

RECORD OF PROCEEDINGS

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

The regular 7:00 P.M. meeting of the Board of Directors of the Crestview Water and Sanitation District was held November 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
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

PUBLIC COMMENTS

No one from the public was present

METRO REPORT, RON SANCHEZ

- Healthcare benefits meeting – review of the costs and benefits of employee benefits. A lot is still in executive session which is why Metro won't release any information until the details become final.
- Retiree healthcare liability. What kind of unfunded liability? It is reported to be about \$5 million.
- Still monitoring Suncor for benzene.
- Contract for Oracle software has been approved.
- The second Creek interceptor is being designed. Metro is now looking for financing. Anticipated cost is \$11 million.

MINUTES FOR APPROVAL, October 10, 2018

Director Doak asked if there were any corrections, deletions, or additions to the Minutes for the October 10, 2018 meeting of the Board.

There being no corrections, deletions, or additions, the Minutes for the October 10, 2018 meeting of the Board were accepted as presented.

Director Martin made a motion to adopt the following resolution:

RES # 37-18 - BE IT RESOLVED THAT the minutes for October 10, 2018 are accepted as presented

Director Ryszkowski seconded the motion.

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

NAYS: None.

The resolution was adopted unanimously.

MINUTES FOR APPROVAL, October 24, 2018 2019 Budget Public Hearing

Director Doak asked if there were any corrections, deletions, or additions to the Minutes for the October 24, 2018 2019 Budget Public Hearing.

There being no corrections, deletions, or additions, the Minutes for the October 24, 2018 2019 Budget Public Hearing were accepted as presented.

Director Martin made a motion to adopt the following resolution:

RES # 38-18 - BE IT RESOLVED THAT the minutes for October 24, 2018 2019 Budget Public Hearing are accepted as presented

Director Ryszkowski seconded the motion.

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

NAYS: None.

The resolution was adopted unanimously.

DISTRICT MANAGER'S REPORT

WELCOME NEW EMPLOYEE TOBY MEISSNER-Toby Meissner comes to Crestview with 10 years of experience in the water and wastewater industry. Toby joined Crestview on November 5, 2018.

POMPONIO TERRACE REIMBURSEMENT RESOLUTION-The developer of the Westminster Station subdivision, Pomponio Terrace Holdings has requested that Crestview assist in collecting reimbursement funds from any future developers that would need to connect their development to the sixteen-inch water main that was constructed by Pomponio Terrace Holdings to provide a water supply to their development. During the October 10, 2018 meeting of the Board, the Board adopted reimbursement agreement resolution #32-18. After reading through Resolution #32-18 again, I found it to be a bit unclear with regard to charging any reimbursement fees to builders within the Westminster Station subdivision. After conferring with Crestview's attorney, Ron Forman, the resolution wording regarding builders within Westminster Station was revised and the resolution will now need to be adopted with a different resolution number. Resolution No. 32-18 will need to be marked in the District's official file version that it was superseded by a later resolution by Resolution No. 39-18 on November 14, 2018. I have provided an amended resolution in your Board packet.

Director Martin made a motion to adopt the following resolution:

RESOLUTION NO. 39-18

WHEREAS THE BOARD OF DIRECTORS CRESTVIEW WATER AND SANITATION DISTRICT HAS DETERMINED AS FOLLOWS:

(A) That Pomponio Terrace Holdings, LLC (hereafter "PTH") has constructed within the District a water line ("the water line") as described on the attached, and PTH shall convey title to that water line to the District after a two-year warranty period from the date of initial acceptance;

(B) That a portion of the water line ("the improvement") provides potential benefit to property within the District other than that owned by PTH.

(C) That it is fair and appropriate that owners of property who derive benefit from the improvement by means of obtaining water service connections within a period of Ten (10) years from the date the water line was conveyed to the District provide some reasonable reimbursement, calculated on the per gallon basis, to PTH, for the cost of constructing the improvement.

(D) The reimbursement provided for herein does not establish any precedent for future similar situations, each of which shall be considered and determined on its individual merits and circumstances.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. For a period of ten (10) years from the date the said water line was conveyed to the District, any third-party owners, developers or builders connecting to or accessing the improvement in order to receive water service from the District shall, in order to be permitted to receive water service from the District, pay to the District a sum as calculated according to the provisions below, which sum, less an administrative fee of 3% to be retained by the District, shall be paid over to PTH.

2. The sum to be paid by any such property owner shall be calculated based on an allocation of daily gallons per unit at a rate of \$29/gallon, whereby each single family residential units are each allocated 99 gallons (99 X \$29 = \$2,871), multifamily residential units are each allocated 104 gallons (104 X \$29 = \$3,016), and the allocation of gallons to commercial units may vary as determined by the District, whereby the gallons allocated to each commercial unit shall equal 99 gallons (99 X \$29 = \$2,871), multiplied by the single Family Residential Equivalents allocated to the commercial unit by the District.

