

RECORD OF PROCEEDINGS

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF
THE CRESTVIEW WATER AND SANITATION DISTRICT
ADAMS COUNTY, COLORADO
December 14, 2016

The regular 7:00 P.M. meeting of the Board of Directors of the Crestview Water and Sanitation District was held December 14, 2016 at the office of the District, 7145 Mariposa Street, Adams County, Colorado. The meeting was presided over by President Mike Doak. Board Secretary Danny Sweeney was present to record the minutes.

Members Present:

Mike Doak	President
Jill Martin	Vice-President
Danny Sweeney	Secretary/Treasurer
Henry Dietz	Director
Lori Sakowicz	Director

Also Present:

Ron Forman	Attorney
Mitch Terry	District Manager
Rick Giardina	Raftelis Financial Consultants
Robert Wadsworth	Raftelis Financial Consultants

The Pledge of Allegiance was recited.

PUBLIC COMMENTS

There were no comments made.

MINUTES FOR APPROVAL, November 9, 2016

Director Doak asked if there were any corrections, deletions, or additions to the Minutes for the November 9, 2016 Board Meeting.

There being no corrections, deletions, or additions, the Minutes for the November 9, 2016 Board Meeting were accepted as presented.

2017 WATER AND SEWER RATES

Robert Wadsworth and Rick Giardina of Raftelis Financial Consultants presented the rate study for the 2017 Crestview Water and Sanitation District rate structure. Their recommendation is a minimum 5.0 percent water rate increase and 2.5 percent sewer rate increase.

Mr. Giardina and Mr. Wadsworth answered all inquiries made by the Board.

The Board thanked the gentlemen for their time and presentation then Mr. Giardina and Mr. Wadsworth left the meeting.

DISTRICT MANAGER REPORT

DECEMBER BIRTHDAYS

Happy December birthdays go out to Board President Mike Doak, Director Henry Dietz, Eddie Torgersen and Joe Martinez in maintenance.

2017 WATER AND SEWER RATES

Raftelis Financial Consultants have designed the rates for 2017. Rick Giardina and Robert Wadsworth presented their recommendations at the December 14, 2016 Board meeting for Board consideration.

Director Dietz made a motion to adopt the following resolution:

RES. # 32-16 WHEREAS THE BOARD OF DIRECTORS has determined that present revenues are not adequate to provide for the financial needs of the District, and;

WHEREAS an increase in revenue can only be accomplished by increasing rates for water service, and;

WHEREAS, the Board has determined that it is desirable to establish conservation rates, and;

WHEREAS, the Board of Directors has determined the following to be a reasonable charge and necessary in order to provide the District with needed revenue and conservation incentive.

NOW, THEREFORE, BE IT RESOLVED THAT effective January 1, 2017, (regardless of the delivery date of the service) Appendix B, Sections, (A), (B), and (C), of the Rules and Regulation of the District be amended as follows:

(A) The following rates shall be paid monthly by consumers within the District who have facilities connected directly or indirectly to the water system of the District.

A minimum service charge for each connection shall be paid each month dependent upon the size of the meter as follows:

	<u>Meter Size</u>	<u>Minimum Charge</u>
1)	5/8"X3/4"	\$ <u>13.55</u>
	3/4"	\$ <u>16.28</u>
	1"	\$ <u>22.89</u>
	1 1/2"	\$ <u>41.27</u>
	2"	\$ <u>71.19</u>
	3"	\$ <u>134.40</u>
	4"	\$ <u>206.75</u>
	6"	\$ <u>423.89</u>

2) The volume Charge for all water consumed each month shall be as follows:

a) Single Family Residential Customers

<u>Monthly Usage</u>	<u>Charge</u>
0 – 6,000 Gallons	\$ <u>6.44</u> /1,000 Gallons
6,001 – 17,000 Gallons	\$ <u>8.05</u> /1,000 Gallons
Over 17,000 Gallons	\$ <u>10.06</u> /1,000 Gallons

Director Doak seconded the motion.

AYES: Directors Doak, Martin, Sweeney, Dietz and Sakowicz.

NAYS: None.

The resolution was adopted unanimously.

Director Martin made a motion to adopt the following resolution:

RES. # 33-16 WHEREAS the Board of Directors has determined that present revenues are not adequate to provide for the financial needs of the District, and;

WHEREAS, an increase in revenue can only be accomplished by increasing rates for sanitary sewer service, and;

WHEREAS, the Board of Directors has determined the following to be a reasonable charge and necessary in order to provide the District with needed revenue.

NOW, THEREFORE, BE IT RESOLVED THAT effective January 1, 2017, (regardless of delivery date of the service Appendix C, Section (A) of the Rules and Regulations of the District be amended as follows:

- (A) The following rates shall be paid monthly by consumers within the District who have facilities connected directly or indirectly to the sewer system of the District:
- 1) A minimum service charge for each connection shall be paid each month as follows: \$ 7.08 (Seven dollars and eight cents).
 - 2) The volume charge for all billable usage shall be \$ 6.07 (Six dollars, seven cents) for each 1,000 (one thousand) gallons or portion thereof. The billable usage shall be determined by the average monthly water usage billed during the four month period, December through March or other period as determined by the District. The average winter volume charge as determined will reflect volume and strength cost associated with normal domestic wastewater and eliminate non-sewer water usage such as irrigation. When determined, the volume charge will be applied uniformly each month.
 - 3) The monthly charge for Hyland Hills Park and Recreation District seasonal parks with sanitary sewer connections shall be \$75.00.

