

RECORD OF PROCEEDINGS

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF
THE CRESTVIEW WATER AND SANITATION DISTRICT
ADAMS COUNTY, COLORADO
MARCH 8, 2023

The regular 5:30 PM meeting of the Board of Directors of the Crestview Water and Sanitation District was held March 8, 2023, in-person and on Zoom. 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
Victor Sanchez	Director

Also present:

Kathy Laurienti	Metro Board Representative
Allison Ulmer	Attorney
Mitch Terry	District Manager

THE PLEDGE OF ALLEGIANCE WAS RECITED

PUBLIC COMMENTS -

No one from the public joined the meeting.

2022 FINANCIAL AUDIT REPORT-

Charlie Poysti, Poysti and Associates, LLC

Mr. Poysti read through the 2022 Financial audit for the Board, detailing the District's financial standings.

Mr. Poysti noted that the District netted \$2.2 million in 2022.

Mr. Poysti pointed out that the District's investment bonds were lower in value due to interest rates going up therefore the selling value went down however, if the bonds go to term, the District will get the full value as determined at purchase. Mr. Poysti stated that this is a good reason to stagger the terms of investment bonds as the District is already doing.

Mr. Poysti discussed the Skyline Vista calculation. The Skyline Vista calculation is created by the District's Auditor through the 1954 Connectors Agreement for the Skyline Vista subdivision. This calculation provides the Board with a baseline number to start the rate making process for the Skyline Vista customers. Mr. Poysti stated that the calculation is lower than it was for 2022. This is based on the number of added connections outside of the Skyline Vista subdivision as regular District customers.

Mr. Terry explained that the 1954 Connectors Agreement calculation creates a ratio of connections within the Skyline Vista subdivision in relation to the in-district connections. As the District continues to grow, adding more sewer connections outside of the Skyline Vista subdivision, it creates a lower calculated number for the Skyline Vista customers. The Skyline Vista customers are not located inside of Crestview's taxing area therefore, they don't pay the mill levies assessed by Crestview to its in-District customers.

Director Doak pointed out that per the 1954 Connectors Agreement, the Skyline Vista customers cannot be treated more fairly than the in-District customers.

Mr. Terry agreed and explained that the Auditor's calculation provides the District with a base number then the Board can assess an additional amount to the calculation to keep the Skyline Vista customers from being charged more favorably than the in-District customers.

Mr. Terry explained to the Board the method of creating the final rate for the Skyline Vista customers by using the auditor's calculation then comparing assessed property values of fifteen homes within the District compared to the assessed property values of fifteen homes within the Skyline Vista subdivision.

The average of the properties from both sides are very comparable.

By noting that the average property values for both the in-District and the Skyline Vista properties are very similar, the average property value for the in-District customers is then multiplied by the Sewer Only mill levy assessed by Crestview (.429) to determine the annual mill levy assessed to the in-District customers.

To determine the monthly charge to the Skyline Vista subdivision for sanitary sewer collection and treatment, the district average of 4,000 gallons per month of winter water usage is then multiplied by the District's volume charge, the monthly service charge is added to the volume charge then the annual mill levy assessed divided by 12 is added to calculate the average in-District monthly sewer bill.

The auditor's 1954 calculated Skyline Vista monthly amount is then subtracted from the calculated in-District monthly amount including the mill levy to determine the difference. The difference is then added to the auditor's 1954 calculation to determine the new rate for the Skyline Vista accounts for the next 12 months.

Director Doak stated that this method of creating the rates for the Skyline Vista in this manner is defensible and fair.

Director Doak pointed out that the audit shows a net increase of just over \$2 million.

Director Doak asked where the net funds go after each audit.

Mr. Terry stated that as the year progresses, the funds are deposited into the bank and once the amount grows large enough, the Board can authorize the purchase of additional investment bonds.

Director Doak voiced his concern of why we raised rates for 2023 if the District was going to have a large net change in 2022.

Mr. Terry explained that the Budget determines if the District is able to keep the rates the same or if there is a need to increase rates to cover the needs of the District for the upcoming year. The District cannot create an unbalanced budget.

Director Doak asked the auditor if his opinion is that the District is doing well and if we should continue with what we are doing.

Mr. Poysti agreed with Director Doak.

Director Doak asked if anyone in attendance had any questions for Mr. Poysti to which there were none.

Mr. Poysti concluded his presentation and thanked the Board for their trust in allowing him to perform the audit.

The Board thanked Mr. Poysti for his work.

