

RECORD OF PROCEEDINGS

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF
THE CRESTVIEW WATER AND SANITATION DISTRICT
ADAMS COUNTY, COLORADO
September 6, 2017

The regular 7:00 P.M. meeting of the Board of Directors of the Crestview Water and Sanitation District was held September 6, 2017 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
Ron Sanchez – Metro Report	District Representative

The Pledge of Allegiance was recited.

PUBLIC COMMENTS

No one from the public was in attendance. There were no comments made.

METRO REPORT, RON SANCHEZ

- Metro District Manager, Catherine Gerali is retiring December 31, 2017. Metro is conducting a nationwide search for her replacement.
- Metro is constructing a new access bridge across the Burlington ditch at the Southern Treatment Plant due to increased traffic flows at the north entrance.
- A new process to remove free chlorine within the influent at the treatment facility is being tested. The new process will utilize a vinegar and hydrogen peroxide solution.
- A correction from the August 9, 2017 Crestview Board of Directors meeting update, Metro charges \$100 per 1000 gallons for customers to haul in liquid waste.

LARRY HOPPER, PIPELINE CREW START-UP PRESENTATION

Larry introduced himself and gave a brief description of his duties during his 17 year tenure at Crestview. Larry presented a draft budget comparing Crestview’s proposed crew and contractor prices. A pipeline contractor would charge Crestview approximately \$300 per lineal foot where Larry has figured approximately \$134 per lineal foot from Crestview’s crew. Six months to construct the postponed proposed 2017 project. With Crestview’s crew constructing the 2017 designed project, total cost including employee wages and benefits would be near \$1,000,000 for a projected savings of \$600,000 over the budgeted amount is anticipated. Payroll for the pipeline crew is estimated at \$384,500 for the year. A breakdown of equipment depreciation per piece over a 10 year period was calculated then inserted into the specific project estimated costs for the 2017 proposed replacement project.

Director Doak asked about employee benefits.

Larry Hopper mentioned health care, sick time, holidays, vacations and boots.

A discussion about hiring for the crew ensued. It is a concern that we will have a difficult time hiring skilled operators away from contractors. Many operators are receiving paid health care for themselves and their families whereas Crestview has eliminated the family/spouse coverage for its employees.

It is anticipated that the pipeline crew will begin operations around the first of 2018 utilizing four 10 hour days.

Larry Hopper indicated the he is very determined and confident that the pipeline crew can be a great success.

The Board thanked Larry for his presentation and invited him to stay for the rest of the meeting.

Larry thanked the Board for allowing him to speak with them then left the meeting.

MINUTES FOR APPROVAL, August 23, 2017

Director Doak asked if there were any corrections, deletions, or additions to the Minutes for the August 23, 2017 meeting of the Board.

There being no corrections, deletions, or additions, the Minutes for the August 23, 2017 meeting of the Board were accepted as presented.

DISTRICT MANAGER'S REPORT

2018 BUDGET PREPARATIONS-Charlie Poysti of Poysti and Adams is scheduled to be at the Crestview office on September 11th & 12th to begin preparations for the 2018 Budget. Once Mr. Poysti has compiled the requisite information, he will supply me with a Draft Budget around September 18th or 19th. Once I have reviewed the Draft, I will supply each Board member with a copy prior to the September 27th Budget Committee meeting. The **2018 Budget Committee meeting** is scheduled for Wednesday, September 27, 2017 and is to be held at **Mickey's Top Sirloin located at 6950 Broadway**. Dinner will be served at 6:30 PM with the Budget Committee meeting to begin at 7:30 PM.

TIME VALUE INVESTMENTS-In order to purchase the bonds that were discussed at the August 23rd meeting of the Board, Crestview will need to open a Municipal Investment account at a Safe Keeping Bank. US Bank will be the safe keeping bank for Crestview. The process to open a Municipal Investment Account with US Bank is underway. I have a few papers for Mike and Danny to sign. Once these papers are signed, I'll provide the specific forms to both US Bank and Time Value Investments respectively. US Bank requires Crestview's Board to pass their resolution to have US Bank be Crestview's Safe Keeping Bank.

Director Dietz made a motion to adopt the following resolution:

RES. # 14 - 17 RESOLVED, that any 1 of the officers of this entity designated below:

Mitch Terry, District Manager

Mike Doak, Board President

Is/are authorized, on behalf of and in the name of this entity, (a) to direct, orally or in writing or electronically or through any other medium agreed to by said officer(s) and the corporate Treasury Division of U.S. Bank N.A. ("Treasury"), the opening of an investment account and the investment of corporate funds in securities and/or time deposits with and/or through the Treasury through such account; (b) to execute, on behalf of the corporation, contracts or agreements in connection with such investment account in the usual form provided by the Treasury for such accounts generally; (c) to receive in respect of said Investment account confirmations, receipts, notices, demand, reports, and communications of any kind; (d) to receive in respect of said investment account money, securities, time deposits, and property of every kind, and to dispose of same; (e) to endorse and deliver for deposit, negotiation, transfer, pledge, or sale, and to identify or guarantee signatures or endorsements on, notes, certificates of deposit, checks, and securities of all kinds, either belonging to or coming into the possession of the corporation; and (f) to authorize, orally or in writing or through any other medium agreed to by said officer(s) and the Treasury, the debiting and/or crediting by the Treasury of this corporation's deposit account(s) at any financial institution for the purpose of effecting such transaction.

