

RECORD OF PROCEEDINGS

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF
THE CRESTVIEW WATER AND SANITATION DISTRICT
ADAMS COUNTY, COLORADO
June 12, 2019

The regular 7:00 P.M. meeting of the Board of Directors of the Crestview Water and Sanitation District was held June 12, 2019 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:

Jill Martin	Vice-President
Danny Sweeney	Secretary/Treasurer
Tom Ryszkowski	Director
Everett Patterson	Director

Also Present:

Mitch Terry	District Manager
Ron Sanchez	Metro District Representative

Absent:

Mike Doak	President
Ron Forman	Attorney

Guests:

Natalie Satt	Highland Development
Megan Becher	Highland Development
Samantha Lillehoff	Highland Development

THE PLEDGE OF ALLEGIANCE WAS RECITED

Highland Development representatives Natalie Satt, Megan Becher and Samantha Lillehoff are present to discuss a proposed overlap metro district for the Berkley Shores Metropolitan District to be located at 6300 Lowell Blvd. to construct a development with approximately 92 homes.

Director Martin made a motion to adopt the following resolution:

RESOLUTION NO. 18-19

**A RESOLUTION CONSENTING TO THE ORGANIZATION OF THE
BERKELEY SHORES METROPOLITAN DISTRICT**

WHEREAS, Section 32-1-107(2), C. R. S., provides that no special district may be organized wholly or partly within an existing special district providing the same services;

WHEREAS, Section 32-1-107(3)(b)(IV), C. R. S., provides that an overlapping special district may be authorized to provide the same service as the existing special district if, among other requirements, the Board of Directors of the existing special district consents to the overlapping special district providing the same service;

WHEREAS, the territory set forth on **Exhibit A** (as attached hereto and incorporated herein by this reference) (the "Property") has been included within the boundaries of the Crestview Water & Sanitation District ("CWSD");

WHEREAS, the Property constitutes a portion of the proposed Berkeley Shores Metro District (“Metro District”) commonly known as Berkeley Shores, which overlaps with the boundary of CWSD;

WHEREAS, CWSD provides water and wastewater services to areas within and without its boundaries;

WHEREAS, the proponents of the proposed Metro District desire to include within its Service Plan the power to finance, construct and/or acquire certain water, sanitation, and wastewater treatment facilities to be constructed within the Property, which facilities shall immediately upon completion be conveyed to CWSD for future operation, maintenance, repair and replacement (the “Facilities”);

WHEREAS, the Facilities to be provided by the Metro District will not duplicate or interfere with any other improvements or facilities already constructed or planned within or without the overlap area;

WHEREAS, upon conveyance of the Facilities to and final acceptance thereof by CWSD, the Metro District shall not be empowered to provide water and/or wastewater services and facilities to the Property, which services and facilities shall be provided by CWSD;

WHEREAS, the proponents of the Metro District have requested the consent of CWSD to the overlap so that the Metro District may provide for the financing, acquisition and/or construction of the Facilities; and

WHEREAS, on the terms and conditions set forth below, CWSD is willing to consent to the Metro District’s limited overlapping powers as more particularly described herein and in the Metro District’s Service Plan.

NOW, THEREFORE, BE IT REASOLVED by the Board of Directors of the Crestview Water & Sanitation District that:

1. Pursuant to Section 32-1-107(3)(b)(IV), C. R. S., CWSD hereby consents to the Metro District having authority to provide for the acquisition and construction of certain facilities, as more particularly described in the Metro District’s Service Plan.
2. Notwithstanding any provision in the Service Plan to the contrary, Metro District shall only have the ability and authority to construct and finance, or cause to be constructed and financed, the Facilities contemplated by the Service Plan, which are to be located within the Property. All such infrastructure within the boundaries of the Property and associated appurtenances that may be constructed and financed, or caused to be construct and financed, by Metro District shall ultimately be owned, operated, and maintained by CWSD upon completion and final acceptance thereof by CWSD.
3. If the Metro District is not formed by June 1, 2020, this Resolution shall be deemed void and of no effect.

DONE AND RESOLVED THIS 17th day of July, 2019.