Director Sanchez made a motion to adopt the following resolution:

RES # 5 - 23 WHEREAS The Board of Directors of Crestview Water and Sanitation District has requested that Poysti and Associates, LLC perform an Annual Financial Audit for the year ending December 31, 2022, and

WHEREAS Poysti and Associates, LLC has performed said Annual Financial Audit and provided the Board with a Draft Audit Report and a Skyline Vista Billing Rate Computation, and

WHEREAS the Board has reviewed said Draft Audit and Skyline Vista Billing Rate Computation, and

NOW, THEREFORE, BE IT RESOLVED THAT the Draft Annual Financial Audit for the year ending December 31, 2022 and the Skyline Vista Billing Rate Computation be accepted as presented.

Director Doak seconded the motion.

The vote was:

AYES: 5

NAYS: 0

The resolution was unanimously adopted.

METRO WATER RECOVERY REPORT – Kathy Laurienti

Ms. Laurienti presented her final Metro Water Recovery report to the Board as she is no longer eligible to represent Crestview on Metro’s Board.

Ms. Laurienti provided a flyer to the Board regarding Metro’s PFAS activities.

- Metro is required to collect three samples quarterly at the RW Hite Treatment Facility and on sample quarterly at the Northern Treatment Facility to monitor PFAS in the wastewater. The total annual cost of these 16 samples is \$5,920.
- Monthly effluent costs for monitoring is \$3,630 totaling \$43,560 annually.
- Monthly influent costs for monitoring is \$3,630 totaling \$18,150 annually.

These costs will be passed along to the connectors.

The Board thanked Ms. Laurienti for representing Crestview on Metro’s Board of Directors.

The Board inquired as to who will represent the district in the future.

Director Ryszkowski asked Ms. Laurienti when the meetings were held and how long are they typically.

Ms. Laurienti stated that they are Tuesday nights once a month at 5:30 PM and Thursday once a month at 7:30 AM totaling two meetings a month.

MINUTES FOR APPROVAL, FEBRUARY 8, 2023

Director Doak asked if there were any corrections, deletions or additions to the Minutes for the February 8, 2023, meeting of the Board.

There being no corrections, deletions or additions, the Minutes for the February 8, 2023, meeting of the Board were accepted as presented.

DISTRICT MANAGER’S REPORT - Mitch Terry

MARCH BIRTHDAYS-

Happy March birthday goes out to maintenance Foreman, Mike Valadez, pipeline members Jose Molinar and Michael Hoff, maintenance staff Sam Chavez and Bill Rendek and office Clerk, Heather Torgersen.

2022 FINANCIAL AUDIT -

I have asked Mr. Poysti to present the 2022 Audit to the Board during the March 8th meeting of the Board.

Mr. Poysti indicated that he would be joining the meeting in person to present the 2022 Financial Audit.

The 2022 annual financial audit for the Crestview Water & Sanitation District was performed by Charlie Poysti of Poysti and Associates on January 23rd. Mr. Poysti will present his findings at the March 8, 2023 regular meeting of the Board. I have provided a resolution for the Board to accept the audit and the Skyline Vista report. After the Board approves the Audit and the Skyline Vista billing computation report by resolution, I will provide you with a bound copy of the 2022 Financial Statements and the Skyline Vista billing computation report at the April 12, 2023 regular meeting. The Board will need to discuss and pass by resolution the new sewer rates for April through December of 2023 and January through March of 2024 for the Skyline Vista subdivision during the March 8th meeting.

SKYLINE VISTA 2022-23 SEWER RATES -

As part of Crestview’s annual financial audit, Mr. Charlie Poysti of Poysti and Associates performs the Skyline Vista 1954 Connector’s Agreement calculation to determine the ratio of Skyline Vista sewer only customers versus in-District customers. The Skyline Vista subdivision is located fully within the City of Westminster. Crestview assesses a sewer mill levy to all its In-District customers of 0.429 mills in 2023. A mill levy is the “tax rate” that the district applies to the assessed value of a property within the District. One mill is one dollar per \$1,000 of assessed value. With Crestview’s mill levy at 0.429, a property that is assessed by the County Assessor at \$350,000 would be assessed \$350,000 X .429 / 1000 = \$150.15 per year. The homes in the Skyline Vista subdivision are not assessed a Crestview mill levy.

Crestview provides sewer collection service to the Skyline Vista subdivision through the 1954 Connectors Agreement that Crestview (formerly the Baker Metropolitan Water & Sanitation District) and the developer created in 1954 to determine the cost of collection and treatment of the sanitary sewer that is created within the subdivision. In the agreement, there is a calculation that the District’s auditor uses to determine the base cost to the District for providing this service. The calculation takes into account the expenses to the District for insurance, maintenance, salaries, office expenses, payroll taxes and Metro’s annual charge to Crestview. Part 6 of the Agreement also states, “Nothing herein shall be construed as giving the connectors or users hereunder the right to be placed in a class as favorable as users located within the territorial limits of the District”. This statement means that the Board of Directors of the Crestview Water and Sanitation District will use the calculated sewer rate as provided by the District’s auditor then will add a specific amount to the calculated rate to charge to the residents of the Skyline Vista subdivision without their rates being more favorable than the rates of the In-District residents.

