1346003*GENW

Briefly presented below are the items that we have been involved in during the past month.

1. Village Green Park/Marina Service Meter – I have provided information relative to the design of the service lines and tap to the engineer, Merrick and Company, who is preparing the design on behalf of the City. The engineer is proposing only one new 4-inch tap (instead of a second 2-inch tap). This is due to the hydraulics and that there is too much pressure loss in the 2-inch tap and long service line. Denver Water and I have reviewed this and are agreeable to a new single 4-inch tap and service line. The 2-inch service line will connect to the 4-inch service in the Park for service to the restroom and the drip system.
2. Cherry Creek Schools Phase 4 Water Line Replacement – The conveyance and acceptance document has been sent to the School for their signatures.
3. System Maintenance – We coordinated the following maintenance items during the past month:
 - Water Line Breaks – No occurrences this past month.
 - Master Meter/PRV Adjustments – The June meter readings indicated that the Dayton meter delivered approximately 80% of the water during June. This is a result of the PRV adjustments that were performed on June 20 by C&L and me. We will continue to monitor the meter readings but we expect that the adjustment will allow more flow through the Yosemite meter during the high demand months.
 - Customer Complaints and Investigations – The following are investigations performed at the request of customers this past month.
 - i. None reported.
 - Fire Hydrant and Valve Repairs – No work performed this past month.
 - Fire Hydrant and Valve Maintenance – We are reviewing C&L's reports for the inspections they completed in December.
 - Cross-connection Control Program – No response from Denver Water's cross connection control supervisor following us providing an updated list of the District's customers that are to have backflow devices as well as the copies of the test reports that we have going back two years. We have prepared a list of properties to be notified of

Memorandum

Cathy Noon, District Manager

July 1, 2013

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non-compliance for cross-connection control. We will coordinate with CRS for preparation of the notices.

- Facility Locates – Reviewed locate requests for miscellaneous construction in the District.
- Maintenance Tracking – A copy of the maintenance tracking/schedule is attached.