

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
January 12, 2016**

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, January 12, 2016 at 8:45 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
Phil Viseur
Joseph Ryan
Lou Schroeder

Absent was Director Baer, whose absence was excused.

Also present were:
Tim Flynn, Esq.; Collins Cockrel & Cole P.C.
Greg Sekera; Kennedy/Jenks
Cathy Noon, CRS of Colorado

CALL TO ORDER

Director Forney called the meeting to order at 9:03 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 add IV.A Discussion of Customer Service Fees..

Minutes: The minutes of the December 8, 2015 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 December 8, 2015 minutes.

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PUBLIC COMMENT

None.

FINANCIAL ITEMS

Review and Approve Payment of Claims: Ms. Noon reviewed the January 12, 2016 claims totaling \$46,388.59 \$46,296.24 represented by check numbers 5022-5036. Voided was check #5034. Following review and discussion, upon motion duly made, seconded and, upon vote, unanimously carried, the Board approved the January 8, 2015 claims as amended.

Review Cash Position: Ms. Noon reviewed the cash position with the Board for the period ending January 6, 2016. Following review and discussion, upon motion duly made, seconded and, upon vote, unanimously carried, the Board accepted the cash position as presented.

Review Financial Statements: Ms. Noon reviewed the financial statements dated January 6, 2016. After review, upon motion duly made, seconded and, upon vote, unanimously carried, the Board accepted the financial statements.

DIRECTOR MATTERS

Cherry Creek Customer Service Fee Charge: Director Forney inquired about Service Fees charged to District customers, specifically the Cherry Creek Schools. The Service Fees methodology was determined many years ago and the fees have remained constant. Denver Water's 2016 restructured rates include a change in the service fee to Master Meter Districts. The Board discussed the best timing to revisit the District's Service Fees and will review the issue during the annual water Usage Rate review.

MANAGEMENT ITEMS

Review Consumption Report: Review Delinquent Account Report: Ms. Noon reviewed the Consumption Report with the Board which included an additional year end master meter reading as directed by the Board. This reading covered the one week between monthly master meter readings and the customer meter readings. The Board was looking for data that may contribute to the difference between water purchased from Denver Water and water billed to customers ("leakage"). Leakage in the District has been between 3-8% over the years, prompting the Board to review possible causes. The additional reading data confirmed that the reading dates of meters is not a major factor in the leakage issue. Mr. Sekera reported the industry leakage averages between 10-15% and the age of customer

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meters may contribute by reading less water used than actual usage. As meters in the District are replaced, leakage may be reduced. It was noted that leakage was 5% in 2015, down from 7% in 2014 which might be attributed to the Board's increased controls on fire hydrant water use. Following a motion duly made, seconded and upon vote unanimously carried, the Board directed Ms. Noon to discontinue the extra year-end master meter reading.

MAINTENANCE AND OPERATIONAL MATTERS

Engineering Report: Mr. Sekera reviewed the Engineering Report which is made a part of these minutes.

LEGAL

Timothy J. Flynn reported to the Board as follows:

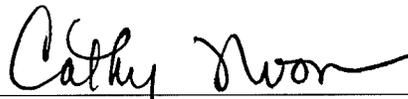
Adoption of Resolution 2016-1-1: The Board moved, seconded, and voted unanimously to approve Resolution 2015-1-1 Designating the Location for Posting Open Meeting Law Notices.

Adoption of Resolution 2016-1-2: The Board moved, seconded, and voted unanimously to approve Resolution 2015-1-1 calling the District's 2016 Regular Board of Directors Election.

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 10:19 a.m.

Respectfully submitted,



Secretary for the Meeting