With all the growth that has occurred within Crestview over the past seven years, the calculated sewer rate by the District’s auditor for the Skyline Vista subdivision decreases each year and in doing so causes the Board to make necessary adjustments to the calculation to avoid creating rates for the Skyline Vista subdivision customers to be lower than the in-district customer’s rates. In 2019, the Board chose to use a comparative method of Adams County assessed home values from within the Skyline Vista subdivision and properties east of Zuni Street (Crestview’s billing Cycle 2). The property values of fifteen homes within the Skyline Vista subdivision were compared to fifteen homes within Cycle 2.

I have provided a spreadsheet showing these comparisons for the Board to review and make their determination for the 2023-24 Skyline Vista rates. Please see the enclosed spreadsheet provided in your packet. The creation of the Skyline Vista sanitary sewer rates for 2023-24 are a separate item on tonight’s agenda under New Business.

Worksheet to determine Skyline Vista sewer rates after the 1954 Connectors Contract calculation										
Comparison of In-District sewer bills including mill levy and Skyline Vista contract calculation										
Auditor's calculation for 2023 Skyline Vista annual rate is					\$ 357.67					
In-District Cycle 2 property values					2023 Sewer only Mill Levy is 0.429					matching method
Samuel	value	mill levy	74th	value	mill levy	73rd Pl	value	mill levy	In-District rates have Mill Levy added	
2361	\$ 337,313	\$ 134.59	2360	\$ 335,685	\$ 133.94	2360	\$ 341,747	\$ 136.36	2023-24	
2281	\$ 365,231	\$ 145.73	2280	\$ 348,322	\$ 138.98	2321	\$ 367,874	\$ 146.78	In-District	
2221	\$ 368,691	\$ 147.11	2200	\$ 347,795	\$ 138.77	2220	\$ 374,777	\$ 149.54	\$ 45.22	
2161	\$ 349,099	\$ 139.29	2120	\$ 344,842	\$ 137.59	2141	\$ 344,386	\$ 137.41	Skyline Auditor's calc.	
2081	\$ 348,348	\$ 138.99	2040	\$ 354,724	\$ 141.53	2020	\$ 346,647	\$ 138.31	\$ 29.81	
Average	\$ 353,736			\$ 346,274			\$ 355,086		Difference	
				3 street average is	\$ 351,699				\$ 15.41	
				Mill Levy average is	\$ 150.88				Add Auditor's calc & difference to get the Skyline Vista	
svc charge	7.37								2023-24 monthly rate	
volume chg	6.32/1000			\$ 12.57	Mill Levy per month				\$ 45.22	
District avg	4,000			\$ 32.65	avg sewer bill				2022-23 Skyline per mc	
avg bill is	\$ 32.65			\$ 45.22	AVG SEWER BILL W/ MILL LEVY				\$ 43.76	
									2023-24 Skyline per mc	
									\$ 45.22	
									Difference	
									\$ 1.46	
1954 contract calculation in dollars per year for 2023-24						\$ 382.22				
12 month amount of 1954 calculation						\$ 29.81				
Avg In-District monthly sewer bill with Mill Levy added						\$ 45.22				
Diff bet. monthly In-District bill amount and 1954 calculation						\$ 15.41				
Skyline Vista property values										
Alcott	value	Clay	value	Decatur	value					
7494	\$ 376,690	7506	\$ 397,066	7321	\$ 371,726					
7473	\$ 404,923	7415	\$ 389,617	7350	\$ 315,676					
7444	\$ 373,619	7380	\$ 320,599	7391	\$ 349,499					
7433	\$ 408,331	7361	\$ 365,432	7440	\$ 382,686					
7414	\$ 399,156	7320	\$ 317,081	7511	\$ 341,005					
Average	\$ 392,544		\$ 357,959		\$ 352,118					
Skyline Vista			3 street average is		\$ 367,540.40					
2023-24 monthly charge			Mill Levy average		\$ 157.67					
\$ 45.22										

Director Ryszkowski made a motion to adopt the following resolution:

