

RECORD OF PROCEEDINGS

**MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF
THE CRESTVIEW WATER AND SANITATION DISTRICT
ADAMS COUNTY, COLORADO
FEBRUARY 14, 2018**

The regular 7:00 P.M. meeting of the Board of Directors of the Crestview Water and Sanitation District was held February 14, 2018 at the office of the District, 7145 Mariposa Street, Adams County, Colorado. The meeting was presided over by Board 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

Absent:

Ron Sanchez – Metro Report	District Representative
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THE PLEDGE OF ALLEGIANCE WAS RECITED

PUBLIC COMMENTS

No one from the public was present

METRO REPORT, RON SANCHEZ

No Metro report was given

MINUTES FOR APPROVAL, JANUARY 24, 2018

Director Doak asked if there were any corrections, deletions, or additions to the Minutes for the January 24, 2018 meeting of the Board.

There being no corrections, deletions, or additions, the Minutes for the January 24, 2018 meeting of the Board were accepted as presented.

DISTRICT MANAGER’S REPORT

2017 ANNUAL FINANCIAL AUDIT-The 2017 annual financial audit for the Crestview Water & Sanitation District will be performed by Charlie Poysti of Poysti and Associates on February 15 and 16, 2018. Mr. Poysti will present his findings at the March 14, 2018 regular meeting of the Board. As part of the 2017 financial audit, Poysti and Associates also calculates the sewer rates for the Skyline Vista subdivision for the 2nd, 3rd and 4th quarters of 2018 and the 1st quarter of 2019. The calculation is derived from the 1954 Connectors Agreement that details how the rates are to be calculated.

2018 ELECTION-The date for the Colorado Special District biennial election is May 8, 2017. Crestview will have three directors whose terms will expire this year. The three Directors up for re-election are Henry Dietz, Mike Doak and Lori Sakowicz. These three positions will be four year terms. Crestview voters have voted to eliminate term limits for directors so all three directors are eligible for re-election. Self-nomination forms are due by 4:00 PM, March 2nd.

INVESTMENT BONDS-Crestview purchased four bonds in 2017 to allow the District to earn more money than what the bank is able to pay in interest. A total of \$4,000,000 were invested. As of February 1, 2018, Crestview has been paid two interest dividends totaling \$11,575. The January 16th interest payment was \$5,950 and the January 26th interest payment was \$5,625. The next planned interest payment will be in March of 2018 for a total of \$8,500. I have enclosed a spreadsheet of the five bonds that Crestview has purchased detailing the expected interest payments for each bond through maturity.

Bond #	CUSIP	Issuer	Par Value "\$ Coming Back at Maturity"	Settle Date "Ownership Date"	Maturity "End Date"	Purchase Price	Purchase Cost	Yield to Maturity
1	3135G0M59	FNMA (Fannie Mae)	\$1,000,000	10/5/2017	7/26/2019	99.4038	\$994,038	1.46%
2	3133EGLB9	FFCB (Federal Farm Credit Bank)	\$1,000,000	10/5/2017	7/13/2020	98.849	\$988,490	1.62%
3	3134GBH21	FHLMC (Freddie Mac)	\$1,000,000	10/5/2017	9/29/2020	99.9419	\$999,419	1.72%
4	76116FAG2	RF CSP (Resolution Funding Corp.)	\$1,057,000	10/5/2017	1/15/2021	99.603	\$999,954	1.70%
Bond 1 Cash Flows:								
Payment	Date	Interest	Principal	Total				
	1/26/2018	5,625.00	-	5,625.00				
	7/26/2018	5,625.00	-	5,625.00				
	1/26/2019	5,625.00	-	5,625.00				
	7/26/2019	5,625.00	1,000,000.00	1,005,625.00				
Bond 2 Cash Flows:								
Payment	Date	Interest	Principal	Total				
	1/13/2018	5,950.00	-	5,950.00				
	7/13/2018	5,950.00	-	5,950.00				
	1/13/2019	5,950.00	-	5,950.00				
	7/13/2019	5,950.00	-	5,950.00				
	1/13/2020	5,950.00	-	5,950.00				
	7/13/2020	5,950.00	1,000,000.00	1,005,950.00				
Bond 3 Cash Flows:								
Payment	Date	Interest	Principal	Total				
	3/29/2018	8,500.00	-	8,500.00				
	9/29/2018	8,500.00	-	8,500.00				
	3/29/2019	8,500.00	-	8,500.00				
	9/29/2019	8,500.00	-	8,500.00				
	3/29/2020	8,500.00	-	8,500.00				
	9/29/2020	8,500.00	1,000,000.00	1,008,500.00				
Bond 4 Cash Flows (pays all interest at maturity):								
Payment	Date	Interest	Principal	Total				
	7/15/2018	-	-	-				
	1/15/2019	-	-	-				
	7/15/2019	-	-	-				
	1/15/2020	-	-	-				
	7/15/2020	-	-	-				
	1/15/2021	-	1,057,000.00	1,057,000.00				
Bond #	CUSIP	Issuer	Par Value "\$ Coming Back at Maturity"	Settle Date "Ownership Date"	Maturity "End Date"	Purchase Price	Purchase Cost	Yield to Maturity
1	3130ADF23	FHLB (Federal Home Loan Bank)	\$1,000,000	1/26/2018	1/18/2019	100	\$1,000,000	1.75%
Bond 1 Cash Flows:								
Payment	Date	Interest	Principal	Total				
	7/18/2018	8,750.00	-	8,750.00				
	1/18/2019	8,750.00	1,000,000.00	1,008,750.00				

