

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE CHERRY CREEK VILLAGE WATER DISTRICT HELD DECEMBER 13, 2011

A regular meeting of the Board of Directors of the Cherry Creek Village Water District (referred to hereafter as "Board") was held on Tuesday, December 13, 2011 at 9:30 a.m., at Benedict's Restaurant, 8181 E. Arapahoe Road, 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 (left at 10:35 a.m.)
Roger Baer

Absent was Director Viseur whose absence was excused.

Also present were:

Cathy Noon; Community Resource Services (CRS)
Tim Flynn, Esq.; Collins Cockrel & Cole P.C.
Greg Sekera; Kennedy/Jenks Consultants

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. A motion was made, seconded and unanimously approved to approve Director Viseur's absence.

CALL TO ORDER

Director Forney called the meeting to order at 9:30 a.m.

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 remove Item VI (A) and IV (E) and to add VI (B) 2012 Election, VI (C) Denver Water Rate meetings and VI (D) Denver Water Integrated Systems Agreement.

Minutes: The minutes of the November 8, 2011 Regular

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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 November 8, 2011 minutes as presented.

DIRECTOR MATTERS

There were none.

FINANCIAL ITEMS

Review and Approve Payment of Claims – Ms. Noon reviewed the November 2011 claims totaling \$24,018.51, represented by check numbers 4447 - 4461. Following review and discussion, upon motion duly made, seconded and, upon vote, unanimously carried, the Board approved the November 2011 claims as presented.

Review Cash Position: Ms. Noon reviewed the cash position with the Board for the period ending November 30, 2011 with adjustments made through December 7, 2011. Following review and discussion, the Board accepted the cash position as presented.

Review Financial Statements: Ms. Noon distributed the financial statements dated November 30, 2011. After review, the Board accepted the financial statements.

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

Consider 2011 Audit Engagement Proposal from Schilling & Company – The Board discussed and then deferred action on Schilling & Company's 2011 Audit Engagement proposal. **Ms. Noon will contact Mr. Schilling in regard to attending the January meeting to further discuss his proposal.**

MANAGEMENT MATTERS

Review Consumption Report – Ms. Noon reviewed the Consumption Report with the Board. The Board accepted the Consumption Report as presented.

Rate/Tax Comparison Discussion – Mr. Noon presented the comparison to the Board for their review. The Board asked that the survey be updated annually.

Discussion Regarding ACH/Pay Port Options for Utility Customers – The Board requested a survey to be included in the next customer billing to gauge customer interest in these options.

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MAINTENANCE AND OPERATIONAL ITEMS

Discussion on Website -- The Board reviewed examples provided by Ms. Noon and will discuss this further in January.

Engineering Report -- Mr. Sekera reviewed the Kennedy/Jenks engineering memo dated December 7, 2011 and it was noted that this report will become a part of the official minutes. Discussion followed on the PRV operation and past replacements. **Mr. Sekera will ask C & L and the valve manufacturer to attend the January 2012 meeting.**

LEGAL

2012 Election -- Mr. Flynn discussed having Micki Wadhams from Collins, Cockrel & Cole begin the election process (notices and publications) and, if there are enough candidates to hold an election, get bids from CRS and Ms. Wadhams. The Board concurred.

Denver Water Rate Methodology -- Mr. Flynn summarized the Denver Water meetings being held to review the methodology used to set rates for all Denver Water users. Under review is the issue of rates and tap fees for users located in and out of Denver city limits.

Denver Water Integrated Systems Agreement -- Mr. Flynn presented the agreement between Denver Water and the District that allows Denver Water to test and to comply with the Colorado Primary Drinking Water Regulations on behalf of the District. Upon a motion duly made and seconded, the Board voted unanimously to approve the Agreement.

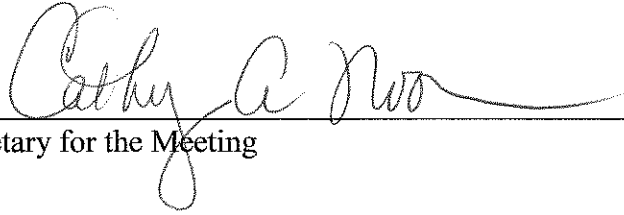
Resolution Increasing Water Consumption Rates for 2012 -- Mr. Flynn reported that a draft of Resolution 2011-11-4 increasing the District's water consumption rates for 2012 contained some typographical errors and was not yet ready for presentation to the Board. The Resolution will be modified and presented to the Board for signature at its January 2012 meeting.

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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 11:35 a.m.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Cathy A. No", is written over a horizontal line.

Secretary for the Meeting

December 7, 2011

Memorandum

To: Cathy Noon, District Manager
From: Greg S. Sekera, P.E.
Subject: Engineering Memorandum for Board of Directors
Cherry Creek Village Water District
Meeting on December 13, 2011
KJ Job No. 1146003*GENW

Briefly presented below are the items that we have been involved in during the past month.

1. Water Line Replacements at Cherry Creek Schools – The one-year conveyance period for the Phase 2 Water Line project is complete. I will need to have the president of the board sign the final acceptance documents at the meeting. Phase 3 conveyance and acceptance forms have been sent to the school for signatures.
2. Master Meter/PRV Adjustments – I have been working with Carolyn at CRS for preparation of a history of water usage for the two master meters. Carolyn has prepared a summary that dates back to 2009. In reviewing the history we have found that the majority of the district demands are currently being served through the Yosemite Meter instead of the Dayton Meter as thought. I will review our findings with the board at the meeting. I am planning on scheduling a meeting with C&L and Joe Ryan for discussion of PRV settings in early January.
3. System Maintenance – We coordinated the following maintenance items during the past month:
 - Fire Hydrant and Valve Repairs – No work performed this past month.
 - Fire Hydrant and Valve Maintenance – C&L is performing annual inspection, testing, and maintenance of valves and hydrants. I anticipate that they will be complete by the end of this year.
 - Cross-connection Control Program – No update for the past month.
 - Water Line Breaks – No water line breaks this past month.
 - Facility Locates – Reviewed locate requests for miscellaneous construction in the District.
 - Maintenance Tracking – A copy of the maintenance tracking/schedule is attached.