

RECORD OF PROCEEDINGS

CHERRY CREEK VALLEY WATER AND SANITATION DISTRICT

REGULAR MEETING OF THE BOARD OF DIRECTORS

July 25, 2024

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 6:00 pm on July 25, 2024.

PRESENT

Mark Lampert – Chairman
Ken Jensen – Secretary/Treasurer
Frederick Norman – Asst Secretary/Treasurer
Candace Merrell – Director
Lisa Glenn – District Manager
John Engel – Assistant Manager
Elizabeth Marsh – Office Manager
Darryl Farrington – Semple, Farrington, Everall & Case PC
Eric Hein – Merrick & Company
Christine McLeod – Haynie & Company

Chairman Lampert called the regular meeting to order at 6:03 pm.

The Board unanimously approved the revised agenda. The 2023 Draft Audited Financial Statement report would come before the 2023 and 2024 Budget Amendment Hearing.

The Board unanimously excused Vice Chairman Bradley Rastall.

Mrs. McLeod with Haynie & Company presented the 2023 Draft Audited Financial Statements to the Board. There were no material misstatements on the financial statements, no adjustments made, no uncorrected or corrected misstatements, no disagreements with management, and no difficulties encountered during the audit. There was a positive change in Net Position for 2023 of just under \$9.6 million mainly due to \$1.7 million in Investment Earnings, \$8.3 million in Capital Contributions, minus a Loss from Operations in amount of \$462,000. Management must sign the management representation letter, then Haynie will issue an unmodified audit opinion on the financial statements. The Board accepted the draft of the 2023 Audited Financial Statements. Mrs. McLeod said it was a pleasure working with Manager Glenn during the audit and Mrs. Glenn returned the sentiment. The Board thanked Mrs.

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MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE CHERRY CREEK VALLEY WATER AND SANITATION DISTRICT ON July 25, 2024; CONTINUED

McLeod and she left the meeting at 6:19 pm.

The Board entered into the public hearing on the proposed budget amendments for the 2023 and 2024 budgets at 6:19 pm. The Board unanimously approved Resolution 2024-0725-1 amending the 2023 budget, to remove the non-cash contributed lines revenue from the budget. The Board unanimously approved Resolution 2024-0725-2 amending the 2024 budget, to remove the non-cash contributed lines revenue from the budget. The Budget Amendment Public Hearing Notice was published in the Denver Post on July 3, 2024. No written objections were filed. No members of the public were present. The public hearing was closed at 6:24 pm.

The Board unanimously approved the June 2024 Financial Report and the June 2024 Payment of Bills in the consent agenda. Chairman Lampert pulled the June 27, 2024, minutes to correct the spelling of Asst Secretary/Treasurer Frederick Norman's name and add additional property location information to the Manager's report on the approved non-potable water rate. The Board unanimously approved the June 27, 2024 minutes subject to those corrections.

Chairman Lampert opened and closed the meeting for public comment at 6:29 pm since there were no members of the public present.

Mr. Hein presented his engineering report:

Developer Projects

- Arcadia Development: Construction of water and sewer mains is ongoing and almost complete in the eastern half of the project except for the portion occupied by the building that is being demolished. Installation of sewer and water mains are scheduled to begin in a month or two on the western side of the project.

Capital Improvement Projects

- Evans Court Waterline Replacement: Merrick waiting on Denver Water comments.
- Valentia Water Meter Vault: Denver Water has approved the plans. The District will accept quotes or bids for the project with construction in the fall/winter.
- Valentia Sewer CIPP: Diaz Construction has completed the modifications to install steps and raise the three manholes. C&L will return to the site to complete the SpectraShield lining as soon as they have availability.
- Dayton St Sewer Mississippi to Iowa: Merrick is preparing base sheets, construction drawings, and design.

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MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE CHERRY CREEK VALLEY WATER AND SANITATION DISTRICT ON July 25, 2024; CONTINUED

Mrs. Glenn presented the Manager's report:

- 2023 Backflow Program – The District violation notice letter was emailed, posted in the District office, and posted on the District website on June 27, 2024. CDPHE requires passed tests for 32 of the 118 cross-connection devices that were untested in 2023 and submit a plan to achieve the 90% compliance rate in 2024 by the sanitary survey resolution deadline of September 26, 2024.
- Commercial Sewer Tap Fees – Mrs. Glenn has spoken with a firm regarding a rate study for the District and will update the Board on cost at the next meeting.
- Construction Projects Worksheet – Mrs. Glenn updated this spreadsheet for the Board. Updates were also presented during the engineering report. The installer for the meter reading equipment upgrade is reviewing comments provided by District legal counsel on the install agreement.
- 2673 S Lima St - Xcel Energy is interested in purchasing the property. Waiting to hear if Xcel or the District will write up the sales agreement.
- Fox Crossing Property – A parcel in Huntington Estates known as Fox Crossing is owned by the District and has been used as a park by the Huntington Estates HOA. The District is proposing that the HOA sign a license agreement for that purpose. The HOA will review the license agreement at their meeting in early August.
- 8501 E Iliff Ave – Waiting for the appraisal of the old office building and land.
- Employee Handbook – Further revisions will be made to the employee handbook regarding sick time, testing reimbursement for water and collections licensing, and the anti-violence sections.
- Cherry Creek Country Club Augmentation Agreement – The country club augmentation requirements are at the highest levels in its history. The District and Golf course have been running their augmentation wells continuously to meet the requirements. Lytle Water will explain to the State Engineer's office what the District and golf course are doing to meet the requirements.
- Zam Zam Grease Trap – The fine assessed on 5/31/24 for \$5,050.00 has been paid. A fine of \$5,625.00 was assessed 6/30/24. The grease trap is still not connected to internal plumbing.
- August 2024 Board Meeting – The Board unanimously agreed to reschedule the August board meeting to August 20, 2024 at 6:00 pm.

There being no further business, the Board unanimously voted to adjourn at 7:31 pm.

READ AND APPROVED _____ DATED _____