Director Sakowicz seconded the motion.

AYES: Directors Doak, Martin, Sweeney, Dietz and Sakowicz.

NAYS: None.

The resolution was adopted unanimously.

Director Dietz made a motion to adopt the following resolution:

RES # 34-16 WHEREAS, THE BOARD has established a sewer system reserve fund for the purpose of unscheduled capital replacements and capital additions, and,

WHEREAS, Raftelis Financial Consulting has completed a cash flow study of the District's sewer system finances and has recommended that additional funds be added to the sewer system reserve fund to address increased replacement costs, and

WHEREAS, THE BOARD has determined and concluded that a transfer of \$50,000 from the existing general fund to the sewer system reserve fund is in the best interest of the District and that adequate funds are available in the general fund and a transfer of \$50,000 will not adversely affect the operation of the District.

NOW, THEREFORE, BE IT RESOLVED THAT \$50,000 be transferred from the existing general fund to the sewer system reserve fund and that the transfer be made in December, 2016.

Director Martin seconded the motion.

AYES: Directors Doak, Martin, Sweeney, Dietz and Sakowicz.

NAYS: None.

The resolution was adopted unanimously.

2017 FINAL ASSESSED VALUATION

The Crestview Water & Sanitation District has received the Final 2016 Certified Valuation of the District from the Adams County Assessor's office. After being supplied this information, Charlie Poysti of Poysti & Adams completed the calculations for the 2017 Mill Levy and determined that the water & sewer mill levy will be 4.547 mills and the sewer only mill levy will be 0.490 mills. The total combined property taxes to be paid to the District will be \$605,022.00 in 2017. The 2016 mill levies being paid to the District total \$576,299.00. 2017 will see an increase of \$28,723.00. The Crestview Water & Sanitation District 2017 Budget was adopted at the October 26, 2016 Budget Public Hearing. The final mill levy amounts have been inserted into the 2017 Budget.

The mill levies need to be certified by resolution by the Board. In your packet, you will find a resolution to certify both the water and sewer mill levy and the sewer only mill levy for 2017.

The Budget will be sent to the Division of Local Governments, Adams County Commissioners and Adams County Clerk and Recorder on December 15, 2016 as required by state statute.

Director Martin made a motion to adopt the following resolution:

RES. # 35-16 BE IT RESOLVED AND CERTIFIED to the County Commissioners of Adams County, Colorado that the tax levies to be assessed upon property within the limits of the Crestview Water and Sanitation District, excluding the Park Terrace Subdivision, for the year 2017 as determined and fixed by the Board of Directors of said District on December 15, 2016 are:

General Operating Expense: 4.547 mills

AND BE IT FURTHER RESOLVED AND CERTIFIED to the County Commissioners of Adams County, Colorado that the tax levies to be assessed upon property within the Park Terrace Subdivision and other sewer only customers of the Crestview Water and Sanitation District for the year 2017 as determined and fixed by the Board of Directors of said District on December 15, 2016 are:

General Operating Expense 0.490 mills

AND BE IT FURTHER RESOLVED that the appropriate authorities are hereby authorized and directed to extend said levies upon their tax list.

Director Doak seconded the motion.

AYES: Directors Doak, Martin, Sweeney, Dietz and Sakowicz.

NAYS: None.

The resolution was adopted unanimously.

WEST GARAGE PARKING LOT

The parking lot at the west garage has been replaced. 7,800 square feet of six-inch depth asphalt was installed along with 250 linear feet of curb and gutter and 500 square feet of six-inch depth concrete for the drive entrance. The total cost for the project was \$35,151.30.

2016 SANITARY SEWER REPLACEMENT PROJECT

The work began November 7, 2016 starting with the replacement of the eleven manholes within the project then the pipe bursting portion of the project was done on Thursday, December first of the existing sewer main in the alley west of Irving Street from 68th Avenue 317 feet to the south to an existing manhole. Only one manhole is left to be replaced to date. Once the last manhole replacement is completed, Crestview will receive a first and final pay app to close out the project.

FEDERAL VIEW SUBDIVISION

The City of Westminster's contractor has completed all of the service changeovers and needs only to change over a fire line to complete the project. The City will need to start the exclusion process to exclude the Federal View subdivision from Crestview's service area. In your packet, you will find a resolution approving and permitting the exclusion from the District upon the City's petition to exclude pursuant to C. R. S, Section 32-1-502. The resolution will be provided to the City's attorney's office for their use.