ATTEST:

CRESTVIEW WATER & SANITATION DISTRICT

Board Secretary

Board President

Director Ryszkowski seconded the motion.

AYES: Directors Martin, Sweeney, Patterson, and Ryszkowski

NAYS: None.

The resolution was adopted.

PUBLIC COMMENTS

No one from the public was present

METRO REPORT, RON SANCHEZ

- Lead Service line - Denver water is to add orthophosphate (mandated by the EPA) beginning March 20, 2020 to combat the corrosion causing lead to leach into the water. Metro has committed \$1.5 million per year for 15 years if the Variance is granted. Denver Water wants to replace all the lead lines at the cost of \$350 to \$500 million.
- New sewer tap fees go up in 2020. Fees will be \$4340
- Reactivation fee will be \$130.00
- New lift station at Denargo Market
- August 14, Mickey Conway Manager is to meet with the Crestview Water and Sanitation District Board.

MINUTES FOR APPROVAL, June 12, 2019

Director Martin asked if there were any corrections, deletions, or additions to the Minutes for the June 12, 2019 meeting of the Board.

There being no corrections, deletions, or additions, the Minutes for the June 12, 2019 meeting of the Board were accepted as presented.

DISTRICT MANAGER’S REPORT

JUNE BIRTHDAYS-Crestview has two employees celebrating their birthday in June, District engineer Clarice O’Hanlon and maintenance worker Donovan Norton. Happy birthday!

2020 RATES STUDY-I have received two proposals for the 2020 rates study and 10 year financial plan. The plan is to have the rates study ready for the Board to review prior to the December 11th meeting of the Board. Raftelis Financial quoted \$29,495 and AE2S Nexus quoted \$31,130 with an optional \$7,550 added for a more specific reports of Renewal and Reserve Forecasting model and a Probabilistic Revenue Forecasting report for a combined total of \$38,680. Crestview has not had a rates study performed since 2015.

Director Patterson asked what a rates study is and what all is needed to perform one.

Mr. Terry described what data is gathered and provided to the consultant to assist them in evaluating Crestview’s current rates and revenues from the data and determining if any changes in rates need to be made for 2020 and beyond.

2019 WATER MAIN REPLACEMENT PROJECT-Formerly labeled as the 2018 Water Main Replacement Project #2 will now be called the 2019 Water Main Replacement Project #1-2. Crestview’s pipeline replacement crew began installation of the new 8” PVC piping on 71st Place on January 14th. The mainline was installed completely on January 18th with clear water testing performed on January 25th. All of the services were transferred on February 4th with the old main being abandoned on February 5, 2019. The water mains in Inca Street and Huron Street north of 72nd avenue have been replaced completely. Kalamath Street has been replaced from 72nd north to Worley Drive. The water main in 72nd has been replaced from Huron Street west to Masey Street. Navajo Street from 72nd avenue north to Worley Drive and 72nd avenue from Masey Street to Pecos are the last streets to be replaced in this project. The estimated completion date is July 12th. Once the water main replacement project is complete, the pipeline crew will move to 68th avenue east of Pecos Street to begin replacing Crestview’s sewer force main.

WEBSITE REFRESH-Crestview’s website is needing refreshed as the platform that it currently operates from is no longer supported by our website provider. On May 23rd, Steve Fox from MediaWorks came to the office to go over options for the layout of the main page of the website. The new website will have all of the same information plus some added electronic forms available for customers and title companies to utilize. We will meet again with Mr. Fox the second week of June to really start moving things around and also deciding on what goes where within the website.

BUDGET COMMITTEE MEETING LOCATION? -Last year, the budget committee meeting was held at Mickey's Top Sirloin at 70th & Broadway. Are there any suggestions for another venue or should we reserve the meeting room for this year's meeting again? The 2020 Budget Committee Meeting will be September 25th.

The Board chose to go to Mickey's Top Sirloin again this year.

SPECIAL DISTRICT ASSOCIATION ANNUAL CONFERENCE-I have made reservations for Danny Sweeney, Everett Patterson, Tom Ryszkowski and myself to attend the conference. The conference is being held at the Keystone Conference Center on September 18, 19 and 20th.