RES. # 6 - 23 WHEREAS each March, the Board of Directors of the Crestview Water and Sanitation District (Crestview) reviews the rate that is assessed to the customers of the Skyline Vista subdivision for the collection and treatment of sanitary sewer. The customers within the Skyline Vista subdivision are not within Crestview's service boundaries and therefor are not assessed a Crestview mill levy. Sanitary sewer service is provided to the Skyline Vista subdivision through a contract created in 1954 between the Skyline Vista developer and Crestview which dictates how the rates for sanitary sewer service are developed and applied to the residential properties within the Skyline Vista subdivision, and

WHEREAS, within the 1954 Connectors Agreement there is a calculation that the District's auditor uses to determine the cost to the District for providing this service. The calculation considers the expenses to the District for insurance, maintenance, salaries, office expenses, payroll taxes and Metro Water Recovery's annual charge to Crestview. Part 6 of the Agreement also states, "Nothing herein shall be construed as giving the connectors or users hereunder the right to be placed in a class as favorable as users located within the territorial limits of the District". This statement means that the Board of Directors of the Crestview Water and Sanitation District will use the calculated sewer rate as provided by the District's auditor then will add a specific amount to the calculated rate to determine the annual rate applied to the residential properties within the Skyline Vista subdivision without their rates being more favorable than the rates of the In-District residential properties, and

WHEREAS the Board uses a comparative method of Adams County assessed home values from within the Skyline Vista subdivision and homes within Crestview boundaries due east of Zuni Street (Cycle 2). The Board also uses the district average of 4,000 gallons per month as baseline sewer flows from each home. The property values of fifteen homes within the Skyline Vista subdivision were compared to fifteen homes within Cycle 2. The comparison finds that the average property values are nearly the same. The average property value of the fifteen homes within Crestview's boundaries then have the 2023 Mill Levy of 0.429 added to the 4,000-gallon average to determine the total average cost of sanitary sewer service to the homes within Crestview's boundaries, and

WHEREAS, the Board has determined to match the annual charges to the residential properties of the Skyline Vista subdivision for the months of April through December of 2023 and the months of January through March of 2024 to the sum of the 4,000-gallon average rate plus the assessed mill levy on each in-district residential property, and

WHEREAS, the Board has determined that the fair and reasonable annual charge for all residential customer accounts within the Skyline Vista Subdivision for sanitary sewer service provided by the District to be \$542.64 (Five hundred, forty-two dollars, and sixty-four cents) or \$45.22 (forty-five dollars, and twenty-two cents) per month.

NOW, THEREFORE, BE IT RESOLVED THAT Appendix C, Section (B) of the Rules and Regulations be amended to read as follows:

The monthly charge for all residential customer accounts within the Skyline Vista Subdivision effective April 1, 2023, regardless of delivery date of the service, shall be \$45.22 (forty-five dollars, and twenty-two cents).

Director Sanchez seconded the motion.

The vote was:

AYES: 5

NAYS: 0

The resolution was unanimously adopted.

2023 ELECTION CANCELLED -

The date for the Colorado Special District biennial election is May 2, 2023. Crestview had two four-year terms set for this election. Friday, February 24th was the last day for voters to submit a self-nomination form to be on the ballot and Monday, February 27th was the last day for write-in candidate forms to be submitted. Crestview had two self-nomination forms submitted. With an equal number of candidates as positions to be filled, the election was cancelled, and both candidates are elected by acclamation.

Both Kathy Laurienti and Danny Sweeney will be required to take the Oath of Office prior to the May 17th meeting of the Board. This can be done in my office anytime between May 3rd and May 17th or they can take their Oath prior to the start of the May 17th meeting.

Congratulations to Danny Sweeney and Kathy Laurienti for being elected by acclamation to the Board of Directors of the Crestview Water and Sanitation District.

With the cancellation of the election, Kathy is elected by acclamation to the Board of Directors but will not be an official director until after May 2nd and after taking the Oath of Office. Kathy's first official Board of Directors meeting will be May 17th.

During the May 17th meeting of the Board per Crestview's Rules and Regulations, the Board will hold an election of officers of the Board for the following twelve months.

METRO WATER RECOVERY-

As you all know, we've recently been working to transfer a small parcel of land that Crestview owns to me/Crestview's District Manager for the purposes of qualifying me to serve on the Metro Board of Directors.

In Colorado, there are special districts that provide services to their district customers for water, sewer, library, mosquito, fire and rescue. Metro Water Recovery is a Service District meaning, Metro provides its services to many municipalities and special districts.

Colorado Revised Statutes are different for water and sanitation districts as opposed to service districts in that to qualify to serve on the Board of Directors of a water and sanitation district, the candidate needs to be a registered Colorado voter and either live in the district or own property in the district. For a service district, you must be a registered Colorado voter and must live in the district you are representing.