Director Martin made a motion to adopt the following resolution:

RES # 36-16 WHEREAS, the Board of Directors of the Crestview Water and Sanitation District ("District") has determined the following:

(A) Certain territory (the "Exclusion Territory", as described on attached Exhibit "A"), is located within the boundaries of the District and within the boundaries of the City of Westminster ("City"); and

(B) The District has provided water service to the Exclusion Territory but has completely ceased to do so since the City has fully taken over provision of such services pursuant to the INTERGOVERNMENTAL AGREEMENT ("IGA") of December 10, 2014 by and between the District and the City, and the District will not provide any such service hereafter; and

(C) The City has been providing all sanitation service to the Exclusion Territory and is now also providing all water service, pursuant to said IGA; and

(D) The Exclusion Territory is currently subject to taxation by the District and the City; and

(E) The taxpayers within the Exclusion Territory will benefit by elimination of this double taxation and having the Exclusion Territory excluded from the District and the District believes that the City desires the same; and

(F) It is appropriate pursuant to C.R.S, Section 32-1-502 that the Exclusion Territory be excluded from the District; and

(G) Such exclusion would not affect the District facilities or the District's continuation of services to the remainder of the District in any way; and

(H) The District's facilities are more than adequate to continue to provide all current and future services to the remainder of the District; and

(I) The District has some water and sanitation facilities within the Exclusion Territory and no longer uses the same and commencing January 1, 2017 the City shall take over ownership and control of such facilities at no cost to the City pursuant to said IGA; and

(J) The District does not have any outstanding bonded indebtedness; and

(K) The Exclusion Territory is a minor portion of the total territory of the District and in any event less than 50%; and

(L) Such exclusion would not affect the District in any way other than loss of a minor amount of tax revenue; and

(M) The assessed value of the Exclusion Territory is not greater than the assessed value of the remaining territory of the District and, in fact, is minor in comparison; and

(N) The District's "Plan" (as referred to in said statute) for continuation of services within the Exclusion Territory is that the District will continue not to provide any services within that area; and

(O) The District expects the City in the near future to adopt a "Plan" (as referred to in said statute) to continue to provide such services within the Exclusion Territory without interruption and also pass a resolution to do so; and

(P) The District also expects the City in the near future to adopt a resolution to pursue the exclusion described in this resolution according to the terms of said statute and then to do so to conclusion; and

(Q) It is in the best interests of the District to authorize and permit the exclusion of the Exclusion Territory from the District, pursuant to said statute; and

NOW, THEREFORE, BE IT RESOLVED THAT as of December 14, 2016, the District approves and permits the exclusion of the Exclusion Territory from the District upon the City's Petition for the same pursuant to C.R.S, Section 32-1-502 and prosecution of same to favorable conclusion.

Director Dietz seconded the motion.

AYES: Directors Doak, Martin, Sweeney, Dietz and Sakowicz.

NAYS: None.

The resolution was adopted unanimously.

MIDTOWN AT CLEAR CREEK SUBDIVISION

The Filing 6 utility plans have been reviewed by Crestview staff and also by RG and Associates staff. All comments have been addressed satisfactorily. The water portion of the plans has been submitted to Denver Water for their review. Construction of Filing 6 is tentatively set for March of 2017. The developer has asked for a meeting with me and Midtown's engineer to discuss the replacement of the two existing 14" water mains running along the west boundary of the project. Crestview is requiring that the two 14" mains be replaced with one 20" main as a requirement of the plans. I'm not sure why they want to meet but, I'm sure it has to do with the cost associated with the replacement.

CLEAR LAKE SUBDIVISION

The water and sewer plans for the Clear Lake Estates subdivision have been provided to Crestview for review. Both the water and sewer mains have all been installed.

POMPONIO TERRACE

The water and sewer plans for the Pomponio Terrace subdivision were provided to Crestview for our review. The plans were also provided to RG and Associates for their concurrent review. The utility plans have been reviewed by Crestview staff and also by RG and Associates staff. All comments have been addressed satisfactorily. The water portion of the plans has been submitted to Denver Water for their review. Pomponio Terrace is hopeful to start installing utilities early in 2017.

BAKER APARTMENTS

The water and sewer plans for the Baker Apartments were provided to Crestview for our review. The Baker Apartment development is hopeful to break ground by March 2017.

Denver Water November purchase
34,236,000 gallons
1,141,200 gallons per day
Average since 2006 is 35,584,000 gallons

BILLS -

Director Martin made a motion to adopt the following resolution:

RES #37-16 BE IT RESOLVED THAT the Bills be paid.

Director Doak seconded the motion.

AYES: Directors Doak, Martin, Sweeney, Dietz and Sakowicz.

NAYS: None.

The resolution was adopted unanimously.

OFFICE DATA and FINANCIAL REPORT

The Office Data and Financial Reports were accepted as presented.

UNFINISHED BUSINESS

Public Information

No report.

Metro Report

No report

NEW BUSINESS

Bankruptcies

Ron Forman will look into the possibility of collecting for accounts placed in a bankruptcy status.

There was a discussion regarding a discrepancy with the quarterly Metro connection fee reports.

There being no further new business to come before the Board, a motion was made and seconded to adjourn the meeting. Director Doak adjourned the meeting at 8:43 P.M.

Respectfully submitted,

Danny Sweeney, Secretary