

RECORD OF PROCEEDINGS

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF
THE CRESTVIEW WATER AND SANITATION DISTRICT
ADAMS COUNTY, COLORADO
September 19, 2018

The regular 7:00 P.M. meeting of the Board of Directors of the Crestview Water and Sanitation District was held September 19, 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
Tom Ryszkowski	Director
Everett Patterson	Director

Also Present:

Mitch Terry	District Manager
Ron Forman	Attorney
Ron Sanchez	Metro Report

THE PLEDGE OF ALLEGIANCE WAS RECITED

RONALD FORMAN 40 YEAR ANNIVERSARY- Ron Forman has been providing legal counsel to Crestview Water & Sanitation District since September 23, 1978. Ron has seen many changes during his time with the District including the closing of the District’s water treatment facility and negotiating the Master Meter contract with Denver Water for the purchase of wholesale drinking water. Mr. Forman has been instrumental in creating and maintaining Crestview’s Rules and Regulations and its Employee Policy Manual throughout his time with Crestview. Crestview has benefitted from Mr. Forman’s guidance through thorough review of countless construction contracts, easement agreements, Intergovernmental Agreements and assisting the District in taking possession of the Northgate Water District in 2018. Thank you, Ron, for your outstanding commitment to Crestview Water and Sanitation District. Congratulations on your 40-year anniversary with the District!

PUBLIC COMMENTS

No one from the public was present

METRO REPORT, RON SANCHEZ

- Adams County at the Regional Park has been trying to get Brighton to handle their sewage since 2010, but have not been able to get together a treatment plan so they have been using a lagoon system. They have now contracted with Metro for their treatment needs.
- Designing a new syphon system, need to replace pipe and transition system.
- Going to be doing some building upgrades for personnel.
- Still have the ongoing study of phosphorus and the removal from the inflow.
- Working on a sludge water removal study to minimize the hauling costs.

MINUTES FOR APPROVAL, August 22, 2018

Director Doak asked if there were any corrections, deletions, or additions to the Minutes for the August 22, 2018 meeting of the Board.

There being no corrections, deletions, or additions, the Minutes for the August 22, 2018 meeting of the Board were accepted as presented.

DISTRICT MANAGER'S REPORT

2019 BUDGET PREPARATIONS-Charlie Poysti of Poysti and Associates was at the Crestview office on August 31st to begin preparations for the 2019 Budget. Once Mr. Poysti has compiled the requisite information, he will supply me with a Draft Budget for my review. Once I have reviewed the Draft, I will supply each Board member with a copy at the September 19, 2018 meeting of the Board for their review. The 2019 Budget Committee meeting is scheduled for Wednesday, September 26, 2018 and is to be held at Mickey's Top Sirloin, 6950 Broadway Street. Dinner will be served at 6:00 PM with the Budget Committee meeting to begin at 7:30 PM. A Notice of Proposed Budget was in the Westminster Window during the weeks of September 6th and 13th and also on our website.

NEW BACK-HOE DELIVERED-Crestview received its new John Deere 410L back-hoe on August 27, 2018. Crestview contracted with Honnen Equipment to purchase the back-hoe in January 2018. The total cost to Crestview was \$114,102.

INVESTMENT BONDS ARE MATURING-Crestview has five investment bonds that are laddered to keep them all from maturing at the same time. One of the bonds will be maturing on January 18th, 2019. This bond will be paid back to the district at \$1,008,750 netting the District with an interest gain of \$8,750 for an eleven-month bond. With this bond maturing, is the Board thinking about reinvesting the \$1,000,000? If yes, the other four bonds are also getting shorter so we may want to think about getting another longer-term bond, 3 ½ to 5-year bonds. The 3.5-year bonds are the same percentage as the 5 year so I would say a 3 ½ year bond would be fine. As of September 6th, there are many bonds that are paying yields around 2.65%. Our current bonds are all paying around 1.7 percent. Some samples of currently available bonds are a 2-year 8-month bond yielding 2.65%, a 3-year 3-month bond yielding 2.68%, a 3-year 9-month bond yielding 2.7% and a 4-year 7-month bond yielding 3% but is not discounted therefore, it will cost more to purchase it so it offsets to around 2.68%. Another thought is that we re-invest this \$1m in a 3-year 9-month bond and invest the District's emergency reserve in a few 1.5-year bonds. Just a thought.

The Board decided to roll the bond that will be maturing January 18, 2019 into a 3.5 year bond to continue laddering the bonds that the District owns. The Board decided not to invest the District's emergency reserves to allow them to remain liquid.

2018 WATER MAIN REPLACEMENT PROJECT-Crestview's pipeline replacement crew is currently constructing the 2018 Water Main Replacement Project (WMR-1). The project consists of six streets. Raritan St., Alan Dr., Avrum Dr., Larsh Dr. and Ruth Way from 72nd north to 73rd and Lowell Blvd. from 68th Ave. north to approximately 70th Avenue.

The new water mains have all been replaced and are in service with the exception of Lowell Blvd. The streets of Ruth Way, Larsh Drive, Avrum Drive, Alan Drive and Raritan Street are 100% completed. The water main in Lowell Blvd. is about 66% installed. The second project for 2018 is designed and is at Denver Water for final review. It is anticipated that our pipeline crew will start project #2 sometime in late October or early November.

MIDTOWN FILING 6 AND 9- Construction of water and sewer mains in filing 6 are complete. Construction of the 20 Inch water main to eliminate the two existing 14" water mains has been completed and is now in service. The two 14" water mains have been abandoned. Water services and sanitary sewer services are being constructed into properties as they are being built.

WESTMINSTER STATION/POMPONIO TERRACE-The developer and its engineers are still trying to determine how they intend to connect the Westminster Station/Pomponio Terrace sewer system to Crestview's sewer system and also upsize Crestview's outfall main. To date, 42 homes are either constructed or are under construction. In an email sent to Pomponio Terrace Holdings on January 16, 2018, Crestview has stated that until a satisfactory outfall is designed and built to accommodate the entire development and Crestview's existing flows, only 47 homes can be connected to the existing sanitary sewer system. On September 6th, 2018, I met with Jim Merlino, President of Pomponio Terrace Holdings, to discuss potential options to allow additional homes over the allowed 47 homes to Crestview's sewer system until the required outfall is constructed. During our meeting, it was determined that a new 24-inch sewer main can be constructed on the north side of Little Dry Creek and will act as an overflow and will be connected to an existing sewer crossing at Zuni. This existing sewer main at Zuni is only a 10-inch sewer main and is currently not in use. The existing sewer main at Zuni is not adequate in size to make up for the required 24-inch outfall. Ultimately, this new 24-inch sewer main will be part of the required outfall.

Denver Water and City of Westminster August purchase
Denver Water 50,657,000
City of Westminster 27,319,000
77,976,000 gallons combined
2,515,000 gallons per day
Average since 2006 is 73,041,000 gallons

Enc.

Proposed DRAFT 2019 Budget

BILLS –

Director Martin made a motion to adopt the following resolution:

RES # 28-18 - BE IT RESOLVED THAT the Bills be paid.

Director Doak seconded the motion.

AYES: Directors Doak, Martin, Sweeney, Patterson, and Ryszkowski

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

No unfinished business

NEW BUSINESS

Gross Reservoir tour is Friday October 5th. Directors Patterson, Sweeney, Doak, and District Manager Terry will be attending.

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 7:53 P.M.

Respectfully submitted,

Danny Sweeney, Secretary