

# RECORD OF PROCEEDINGS

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## CHERRY CREEK VALLEY WATER AND SANITATION DISTRICT

### REGULAR MEETING OF THE BOARD OF DIRECTORS

January 23, 2025

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 January 23, 2025.

#### **PRESENT**

Mark Lampert – Chairman, by phone  
Bradley Rastall – Vice Chairman  
Ken Jensen – Secretary/Treasurer  
Frederick Norman – Assistant Secretary/Treasurer  
Candace Merrell – Director  
Lisa Glenn – District Manager  
John Engel – Assistant Manager  
Darryl Farrington – Semple, Farrington, Everall & Case PC  
Eric Hein – Merrick & Company  
Jonathan Fung – Bernstein  
Todd Buechs – Bernstein, virtually  
Adam Berger – Mile 44 Apartments/Avenue 5 Management  
Wendy Marquez – Mile 44 Apartments/Avenue 5 Management  
Heather Steinle – Mile 44 Apartments/Avenue 5 Management  
Imee Candelario – Mile 44 Apartments/Avenue 5 Management

Chairman Lampert called the regular meeting to order at 6:04 pm.

The Board unanimously approved the agenda.

The public comment period was opened at 6:04 pm.

Representatives Adam Berger, Wendy Marquez, Heather Steinle, and Imee Candelario were present from Mile 44 Apartments/Avenue 5 Management to discuss the backflow testing fines they received from the District for 2023. Mr. Berger explained that they had employee turnover and upper management was not aware of the backflow penalties that were charged to Mile 44 Apartments for 2023. Conservice pays the water and sewer bills for Mile 44 and did not make them aware of the fines. Once fines were

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### MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE CHERRY CREEK VALLEY WATER AND SANITATION DISTRICT ON January 23, 2025; CONTINUED

received, Mile 44 staff learned that the 2023 backflow tests were done, but were sent to Denver Water instead of the District. Mile 44 provided those 2023 passed backflow tests to the District in November 2024, but only 19 of them, not all 25. Mr. Berger is requesting that the District waive or reduce the fines. Mile 44's failure to provide the passed 2023 backflow tests in 2023 resulted in the District failing its backflow compliance audit with CDPHE (Colorado Department of Health and Environment). District staff mailed letters, made phone calls, sent emails to the addresses on file with the District, and performed site visits to try and get the 2023 tests from Mile 44. The 2023 passed tests were not received until after fines were assessed in 2024, after the CDPHE audit. All Board members agreed that the District made appropriate and sufficient efforts to notify Mile 44 of the backflow reporting requirements, and indicated that fines will not be waived or reduced. The Mile 44 representatives requested copies of the letters sent for 2023 backflow tests and fines. District staff will provide the letters, where they were mailed, and dates of the onsite visits.

During this discussion, Mr. Farrington arrived at 6:07 pm.

The Board thanked the representatives of Mile 44/Avenue 5 for coming to the meeting and expressing their concerns. They left the meeting at 6:31 pm and the public comment period was closed.

Jonathan Fung and Todd Buechs (who was present by video) from Bernstein discussed the District's investment portfolio for 2024 and projections for 2025. Mr. Fung will meet with Board Secretary/Treasurer Jensen and Manager Glenn to discuss specific questions about the District's investments next Monday. Mr. Jensen will relay this information to the Board at the next meeting.

The Board thanked Mr. Fung and Mr. Buechs for their time and report. They left the meeting at 7:11 pm.

The Board unanimously approved the consent agenda consisting of the December 19, 2024 regular minutes, the December 2024 Financial Report, and the December 2024 Payment of Bills.

The Board unanimously approved the 2025 Board meeting schedule presented. Meetings will still be held on the fourth Thursday of every month at the District office unless amended by the Board. The schedule will be posted on the District's website.

The Board unanimously approved the 2025 Election Resolutions 2025-1-23-1 and 2025-

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1-23-2. Elizabeth Marsh was appointed as the Designated Election Official.

Mr. Hein presented his engineering report:

Developer Projects:

- Arcadia - The single-family portion of Arcadia is complete aside from punchlist items and one fire hydrant installation. Sewer mains for the multi-family portion are nearly complete and water mains are yet to be installed.