With that information, it has been determined that Crestview's current Metro representative, Kathy Laurienti is not eligible to serve on Metro's Board of Directors since she lives out of the District.

Kathy has been notified of her ineligibility and is no longer serving as Crestview's Metro representative.

Crestview's Board will now be tasked with replacing Kathy with a person who lives in Crestview's service area and is also a registered Colorado voter.

Director Doak asked Director Ryszkowski if he was interested in representing Crestview on Metro's Board.

Director Ryszkowski said that he was thinking about it and would let the Board know.

AUTO CRASH AT CRESTVIEW'S MAINTENANCE FACILITY-

On February 26th at 2:45 AM, a car traveling east on 64th avenue toward Pecos Street sped along 64th at an estimated 75 mph and made no attempt to stop at Pecos Street. The car crossed the intersection, hit the curb and our concrete landscape wall launching itself approximately 18 feet into the air and 50 feet east onto Crestview's drive-through gate at the south side of the round building.

We have camera footage of the view of the car coming east on 64th avenue and of the car landing on the gate. We also have footage of the driver after he exited the car.

It is unknown as to why he crashed. We did see in the video that he took approximately six minutes to exit the car after he landed. After he got out, he roamed the grounds for about two hours.

The accident wasn't found by anyone until one of Crestview's employees found the car around 9:00 AM.

The driver was located in the Martin Marrietta property on the southwest corner of 64th avenue and Pecos Street by the State Patrol.

There is minor damage to the gate of which our staff was able to repair the same morning to secure the property. The concrete wall along Pecos Street has a 7-foot chunk missing and will be repaired by our staff. We received the accident report and found that the driver had no insurance. Our insurance provider has been notified but no claim was initiated.

WATER BREAK US 36 & ZUNI STREET-

As we have discussed in the last Board meeting, Crestview had a large water main break on a 10" water main in Zuni Street at the south sound wall of US 36 on November 16, 2022

On December 1st, Crestview's maintenance crew replaced a 45" section of 10" pipe to make the repairs. A 14" X 12" hole blew out of the east side of the water main. The 10" pipe has been repaired and returned to service.

During the January 25th meeting of the Board, Crestview's Board adopted a resolution to have BTrenchless bore a new 24" casing pipe under US 36 and insert a new 12" pvc water main inside the casing pipe for the bid price of \$420,261.00. Crestview's pipeline crew will perform the tie-ins at each end of the bore and will replace approximately 100 to 200 linear feet of water main to both the south and north of the new bore to eliminate old pipe from valve to valve in Zuni Street.

Crestview has received our contract documents from BTrenchless that includes the bid price and required performance bond, 5% retention and warranty period.

Denver Water was contacted to gain authorization for an emergency repair. Denver Water authorized the emergency replacement of both the 10" and 14" existing water mains under US-36.

Work has begun on the project with potholing of underground utilities and accessing permits through CDOT.

TRUCK THEFT- On the morning of August 18, 2020 around 12:30 AM, the garage at 2495 W. 64th was broken into and a pickup truck was stolen. An Adams County Sheriff drove by the building just after the gate was driven through, at which time he called our emergency phone number to let us know of the break in. Mike Valadez responded to the scene shortly afterward and called me at 1:15 AM. The criminal that broke into the building and stole the truck was significantly injured in the act of breaking the glass of a window with his fist. We didn't receive a burglar alarm notification as he crawled through the window to gain access to the building. There were many drops of blood inside and outside of the building. After entering the building, he went to a 2017 Ford F-150 and opened the door. He then removed the vehicle tracker and put it on the driver's side floor of the truck. He found the keys in the visor and started the truck. He put the truck in drive and drove through the garage door then immediately through the power gate at the entrance of the facility. Since the tracking device was removed, we were unable to locate the truck as it was being driven. Around 1:45, Mike received a call from the Jefferson County Sheriff's office asking if we were missing a truck. After verifying that we were, they indicated that the truck was crashed out near the intersection of Kipling and Quincy in Lakewood. Someone reported to the Jeffco Sheriff that a drunk driver was speeding around in a white Ford truck. After crashing the truck, the suspect was taken to Swedish hospital for treatment.

The next morning, I contacted the Adams County Sheriff's office to find out where the truck had been taken and if we could pick it up. They indicated that the truck was no longer drivable and that it is also being considered a biohazard due to the excessive blood in the truck. I was given the location of the recovery company at which time Larry Hopper and I went to look at the truck and retrieve any equipment, tools and personal items from the truck. The truck had a broken wheel on the left rear that had been ground down to the brake rotor, and the fender above it had a large gash in it. When the suspect drove through the garage door, the truck's hood popped open and smashed into the windshield. The tailgate was bowed out, the front tire was blown out, the front bumper, grill, hood, left front fender and driver's door were all damaged and much of the interior is covered in blood. The truck is still being held at the recovery lot.