3. The reimbursement sum is due and payable to the District at the time that a property owner initially applies to the District for connection of water service to the property owner's property and pays the required fee to the District, without regard to whether the same property owner will or may make subsequent applications for connection of service and pay subsequent fees for the same property.

4. The District shall accumulate the reimbursements received during each calendar quarter and pay the total amount so accumulated during the quarter, if any, over to PTH within 30 days of the end of the quarter.

5. The total of all reimbursement fees to be collected pursuant to Paragraphs Nos. 1 and 2 above shall not exceed the sum of \$2,160,365.00. If such sum is reached, no further reimbursement fees shall be collected under said Paragraphs Nos. 1 and 2.

6. The District is seeking to collect and pay over this reimbursement as an accommodation to PTH. The District shall not be liable to PTH for its failure in any fashion to collect such sum, and the District shall not be obligated to commence litigation in order to collect such sum.

7. PTH may not obtain any direct reimbursement from any property owner.

Director Patterson seconded the motion.

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

NAYS: None.

The resolution was adopted unanimously.

SANITARY SURVEY BY CDPHE-Crestview Water and Sanitation District had its tri-annual sanitary survey performed on October 10, 2018 by the Colorado Department of Public Health and Environment. The sanitary survey is performed every three years by a member of CDPHE who will review Crestview's maintenance records involving valve exercising and maintenance, blow-off exercising and maintenance and fire hydrant exercising and maintenance. The maintenance and observation records for Crestview's Pressure Reducing Valves (PRVs) and water storage tanks will also be reviewed along with a site visit to each facility. CDPHE has provided a written report of the operations of the district and found no significant deficiencies or violations. There were three observations mentioned in the letter;

1. Denver Water needs to submit an application for modification of the Integrated Agreement dated October 14, 2018.
2. The District's written emergency response plan needs to include natural or human-caused failure procedures to protect the District's distribution system.
3. Crestview needs to purchase "Secondary Gel Standards" calibration equipment for its chlorine testing equipment.

A copy of the letter is included in this packet.

2018 WATER MAIN REPLACEMENT PROJECT-Crestview's pipeline replacement crew is nearing completion of 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. The streets of Ruth Way, Larsh Drive, Avrum Drive, Alan Drive and Raritan Street are 100% completed. The installation of the water main in Lowell has been completed. The street milling and overlay on Lowell are the only items left of the Lowell water main replacement. 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.

SEWER MANHOLE LINING- Concrete Conservation has completed the project to spray line twenty-seven manholes for Crestview in 2018. The estimated cost to have the twenty-seven manholes sprayed is \$53,760. The final cost to the District was \$53,130.00. Clarice is reviewing our records to see if there are any sewer mains that need to have calcium removed this year also.

MIDTOWN FILING 6 AND 9- Foundations for homes have started popping out of the ground in both Filing 6 and 9. Midtown is starting to purchase water and sewer taps in both filings.

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. To date, 42 homes are either constructed or are under construction. In an email sent to Pomponio Terrace Holdings on January 16, 2018, Crestview 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 to connect 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 connect to an existing sewer crossing at Zuni. This existing sewer main at Zuni is 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 that will carry the existing Crestview sewer flows and any future flows from the Westminster Station development and any potential future developments in the northern part of Crestview. No additional homes over the allowed 47 have been approved by Crestview for connection as of this date. Once construction has commenced on the 24-inch overflow, an additional home allowance will be made.

CLEAR CREEK VILLAGE TOD-The developers of the Clear Creek Village development have requested that Crestview allow them to construct Phase 1, a 110 room 4-story hotel, and a 4-story 70-unit condominium structure on the site located at 6100 Federal Blvd. During the October 10, 2018 meeting of the Board, the Board determined that a third master meter feed to be installed at 56th & Lowell Blvd. and connecting it to the water mains located at 62nd & Lowell Blvd. to allow for more water to flow into the western portion of the District. The Board also discussed negotiating a cost sharing agreement and a cost reimbursement resolution for the construction of the Lowell master meter and water main. The Board indicated that the developer would have to pay for all of the installations up front. The developer is working at a design and projected costs for the new master meter and water main. Denver Water is still requiring the developer to transfer the 16 existing water services south of 60th avenue on Federal from Crestview's water main to Denver Water's water main. Denver Water is also requiring the developer to transfer 5 fire hydrants.

Denver Water October purchase
Denver Water 43,677,000
1,324,000 gallons per day
Average since 2006 is 41,488,000 gallons

Enc.

RES Amended Cost Reimbursement Pomponio Terrace 16-inch Water Main
CDPHE Sanitary Survey results letter

BILLS –

Director Martin made a motion to adopt the following resolution:

RES # 40-18 - 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

No 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 7:51 P.M.

Respectfully submitted,

Danny Sweeney, Secretary