Director Dietz made a motion to adopt the following resolution:

RES. # 15 - 17 WHEREAS the Board of Directors of the Crestview Water and Sanitation District has determined that it is desirable for the District to seek maximum possible investment income on its accumulated funds, and

WHEREAS, with advice of legal counsel, the Board has determined that an investment through Time Value Investments, Inc., of Seattle, Washington (TVI) in bonds approved in the Colorado Revised Statutes is a permissible and appropriate investment for a Colorado Special District; and

WHEREAS, the Board has determined that such investment may provide additional investment income beyond what is being obtained through current investments;

NOW, THEREFORE, BE IT RESOLVED THAT the District will make an investment in approved bonds through TVI as described above in the initial amount of \$4,000,000 (FOUR MILLION DOLLARS).

Director Sakowicz seconded the motion.

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

NAYS: None.

The resolution was adopted unanimously.

SDA CONFERENCE REMINDER-The annual SDA conference is next week, September 13th – 15th. All registrations and accommodations have been made for the Board, Office Manager Lori Lucero and myself to attend. Please let me know at the meeting if you need a ride to the conference. The opening breakfast is Wednesday at 7:15 am.

Directors Dietz, Doak, Sakowicz and Sweeney will be driving separately. Director Martin will not be attending this year.

NORTHGATE WATER DISTRICT- The Pomponio Terrace subdivision has completed the installation of the 16 inch water main that attaches to Crestview's water distribution system allowing for water supply to the subdivision. A connection to the northern portion of the Northgate Water District will be made within the next two weeks resulting in the official transfer of service from Northgate Water to Crestview Water. There are three services that won't be transferred at the same time as the northern portion. The three services are in an area that won't be finished for another month due to the complicated nature of removing the existing Northgate water main servicing them and installing the new Crestview main in its place. These three services are for Goodwill, Autozone and the gas station all located south of 70th avenue along Federal Blvd. Once the new main is installed, the final three services will be transferred, thus completing the total transfer of service from Northgate Water to Crestview Water. A bill of sale will need to be signed by both Boards from Northgate and Crestview and will be presented for signature at the first regularly scheduled meeting of the Board after the transfer of all water services have been made.

CRESTVIEW PIPELINE REPLACEMENT CREW- During the Crestview Board of Directors meeting on August 23, 2017, the Board approved the addition of a pipeline crew to Crestview's staff to self-perform Crestview's water main replacement projects. As part of the preparations for start-up of the crew, some equipment will be purchased in 2017. Crestview has received two proposals for a skid steer loader which includes attachments to assist in performing the pipeline construction. After reviewing the proposals, it was determined that Bobcat of the Rockies presented a better proposal which included an S740 Bobcat Skid-Steer Loader, 74" bucket, 48" pallet fork assembly, hydraulic breaker with nail point and a 72" sweeper attachment for \$57,202. We have calls in for a one ton utility truck also. I'll get those prices to the Board as I get them. Other smaller equipment will be purchased soon such as jumping jack compactors, asphalt coring equipment, a demo saw, pipe lifters...

WATER BREAK AT 2953 WESTCHESTER-Crestview had a water break in front of 2953 Westchester on August 28th that caused approximately 40 linear feet of curb, gutter and sidewalk to be removed. The main is located under the sidewalk. The sidewalk was either lifted, sunk or removed for the repair. We have one bid on concrete replacement currently that is \$6,000. We'll be getting another bid on Tuesday, September 5th.

MIDTOWN AT CLEAR CREEK SUBDIVISION- the plans for Filing 9, located on the southwest corner of 68th & Pecos are still in review. The water portion is good to go but the sewer mains are still being adjusted to avoid having to have private sewer mains within the filing. The elementary school that is planned for the southeast corner of 68th & Zuni are being reviewed currently also. Midtown intends to install a temporary 12 inch water main at the west end of their development to replace Crestview's two existing 14 inch water mains. After the new 12 inch main is installed, it will allow for a new 20 inch water main to be installed in the same location as the two 14 inch water mains previously mentioned.

Once the new 20 inch water main is completely installed and put into service, the two 14 inch water mains and the temporary 12 inch water main will be abandoned in place. The 12 inch water main will be installed in 2017.

CLEAR CREEK VILLAGE TOD- The developer and the engineer for the TOD Group have been in contact with me several times over the last few weeks. They are tentatively looking to build three, three story buildings. There will be approximately 120 residential units within these proposed buildings. The TOD Group and Denver Water have also been in communications to determine the best schedule to get Crestview's master meter relocated from 52nd & Eliot to 60th & Federal and to install a new master meter at 60th & Lowell. Sixteen water services and five fire hydrants will also need to be transferred from Crestview's water main in Federal to Denver Water's water main in Federal as part of the Berkeley Water takeover by Denver Water. These will also be performed by the TOD Group to allow them to construct their project at 6001 Federal Blvd.

CLEAR LAKE SUBDIVISION-Homes are currently being built on Florado Street. No taps have been purchased for Tejon Street or Shoshone Street to date. Clear Lake intends to purchase twenty additional taps in 2017.

POMPONIO TERRACE- The new 16" water main being constructed by the Pomponio Terrace project is complete from Zuni to Federal. There are sanitary sewer mains and water mains being constructed within the project as well. Pomponio Terrace is also hopeful to start building homes by October 1st.

BAKER APARTMENTS-The Baker Apartment development is hopeful to break ground by the end of October. Water, sewer and fire line taps for the entire development will be paid to Crestview before the end of the year.

Denver Water August purchase
63,545,000 gallons
2,050,000 gallons per day
Average since 2006 is 79,131,000

BILLS -

Director Martin made a motion to adopt the following resolution:

RES #16-17 BE IT RESOLVED THAT the Bills be paid.
Director Sakowicz 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.

PUBLIC INFORMATION-An ad will be posted twice in the Westminster Window in September detailing Crestview's Budget Public Hearing to be held on October 27th.

NEW BUSINESS-No news to report

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 7:48 P.M.

Respectfully submitted,

Danny Sweeney, Secretary