UPDATE- Crestview received a notice of sentencing dated February 9, 2023 in the mail on February 21, 2023. The defendant pleaded guilty to three separate charges. The Judge sentenced the defendant to:

Vehicular Eluding (F5)

\$5.00	Court Security Cash Fund
\$25.00	Request for Time to Pay
\$2.50	Genetic Testing Service Charge
633	Days Dept of Corrections
\$163.00	Victim Compensation
\$25.00	Pub Defender Appl Receivable

\$10.00 Restorative Justice Charge
633 Days Credit for Time Served
\$163.00 Victim Assist 37% Fine
\$37,167.79 Restitution – Person
\$35.00 Court Costs prior to 6-6-03

Leaving the Scene/Accident-Highway Fixture (T2)

10 Days Jail
\$33.00 Victim Assist 37% Fine
633 Days Credit for Time Served

Motor Vehicle Theft/AGG 2-Under \$1000 (M1)

12 Months Jail
633 Days Credit for Time Served
\$78.00 Victim Assist 37% Fine

NON-FUNCTIONAL TURF-

In August 2022, large water providers from across the Colorado River Basin announced a commitment to substantially expand existing efforts to conserve water, reduce demands and expand reuse and recycling of water supplies.

One of the “easy” items to address concerning water conservation is the removal of non-functional or passive turf and replace it with climate resistant landscaping, Xeriscaping. Non-functional or passive turf is Kentucky Bluegrass that is only stepped on for mowing and fertilizing.

Crestview’s staff has been talking about removing some or all of the Kentucky Bluegrass at the District’s office and replacing it with Xeriscaping. More specifically, the north part of the building being one style of Xeriscaping, the section between the flagpole and the main walk with a different style and the section south of the main walk with another style to show our customers what Xeriscaping is and how it can look.

There are problems with removing the non-functional turf at the office.

One, Crestview updated its current landscaping configuration just four years ago to add the handicap ramp. Some customers have voiced their concerns about the reasoning for the update and the cost.

The second reason is the cost to remove the non-functional turf and replacing it with Xeriscaping as opposed to continuing watering the existing turf. The district spends approximately \$500 per year to water the office landscaping. Removing the turf and replacing it with Xeriscaping would cost the district upwards of \$10,000 in materials and labor. It would take upwards of twenty years to break even but we would still need to have a drip system to water the xeriscaped areas.

ADJUSTMENT TO EMPLOYEE POLICY MANUAL-

It was recently brought to my attention that our Employee Policy Manual refers to days of paid time off as opposed to hours of paid time off. This becomes an issue when the pipeline crew is working 10-hour shifts and a holiday is accrued or bereavement leave is taken. A day for the pipeline crew is 10 hours where a day for the rest of the staff is 8 hours causing a two hour per day discrepancy shorting the non-pipeline crew employees. I have created a resolution for the Board to adopt the change in wording in the Employee Policy Manual regarding Holiday paid days (hours), birthday paid day (8 hours), Days of Annual Leave/Hours of Annual Leave and Bereavement Leave from up to three days to three 8-hour days.

This isn’t a policy change but more of a clarification of what a “day” is.

Director Sweeney made a motion to adopt the following resolution:

RES 7 - 23 WHEREAS, the Board of Directors has determined that certain adjustments to the employee benefits are in the best interest of the District, and

WHEREAS it is the desire of the Board to have the Employee Policy Manual provide for benefits for District employees more consistent with neighboring municipalities; and

NOW THEREFORE, BE IT RESOLVED THAT the Board of Directors, Crestview Water & Sanitation District, amend the Employee Policy Manual for all District employees regarding section 3.00, Voluntary Benefits: Employee Leaves; specifically, sections 3.2 Holidays, 3.3 Employee's Birthday, 3.4 Annual Leave and 3.10 Bereavement Leave effective March 8, 2023, to read;

3.2 Holidays

The District recognizes the following state and national holidays as 8-hour per day paid holidays for employees, subject to the conditions described below. The District's office will be closed in observance of these holidays:

New Year's Day
Martin Luther King Jr. Day
Presidents Day
Memorial Day
Independence Day
Labor Day
Thanksgiving Day
Friday after Thanksgiving Day
Christmas

When a holiday falls on a Saturday the preceding Friday will be recognized by the District as a holiday unless otherwise determined.