2017 SEWER MAIN REHABILITATION PROJECT- The 8" sewer mains have all been lined. All of the 12" and 15" sewer mains have been lined. One of the 15" mains had a wrinkle in the liner and will need to be cut out and re-lined. We're working with the contractor to determine the methods and lengths. Insituform will be invoicing us after all work has been completed.

NORTHGATE WATER DISTRICT- *Nothing new to report-notes from January 24th meeting of the Board*: Denver Water has approved the plans for the water main along Federal Blvd. Work to install the main should start within a month or so. Three services are all that remain connected to the Northgate Water District's water main. 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.

MIDTOWN/BROOKFIELD RESIDENTIAL 20 INCH WATER MAIN DISCUSSION-On January 11, 2018, I met with representatives from the Midtown/Brookfield Residential development, Chris Petro and Mike Pietschmann. Mr. Petro and Mr. Pietschmann requested that I discuss with the Board any possible reimbursement to Brookfield for the Crestview required replacement of its two 14 inch water mains with a new 20 inch water main on the west edge of the Midtown development. They had two proposals; have a time limited cost reimbursement from any developer that connects to Crestview's system attached to Crestview's tap fees or to have Crestview assist in direct funding as part of a capital improvement expense. I indicated that I would speak to the Board on February 14th at their regular meeting.

Director Martin made a motion to adopt the following resolution:

RES. 4 -18 WHEREAS Brookfield Residential is developing the Midtown at Clear Creek subdivision situated between Pecos Street and Zuni Street and W. 66th Avenue to W. 68th Avenue and is connecting to Crestview Water and Sanitation District's water and sewer infrastructure, and

WHEREAS Crestview's Rules and Regulations require all new development to construct and deed over to Crestview free and clear any new water and/or sewer mains needed to facilitate water and/or sewer service to their development , and

WHEREAS Crestview has required Brookfield Residential to replace Crestview's two existing 14 inch water mains running north and south along Zuni Street at the westernmost boundary of the development with a new 20 inch water main prior to connecting Filing 6 of the development to Crestview's water distribution system, and

WHEREAS, Crestview has determined that the District has imposed an unrealistic burden on Brookfield Residential to construct a 20 inch water main instead of the standard 8 inch water mains needed for residential developments, and

WHEREAS, Brookfield Residential contracted with Iron Woman Construction in 2017 to install the new 20 inch water main at a cost of \$291,591. Crestview's Board reviewed the contracted costs of the 20 inch water main with the estimated cost of installing a new 8 inch water main for standard residential development connections at \$84,118 then deducted the \$84,118 from the contracted \$291,591, and

WHEREAS, Crestview has determined that it is in the best interest of the District to cost share with Brookfield Residential in the construction of the 20 inch replacement water main to ultimately save the District higher construction costs if it were to construct the project as a standalone capitol replacement project, and

NOW, THEREFORE, BE IT RESOLVED THAT the Board of Directors, Crestview Water & Sanitation District agrees to provide \$207,473 to Brookfield Residential as the comparative difference of the installation of an 8 inch water main to that of a 20 inch water main based on standard residential development connections to be paid in a lump sum payment in January of 2019.

Director Doak seconded the motion.

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

NAYS: None.

The resolution was adopted unanimously.

DENVER WATER JANUARY PURCHASE-

36,437,000 gallons were purchased in January

The average since 2006 is 37,423,000 gallons for January

Enc.

Resolution to reimburse Midtown Residential for new water main installation

Spreadsheet of investment bonds

BILLS –

Director Doak requested that the Bills be separated into four departments; Water, Sewer, Pipeline and Admin Various questions were asked and answered by Mr. Terry

Director Martin made a motion to adopt the following resolution:

RES # 5 -18 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

The Office Data was accepted as presented.

FINANCIAL REPORT

The Financial Report was accepted as presented.

UNFINISHED BUSINESS-Nothing new to report

PUBLIC INFORMATION-A 30 day Public Hearing notice has been posted at the District office and on the District website regarding the exclusion of the property located on the northwest corner of Pecos St. and 69th Ave. by the Adams County Fire and Rescue District. The hearing will be at the next Crestview Board meeting, March 14, 2018 at 7:00 PM

NEW BUSINESS-

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 7:18 P.M.

Respectfully submitted,

Danny Sweeney, Secretary