

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE CHERRY CREEK VILLAGE WATER DISTRICT HELD MARCH 13, 2012

A regular meeting of the Board of Directors of the Cherry Creek Village Water District (referred to hereafter as "Board") was held on Tuesday, March 13, 2012 at 9:00 a.m., at the City of Greenwood Village Community Room, 6060 S. Quebec Street, Greenwood Village, Colorado. This meeting was open to the public.

ATTENDANCE

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

Lou Schroeder
Joseph Ryan
John Forney
Roger Baer (left at 10:15 a.m.)
Phil Viseur

Also present were:

Cathy Noon; Community Resource Services (CRS)
Tim Flynn, Esq.; Collins Cockrel & Cole P.C.
Greg Sekera; Kennedy/Jenks Consultants
John Sheldon; City of Greenwood Village Public Works
Director

CALL TO ORDER

Director Forney called the meeting to order at 9:00 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 presented.

Minutes: The minutes of the February 14, 2012 Regular Board meeting were presented to the Board. Following review and discussion, upon a motion duly made, seconded and, upon vote, unanimously carried, the Board approved the February 14, 2012 minutes as presented.

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DIRECTOR MATTERS

Director Forney congratulated the Board members who will serve another four year term following the cancellation of the election.

FINANCIAL ITEMS

Review and Approve Payment of Claims – Ms. Noon reviewed the February 2012 claims totaling \$29,198.36, represented by check numbers 4487 - 4497. Following review and discussion, upon motion duly made, seconded and, upon vote, unanimously carried, the Board approved the February 2012 claims as presented.

Review Cash Position: Ms. Noon reviewed the cash position with the Board for the period ending March 7, 2012. Following review and discussion, the Board accepted the cash position as presented.

Review Financial Statements: Ms. Noon distributed the financial statements dated March 7, 2012. The Board indicated their appreciation of the new format. After review, the Board accepted the financial statements.

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

MANAGEMENT MATTERS

Review Consumption Report – Ms. Noon reviewed the Consumption Report with the Board.

Update on District Website – Ms. Noon informed the Board that CRS staff is continuing to work with SIPA to design the website.

Water Quality Report from Denver Water – Ms. Noon informed the Board that CRS staff has sent the customer names and addresses to Denver Water and they will mail the report directly to these customers. There will be no charge to the District for this service.

MAINTENANCE AND OPERATIONAL ITEMS

Engineering Report – Mr. Sekera reviewed his report with the Board. He indicated that the Cherry Creek School District bill back for reimbursable engineering costs has not yet been received. **Director Viseur will check with Clifton Larson Allen to see if the check has been sent to their location.**

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Employment Taxes for Directors – Director Viseur brought forth the issue of the Directors having employment taxes withheld from their checks. Mr. Flynn explained that depending on the outcome of an interpretation of the IRS rule currently under way, the District may need to withhold taxes in the future. However, for now, the practice of reporting as 1099 income will be maintained.

LEGAL

Status on May 8, 2012 Election – Mr. Flynn informed the Board that the Notice of Cancellation is being published and that the Oaths of Office will be administered at the May meeting.

Update Regarding Village Green Park Water Service – Mr. Sheldon, Public Works Director for Greenwood Village, presented the Board with a request for the District to accept ownership of approximately 200 linear feet of a 4-inch service line as a means of extending the District's mainline to the City's current tap. Mr. Flynn and Mr. Sekera presented current conditions and agreements, and possible alternative options for service for the City. The Board is supportive of Greenwood Village pursuing its own tap and service line, but acknowledged there is more detail needed. The District would like to be reimbursed for legal and engineering costs for further work on this issue. The next steps for the District would be to involve Denver Water and look into a possible extension of the current agreement between Greenwood Village and the Marina at Cherry Creek State Park. **Mr. Sheldon will consult with the City and get back with Mr. Flynn and Mr. Sekera. Mr. Flynn will also check on easements along the District's Union Street 8-inch mainline. Mr. Sekera will check on metering for the landscaped area surrounding the Cherry Creek School District parking lot located at Union and Dayton Streets.**

Update on Denver Water Options for New Cost of Methodology - Mr. Flynn indicated it is likely that Denver Water will adopt a new cost of service methodology at its May 23rd Board of Water Commissioner meeting. The cost of service methodology is a key component in determining the rates Denver Water will charge suburban distributors during 2013 and subsequent years.

Discussion Regarding Fire Hydrant Permit – Mr. Flynn reviewed with the Board the fire hydrant permit currently in use by the District. He will propose revisions to the form to allow it to be used in a variety of circumstances and at the same time provide

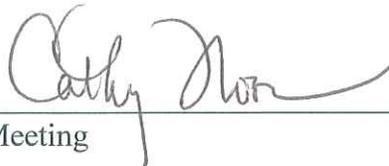
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an indemnification and other contractual protects for the District.

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 10:47 a.m.

Respectfully submitted,



Secretary for the Meeting