

RECORD OF PROCEEDINGS

CHERRY CREEK VALLEY WATER AND SANITATION DISTRICT

REGULAR MEETING OF THE BOARD OF DIRECTORS

September 26, 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 September 26, 2024.

PRESENT

Mark Lampert – Chairman
Bradley Rastall – Vice Chairman
Frederick Norman – Assistant Secretary/Treasurer
Candace Merrell – Director
Lisa Glenn – District Manager
John Engel – Assistant Manager
Jonathan Fung – Bernstein
Todd Buechs – Bernstein (virtual attendance)

Chairman Lampert called the regular meeting to order at 6:05 pm.

Mr. Fung and Mr. Buechs updated the Board on the District's investment portfolio from the end of 2023 until now as to income earned, investment allocations, and expectations for the rest of the year and 2025. The Board thanked Mr. Fung and Mr. Buechs for their report, and they left the meeting at 6:37 pm.

The Board unanimously approved the revised agenda adding three topics: Operating Testing Agreement, Holiday Shut Down, and Bylaws. The executive session would be held at 7:00 pm when legal counsel Mr. Farrington could call in.

The Board unanimously excused Secretary/Treasurer Jensen.

The Board unanimously approved the August 20, 2024 regular minutes, the September 11, 2024 special minutes, the August 2024 Financial Report, and the August 2024 Payment of Bills in the consent agenda.

Chairman Lampert opened and closed the meeting for public comment at 6:37 pm since there were no members of the public present.

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MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE CHERRY CREEK VALLEY WATER AND SANITATION DISTRICT ON September 26, 2024; CONTINUED

Mr. Hein from Merrick presented his engineering report:

Developer Projects

- Arcadia Development (Florida & Clinton): Another segment of water main was installed on the single-family side. Water and sewer main will be installed as remnants of the old church are removed. The start date for the multi-family side is unknown.
- Highline Creek Estates (Yosemite & Iliff): Beginning review of water and sewer plans submitted.

Capital Improvement Projects

- E Evans Court (Huntington Estates) Waterline Replacement: Minimal comments received from Denver Water.
- Syracuse/Valentia Water Meter Vault: Preparing bid documents for spring construction.
- Valentia Sewer CIPP: Project is complete. The second pay estimate is being reviewed for submittal to the District.
- Dayton St Sewer Mississippi to Iowa: Draft plans should be ready by mid-October.

Mrs. Glenn presented the Manager's report:

- Construction Projects Worksheet – Two master meter vaults were added that need some work in 2025. One on S Quebec Wy and the other on S Quebec St. Valves need to be added/replaced, steps added/replaced, check valves replaced, and lining of the vaults.
- 2025 Draft Budget – This draft is very preliminary. Denver Water's usage rates are increasing by 3.67% to the District, and 1.38% for fixed charges. Metro Water Recovery sewer treatment fees to the District are decreasing 13.3%. Medical insurance is increasing 13.5% and property/liability insurance is expected to increase between ten and twenty percent. Most other expenses are shown increasing 3.2%. System development fees from developers have been received and will be included in the next draft.

Mr. Farrington called in for the executive session and said he was unable to attend due to a family emergency.

Manager's report continued:

- Rate Study – Steve Raval and Eric Hein from Merrick sent over an example RFQ and agreement for Board review. A similar RFQ and agreement will be written

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up for the District. The rate study process will take about six months after a consultant is selected to do the work.

- Website Change – The District will switch to a .gov website in a couple of months and employee emails will be changed.
- Truck Accident – An uninsured unlicensed driver rear ended the District’s meter truck at a red traffic signal. The estimated repair is \$9,000.
- Rules and Regulations –
 - Grease traps – language regarding grease trap cleaning intervals will be changed to reflect a once-a-year cleaning cycle initially. The interval may decrease upon first inspection by the District.
 - Tap fee nomenclature – Tap fees is an outdated term and will be replaced in the Rules and Regulations with the term System Development Fees.
- Second Friday Lunch – Lunch will be provided to all employees the second Friday of every month. Restaurant choice for take-out will rotate among all employees every month. The purpose of the lunch is for everyone to get to know each other personally.
- Country Club Villas – The District has tried for several years to inspect the backflow device for this condo complex and has been denied access to determine if there is a backflow device or not and what is on the property that may require a backflow device. The HOA refuses all certified letters from the District. Mr. Farrington has written a letter that will be sent to the HOA representative next week.
- 2673 S Lima St – Asbestos sampling will be done first, asbestos abatement if necessary, and demolition last. The latest revision of the agreement is with Mr. Farrington for review.
- 8501 E Iliff Ave – The engagement letter was signed for the appraisal, which will take about five weeks.
- Fox Crossing Property in Huntington Estates – The revised license agreement for this parcel owned by the District was sent back to the Huntington HOA president for review at their next quarterly meeting.
- Zam Zam Grease Trap – The fine assessed on 7/31/24 for \$6,600.00 has been paid. A fine of \$7,375.00 was assessed 8/31/24. The grease trap is still not connected to internal plumbing.
- Operator Testing Agreement – Utility Operator Supervisor Aaron Dugan passed his level 4 collections test. Mr. Farrington will write up the three-year agreement as stated in the Employee Handbook for signature.
- Holiday Shut Down – The Board approved employee paid Holiday Shut Down during the week of Christmas from December 23rd to December 27th this year.

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The maintenance staff will be on call.

- Bylaws – Bylaws are not required per the speaker at the SDA Conference, but are helpful. Bylaws provide guidance for staff and the Board. The power point presentation and video link from the conference was given to the Board for their review.

The Board unanimously voted to enter executive session concerning the District’s water agreement with the Cherry Creek Country Club and it’s HOAs. The Board entered executive session at 7:37 pm. Mr. Hein left the meeting at 7:37 pm.

Chairman Lampert declared the Board out of the first executive session at 7:49 pm.

No decisions were made during the first executive session.

The Board unanimously voted to enter a second executive session concerning the potential settlement with former employee Sara Lamb. The Board entered executive session at 7:50 pm.

Chairman Lampert declared the Board out of the second executive session at 8:14 pm. No decisions were made during the second executive session.

A special meeting may be held in the future regarding the executive session issues since legal counsel Darryl Farrington was unable to attend.

There being no further business, the Board unanimously voted to adjourn at 8:15 pm.

READ AND APPROVED _____ DATED _____