The Board asked attorney Ron Forman if he would like to attend. Mr. Forman graciously declined the offer.

MIDTOWN FILING 6 AND 9- Filing 6 is filling up quickly. Filing 9 is moving forward with more and more of the tall condos being built at the southwest corner of 68th & Pecos. Midtown continues to purchase water and sewer taps in both filings.

WESTMINSTER STATION/POMPONIO TERRACE- The engineers for the Westminster Station Development presented a set of plans for review on January 16th to redirect flows from 76th avenue and Zane Street from flowing west into the Zuni Street sewer main to flow east to the Pecos Street collector main. By redirecting these sewer flows, it allows the Westminster Station development to build and connect all 245 planned homes within the development without having to create a new sewer outfall south of the development.

I met with Jim Merlino, of Pomponio Terrace Holdings on Friday, May 3, 2019 to get an update on the progress of the re-routing of the sanitary sewers on 76th avenue and he indicated that the financing is moving forward and work should begin within a couple months.

Denver Water May purchase
46,717,000 gallons
Average since 2006 is 50,676,000 gallons

Director Sweeney made a motion to adopt the following resolution:

RES. # 19-19 WHEREAS, The Board of Directors of the Crestview Water & Sanitation District shall designate or appoint a person or persons to prepare the 2020 Budget, and

WHEREAS, The Board has requested District Manager Mitchell T. Terry, Poysti and Associates, LLC and a committee of the entire Board to prepare and submit a proposed Budget for 2020, and

WHEREAS, They are to prepare and submit the proposed 2020 Budget to the Board of Directors of the Crestview Water & Sanitation District per state statute on or before October 15, 2019, and

NOW, THEREFORE BE IT RESOLVED THAT Mitchell T. Terry, Poysti and Associates, LLC and the committee of the entire Board be appointed to prepare and submit the 2020 Budget and present the Budget at the October 9, 2019 regular meeting of the Board.

Director Ryszkowski seconded the motion.
AYES: Directors Martin, Sweeney, Patterson, and Ryszkowski
NAYS: None.
The resolution was adopted.

Director Ryszkowski made a motion to adopt the following resolution:

RES. #20-19 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;
WHEREAS, on July 26, 2019, the District will have a \$1,000,000 - 2 year bond mature;
WEREAS, the Board intends to reinvest the \$1,000,000 from the mature bond in a new 4 year callable government investment bond;
NOW, THEREFORE, BE IT RESOLVED THAT District Manager, Mitch Terry be authorized to re-invest the available \$1,000,000 bonds on July 26 through TVI, as described above, in the initial amount of \$1,000,000 (ONE MILLION DOLLARS AND NO CENTS) along with the specific dollar amount associated with pro-rated days of purchase pertaining to the selected bond.

Director Sweeney seconded the motion.
AYES: Directors Martin, Sweeney, Patterson, and Ryszkowski
NAYS: None.
The resolution was adopted.

Director Ryszkowski made a motion to adopt the following resolution:

RES. 21-19-BE IT RESOLVED THAT the Board of Directors, Crestview Water & Sanitation District accept the proposal from Raftelis Financial Consultants, Inc. for developing a District Financial Plan, perform a Cost of Service Analysis and design of Water and Sewer Rates for 2020 at a cost of \$29,495.00.

Director Sweeney seconded the motion.
AYES: Directors Martin, Sweeney, Patterson, and Ryszkowski
NAYS: None.
The resolution was adopted.

BILLS –

Director Sweeney made a motion to adopt the following resolution:

RES # 22-19 - BE IT RESOLVED THAT the Bills be paid.

Director Ryszkowski seconded the motion.
AYES: Directors Martin, Sweeney, Patterson, and Ryszkowski
NAYS: None.
The resolution was adopted.

OFFICE DATA

The Office Data was accepted as presented.

FINANCIAL REPORT

The Financial Report was accepted as presented.

UNFINISHED BUSINESS

Manhart Pictures

NEW BUSINESS

Mr. Terry updated the board about Denver Waters Optimal Corrosion Control Treatment Lead Service Line replacement program

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 8:58 P.M.

Respectfully submitted,

Danny Sweeney, Secretary