Capital Improvement Projects:

- 1865 S Quebec Wy and 1210 S Quebec St master meter vault rehabilitation – will complete design and bid the projects in February for start of construction in April 2025.
- E Evans Ct Water Main Replacement – Design is approved. Finalizing bid documents for February bid and May 2025 construction.
- Syracuse Wy/Valentia Meter Vault Rehabilitation - Design is approved. Finalizing bid documents for February bid and June 2025 construction.
- Dayton St Sewer from Iowa to Mississippi – Working through SUE process. Complete design by April with July/August 2025 start of construction.

Other Projects:

- 10 Year Capital Improvement Plan – Developing plan with mapping and budgetary costs. Will be used for the rate study.
- Rate Study – Preparing request for proposal for qualified firm to analyze water and sewer rates and system development fees for the District. Issue RFP in February, submissions received in March, award at March Board meeting, April to July Rate Study performed, and presentation to the Board in August 2025. The rate study will be used for rate setting in 2026.
- Risk and Resilience Assessment is due to the EPA June 30, 2026 and Emergency Response Plan by December 31, 2026. Work will progress throughout 2025 and early 2026.

Mrs. Glenn and Mr. Engel presented the Manager's report:

- Investments – The District's investment policy will be updated and presented to the Board for approval next month. 2024 transfers between Bernstein and the District's operating account were reviewed.
- Construction Projects Worksheets – No projects currently in progress. The retainage for the Valentia Sewer CIPP project was paid in December 2024.
- Meter Reading System Upgrade – Installations started January 10, 2025. Between 20 and 45 installations are done every day. It appears the installation company UMS is doing a good job.
- Denver Water Billing Issues – Denver Water is repairing an 84 inch conduit, and

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while that work is being performed, water is being fed to areas of Denver through our District. The water comes in at the master meter on Yosemite and exits the District at Dayton and Mississippi. The water entering the District registers on the master meter readings, but the water leaving the District must be subtracted from the incoming water. It appears that the readings on the water leaving the District is recording low usage. Denver Water completed their work on the conduit January 13<sup>th</sup> and will hopefully have the conduit filled and can shut down the interconnect by January 31<sup>st</sup>. The interconnect meter/dial can then be inspected for accuracy.

- Country Club Villas – The complex paid the backflow fines and the repair bill for the break in their water service line. They plan to install four more backflow devices on each of the two-inch service lines that branch off the main water service line to cover all backflow hazards. Currently there are no backflow devices on the laundry facilities and swimming pools. Assistant Manager Engel and Operator Supervisor Dugan will follow up with the complex on their progress.
- Comrade Brewery Grease Trap – Assistant Manager Engel has told representatives verbally and by email several times in the last year to repair their grease trap. Comrade states they have the funds available to do the repair in January 2025. Comrade is waiting for an updated quote from their contractor.
- Nazar Market Grease Trap – The management company/owner of this complex informed us that Arapahoe County is 60 days late in issuing the permit for the work to be done. Nazar Market and J Noodles spaces will be combined and Nazar will tie into the J Noodles grease trap. Mr. Engel is in the process of confirming with Arapahoe County.
- 2673 S Lima St – Asbestos abatement has been awarded to All Pro Environmental Services LLC and will start mid-February. Mr. Farrington and Xcel are in discussions on finalizing the language for the sales agreement.
- Operator Employment Agreement – Ryan McCahill passed his Wastewater Collections 1 Exam in December 2024. The three-year operator agreement was presented for Board signature.
- Graywater Systems – HB24-1362 was signed into law in 2024. Beginning January 1, 2026, the bill authorizes graywater systems and the use of graywater in new construction projects and allows county, municipal, and consolidated city and county governments to adopt an ordinance or resolution that prohibits its installation. Local governments may adopt an ordinance or resolution allowing graywater system installations. If graywater systems are allowed by Arapahoe County, the District must be made aware of the system and allowed to inspect the system for cross connections.

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- Four Square Mile Subarea Plan – The Board agreed that Chairman Lampert, Secretary/Treasurer Jensen, Manager Glenn, and Assistant Manager Engel will meet with Arapahoe County regarding the subarea plan and discussing future issues, challenges, and opportunities.

There being no further business, the Board unanimously voted to adjourn at 8:14 pm.

READ AND APPROVED \_\_\_\_\_ DATED \_\_\_\_\_