When a holiday falls on a Sunday the District will recognize the following Monday as a holiday, unless otherwise determined. A regular full-time employee who is required to work on a recognized holiday will be paid time and one half for working on that day. If a holiday falls during an employee's annual leave it shall not be counted toward the employee's allotted annual leave. Employees must work the regular workday preceding and the regular workday following a holiday in order to receive compensation for the holiday.

3.3 Employee's Birthday

Each employee is allowed his or her birthday as an 8-hour paid holiday, when it falls on a regularly scheduled workday. If the birthday falls during the employee's annual leave, it shall not be counted toward the employee's allotted annual leave. The employee must work both the regular workday preceding their birthday and the next regular workday after their birthday in order to receive compensation for the birthday. If the birthday falls on a weekend, the employee will receive the paid holiday on the immediately following Monday. If that Monday is a regular paid holiday, the employee will receive the paid birthday holiday on the following day.

3.4 Annual Leave

All full-time regular employees are eligible to accrue and use annual leave after completing six (6) months of service. Annual leave may be used for any reason. The amount of annual leave shall be according to the following longevity schedule.

<u>Completed years of Service</u>	<u>Hours of Annual Leave</u>
6 months	40 hours
One year	80 hours
Five years	120 hours
Ten years	160 hours
Fifteen years	200 hours
Twenty-five or more	240 hours

3.10 Bereavement Leave

Any employee who suffers the death of a spouse (including common law spouse or domestic partner), child, parent, grandparent, grandchild, or sibling of the employee or the employee's spouse will be allowed three days (8-hour day) paid bereavement leave and may request additional unpaid personal leave pursuant to Section 3.15 below.

AND BE IT FURTHER RESOLVED THAT all current and new employees be given a copy of the manual, given an opportunity to ask questions concerning the policies and sign a receipt of understanding.

Director Ryszkowski seconded the motion.

The vote was:

AYES: 5

NAYS: 0

The resolution was unanimously adopted.

2023 WATER MAIN REPLACEMENT PROJECT-

The 2023 Water Main Replacement Project consists of Alan Drive from 68th avenue north to 72nd avenue, Raritan Street from Jordan Drive north to 72nd avenue and Quivas Street from Raritan Street north to 72nd avenue. The water main from 68th avenue north to 69th avenue has been replaced including the transfer of all the services in the section. The old main has been abandoned in place. The next phase is to complete the water main replacement from 69th avenue north to Jordan Drive then transfer the services and abandon the old water main.

ADAMS COUNTY 70TH AVENUE, BROADWAY TO PECOS RECONSTRUCT PROJECT-

Adams County hosted a progress meeting on November 30th to discuss the project. Their design was currently at the 30% phase. Crestview staff is planning on designing the replacement of the water main sections within 70th avenue that will need to be replaced prior to the start of the Adams County project once their plans have reached the 60% phase. There are two 8" water mains that will be impacted by this project. One water main runs in 70th avenue from Pecos Street east to Lipan Street and the other segment runs from Huron Street east to Kidder Drive of which both will need to be replaced prior to the commencement of construction of the project. Clarice O'Hanlon will be designing the replacement and our pipeline replacement crew will be performing the replacements.

The Adams County project is to start construction in June of 2024.

Crestview staff and Adams County engineers will get together next week to discuss water main and storm water main locations and what works best for both entities.

CLEAR CREEK VILLAGE-

The developer, Crestview staff and representatives of Denver Water met on January 27, 2022 to discuss the horizontal location of a proposed twelve-inch water main and new 10-inch master meter to be constructed in Lowell Blvd. from 58th avenue north to 62nd avenue to create a third source of water into Crestview from Denver Water.

The engineers for the project have provided a Union Pacific Crossing Agreement naming Crestview as the Licensee. Naming Crestview as the Licensee is common as the crossing will ultimately belong to Crestview. By naming Crestview as the Licensee, there are fees and insurances needed to be paid for the project to proceed. Crestview's attorney, Allison Ulmer is reviewing the agreement and will be supplying Crestview with a Hold Harmless Agreement to have between the developer and Crestview. This Hold Harmless Agreement should keep Crestview from having to pay any of the fees required by Union Pacific.

BERKLEY SHORES 13D FIRE SUPPRESSION SYSTEM ISSUES-

On December 29th, I was informed by Denver Water's Backflow and Cross Connection staff that there are 72 homes in the Berkley Shores development that have an NFPA (National Fire Protection Association) 13D fire suppression system installed in them that currently do not meet CDPHE standards for fire suppression system backflow protection.

Denver Water has two different standard drawings for 13D systems that can be installed that do not require backflow preventers. The developer hired AAA Fire Protection to create a design that meets NFPA 13D standards. AAA Fire Protection created a 13D passive Purge system that meets NFPA standards but not Denver Water standards.

