

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
DECEMBER 10, 2013**

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, December 10, 2013 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
Lou Schroeder
Joseph Ryan
Phil Viseur
Roger Baer

Also present were:

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

CALL TO ORDER

Director Forney called the meeting to order at 9:00 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 include Item II. F – Discussion of Transfer of Funds to Reserve Replacement Account and V. B – Consider Approval of Kennedy/Jenks Contract for 2014.

Minutes: The minutes of the November 12, 2013 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 November

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12, 2013 minutes.

FINANCIAL ITEMS

Review and Approve Payment of Claims – Ms. Noon reviewed the November 2013 claims totaling \$38,935.83 represented by check numbers 4732 – 4747. Following review and discussion, upon motion duly made, seconded and, upon vote, unanimously carried, the Board approved the November 2013 claims as presented.

Review Cash Position: Ms. Noon reviewed the cash position with the Board for the period ending December 4, 2013. Following review and discussion, the Board accepted the cash position as presented.

Review Financial Statements: Ms. Noon distributed the financial statements dated December 4, 2013. After review, the Board accepted the financial statements.

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

Adopt Resolution for Establishing 2014 Water Rates – Mr. Flynn reviewed Resolution 2013-12-1 with the Board and stated that notice of the Board's intent to consider adoption of this Resolution has been posted in accordance with the Special District Act. Following discussion, upon motion duly made, seconded and, upon vote, unanimously carried, the Board approved the Resolution as amended to reflect that delinquent and payment plan interest accrues at the rate of 1% per month and that there will be a single turn on and turn off charge, whether the account is delinquent or whether the requested turn on/off is voluntary. The amount of the charge is \$75.00. Mr. Flynn will revise the Resolution and provide execution copies for signature at the January 2014 Board meeting. Once executed, either an original or a copy of the Resolution will be attached and made a part of these minutes.

Discussion Regarding Transfer for Funds to the Reserve Replacement Fund - Director Baer led a discussion regarding the annual designation of funds to the Line Repair and Replacement Reserve. Each year the Board reviews the prior year's audited financials (the net revenue after expenditures with depreciation added back in) as the starting point to determine the amount. Following review of the 2012 Audited Financial Statement, the amount to be transferred into the Line Repair and Replacement Reserve for 2013 is \$135,000,

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bringing the total amount in the reserve to \$1,008,334.00.

DIRECTOR MATTERS

There were none.

MANAGEMENT ITEMS

Review Consumption Report – Ms. Noon reviewed said report with the Board.

MAINTENANCE AND OPERATIONAL MATTERS

Engineering Report – Mr. Sekera reviewed the engineering report with the Board, said report attached and made a part of these minutes. Mr. Sekera also provided an update to the Board on the phases of the Cherry Creek School District fire line.

In view of the 2014 pricing supplied by C & L Water Solutions, **staff was asked to obtain competitive quotes for reading the master meters.**

The Board reviewed the 2014 rate structure from Kennedy/Jenks and accepted the same. Legal counsel had incorporated the new rate structure into a new contract for 2014 that was then presented to the Board and Kennedy/Jenks. A motion was made, seconded and unanimously adopted approving the new contract, which is the same as last year's contract, but with the exception of the rates being changed, subject to Kennedy/Jenks final review and acceptance thereof.

LEGAL

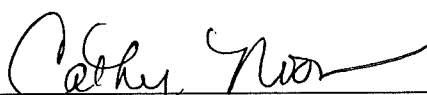
Discussion Concerning Payment of Directors Fees for Special Meetings - Mr. Flynn reviewed the Colorado state statute regarding Board member compensation (\$100/meeting, maximum of \$1600/year) and the Board gave direction to continue paying Directors for attendance at subcommittee meetings such as the Budget and Rate Setting Committees.

Other – **Mr. Flynn was asked to present a contract for 2014 legal services at the January Board meeting.**

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