Passive Purge is a system that starts at the domestic water supply line in the home and runs through the home ending at the fill line for a toilet. The main line for the fire line will then have tees with supply lines in various locations that allow for a sprinkler head to be installed at the end of each line. This design creates multiple dead-ends. Passive Purge allows for the main line to have fresh water at all times but the dead-ends to the heads end up holding water within them allowing the water to stagnate. Denver Water's two approved 13D standards do not allow dead ends.

During construction of the homes, the design plans showed that double check valves were to be installed on the fire lines in each home. The NFPA design doesn't account for water quality only water supply and does not require backflow prevention. No one is saying how or why the double check valves were not installed per the plans.

On January 10th, Crestview Water, Denver Water, Adams County Fire and Rescue, Adams County Building, AAA Fire Protection and the developer met to discuss the situation. During the meeting, it was decided that the developer/builder, Paul Malone, would investigate the issue and provide everyone his findings soon. I instructed Mr. Malone that Denver Water has started the notification time clock to inform the homeowners of the violation and that he only has 75 days to bring the homes into compliance or they will have their water shut off for non-compliance.

Paul Malone acting for DIRC Homes has contracted with Freedom Fire to install the required double check valve assemblies in the Berkley Shores homes with 13D fire suppression systems.

On February 10th, Paul Malone updated Denver Water, Adams County Fire and Rescue and Crestview that they had installed 30 backflow preventers.

On February 14th, Denver Water's inspector indicated that he visited some of the properties to see the installations and found that none of them again met Denver Water/CDPHE standards. The installer removed the required isolation valves from both ends of the backflow preventers. All 30 homes were still out of compliance.

After some back and forth communication between Paul Malone, Denver Water and Adams County Fire and Rescue, Paul Malone stated that they would return to each home and reinstall the backflow preventers including both required isolation valves.

As of March 6th, all of the required backflow preventers including the isolation valves have been installed.

DENVER WATER FEBRUARY PURCHASE-

32,196,000 gallons

Average since 2006 is 32,800,000 gallons

ATTORNEY'S REPORT, ALLISON ULMER –

Ms. Ulmer stated that she has been reviewing the crossing agreement with the Union Pacific Railroad. The general structure works that North Pecos has provided to us, where we have the agreement with the railroad and another agreement with the developer detailing that the developer will perform all of the items per the railroad agreement. The biggest concern is, what happens if the developer goes under? The developer would need to get a bond showing Crestview as an insured under their insurance.

Not specific to the District, but just a heads up; some legislation will be introduced to address the housing shortage that we have statewide. The legislation might have state law preempt local zoning law when it comes to high density. This could require districts to discount their tap fees to make purchasing a home more affordable.

Where there are housing shortages basically the state is coming in saying build a high-rise or add ADUs. All the restrictions of this type of housing and HOA covenants would go away.

Director Doak asked if they would remove the R-1 and R-2 zonings?

Ms. Ulmer confirmed Director Doak's concerns.

Ms. Ulmer stated that this would be a major change to Colorado law.

Ms. Ulmer mentioned that she is working with the SDA and with similar organizations for cities and counties on coordinating a response to this. For Crestview, the thing that we're worried about is that they will go after tap fees by mandating lower tap fees for affordable housing projects. Ms. Ulmer and the SDA will be trying to educate the legislators as to how tap fees are created and how they impact cities and districts. By discounting tap fees, the cities and districts could ultimately be serving more customers than they would otherwise serve with the regular tap fees. It could cause a strain on the water and sewer systems and on the personnel that keep the systems running. It would become a capacity issue.

Director Doak stated that if all of Goat Hill were to be targeted for many high-rises, Crestview would have the right to say that we don't have the capacity and that the developers would have to bring the infrastructure in for that.

Mr. Terry agreed with Director Doak's statement.

BILLS –

Director Doak made a motion to adopt the following resolution:

RES # 8 - 23 – BE IT RESOLVED THAT Bills be paid.

Director Ryszkowski seconded the motion.

AYES: 5

NAYS: 0

The resolution was unanimously adopted.

OFFICE DATA -

The February Office Data was accepted as presented

FINANCIAL REPORT -

The February Financial Report was accepted as presented.

OTHER BUSINESS -

Director Sanchez asked Mr. Terry if he would have the pipeline crew place signs with flashing lights around the squeegee pile at the corner of Jordan and Alan to allow for a safer driving area.

Mr. Terry said that he would talk with pipeline superintendent, Larry Hopper about Director Sanchez's concern.

There being no further business, the meeting was adjourned at 6:45 PM.

Respectfully submitted,

Danny Sweeney, Secretary/Treasurer