

RECORD OF PROCEEDINGS

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE ROXBOROUGH WATER AND SANITATION DISTRICT AND THE BOARD OF DIRECTORS OF THE PLUM VALLEY HEIGHTS SUB-DISTRICT OF ROXBOROUGH WATER AND SANITATION DISTRICT HELD November 16, 2016

A regular meeting of the Board of Directors of the Roxborough Water and Sanitation District and the Board of Directors of the Plum Valley Heights Sub-district of Roxborough Water and Sanitation District was held on Wednesday, November 16, 2016 at 8:00 a.m. at the Roxborough Water and Sanitation District's offices located at, 6222 N. Roxborough Park Road, Littleton, Colorado 80125. Notice of the meeting was duly posted in at least three locations within the boundaries of the District and three locations within the boundaries of the sub-district, as required by State law.

Attendance: Directors: Dave Thomas President
Tim Moore Vice-President
Dave Heldt Assistant Secretary
Ken Maas Assistant Secretary
John Dillon Secretary/Treasurer

Consultants: Bill Goetz, TST Infrastructure, LLC
Alan Pogue, Esq. Icenogle Seaver Pogue
Ted Snailum, TWS Financial, Inc.

RWSD Employees: Larry Moore
Cindy Taylor
Joanne Cleveland
Mike Marcum

Call to Order: The meeting was called to order at 8:07 a.m. by Dave Thomas, President of the Board. It was also established that a quorum was in attendance and there were no conflicts of interest to disclose.

Public Comment: None

Amend Agenda: Upon a motion by Director Heldt, a second by Director Dillon and unanimous vote, the agenda was amended to consider approval of the Audit Engagement Letter for Financial year 2016 under Action Items.

PLUM VALLEY HEIGHTS SUBDISTRICT:

Upon a motion by Director Moore, second by Director Heldt and unanimous vote, the Board Convened as the Board of the Plum Valley Heights Subdistrict of Roxborough Water and Sanitation District.

CONSENT AGENDA: Upon a motion by Director Moore, second by Director Heldt the Board approved the Consent Agenda which consisted of:

A. Approve Minutes of the Plum Valley Heights Subdivision of Roxborough Water and Sanitation District which is contained in and part of the Roxborough Water and Sanitation District Minutes for the October 19, 2016 regular meeting.

B. Approve Pay App #3 for the NWDC Project to KR Swerdfeger in the amount of \$498,918.43.

General Manager Report: NWDC Water Project: Mr. Moore reported the NWDC project is progressing well and that 2/3 of the meter pits have been installed at Plum Valley Heights with completion of meter pit installation project for two weeks. The Fire Hydrants and valve boxes will be adjusted to final grade and landscaping completed by year end. There are 3 crews now working in the Chatfield East Subdivision. He reported that the District will be submitting a draw request to the CWRPDA and the CWCBC for funds we have spent on the project.

Financial Statements- PVH: Mr. Snailum presented the September 30, 2016 Financial Statements. Upon a motion by Director Moore, a second by Director Heldt and a unanimous vote, the Board accepted the September 30, 2016 Financial Statements for Plum Valley Heights Subdivision.

Board Action Items:

2017 Budget Public Hearing: Upon a motion by Director Heldt, a second by Director Moore and a unanimous vote, the Board opened the Public Hearing for the PVH 2017 Budget. There were no comments from the Public so Director Thomas, upon a motion by Director Heldt, second by Director Dillon and unanimous vote, closed the Public Hearing.

- Resolution 16-11-09:** Upon a motion by Director Moore, a second by Director Heldt and unanimous vote, Resolution 16-11-09 regarding PVH Subdistrict Budget, Appropriating Sums of Money and Certifying Mill Levies was adopted.
- Resolution 16-11-10:** Upon a motion by Director Heldt, second by Director Dillon and unanimous vote, Joint Resolution 16-11-10 regarding connection of Titan Rd Industrial Park to Municipal Water System was adopted.
- Purchase 150 acre feet of water:** Upon a motion by Director Moore, second by Director Dillon and unanimous vote, the Board approved the purchase of 150 acre feet of water from Aurora for the NWDC Water Project by utilizing the CWCBC Loan and funding from Douglas County.
- Resolution 16-11-11:** Upon a motion by Director Moore, second by Director Maas and unanimous vote, Resolution 16-11-11 regarding 2017 Administrative Matters for PVH Subdistrict was approved.

Director Heldt made a motion to adjourn as the Board of Directors of the Plum Valley Heights Subdistrict and reconvene as the Board of Directors of the Roxborough Water and Sanitation District with a second by Director Moore the motion passed unanimously.

ROXBOROUGH WATER AND SANITATION DISTRICT:

CONSENT AGENDA: Upon a motion by Director Moore and second by Director Dillon, the Board approved the Consent Agenda, which consisted of:

- A.** Approve Minutes of the October 19, 2016 Regular Meeting
- B.** Ratify Payrolls October 31, 2016 and November 15, 2016
- C.** Ratify Payment of Claims since October 19, 2016: checks #56930,56932-56933,56937-56939,56956,56958-56959,56962,56965,56967-56968
- D.** Approve Payment of Claims- checks #56928-56929,56931,56934-56936,56940-56955,56957,56960-56961,56963-56964,56966,56969-56990
- E.** Approve Pay App #16 RWSD 8.0 MGD WTP- Garney Construction for \$2,032,338.35
- F.** Approve Change Order #6 RWSD 8.0 MGD WTP- Garney Construction for an additional \$261,159.65

GENERAL MANAGER'S REPORT:

- **Sterling Ranch/DWSD (D/SR):** Mr. Moore reported that Mortenson should be finished with the wastewater interconnect project by year end. D/SR has finished the construction of the Wastewater Force Main and RWSD has billed them \$300k which is a provision in the IGA we have with D/SR. Our Operating Contracts are expiring and D/SR wants to extend them until February, 2017 to give us time to negotiate new Operating Contracts for the next 5 years. Mr. Moore discussed the Letter of Credit (LOC) with D/SR. They understood our position and indicated that reducing the LOC in Jan. 2017 after significant required payments are made would be acceptable to D/SR.
- **Conveyance of Gravity Interceptor to Littleton:** Mr. Moore reported we have re-worked the legal description and ISP (Alan Pogue's Firm) is preparing the document to present to Littleton's interim attorney who has approved the document. We hope to have this completed by year end.
- **Ravenna:** The Ravenna voters approved the question whether to include into the RWSD by a vote of 69 in favor to 0 against. Alan Pogue provided status.
- **Project Area 13:** Jack Hoaglund has purchased PA 13 from Alan Fishman and is in the platting process with DC to plan for 12 duplexes (24 units) and the remaining 5+ acres would be sited for a hotel (approx. 50 units). We have issued a Will Serve Letter for this project at 40 units. The SDC's would total in excess of \$1.5M if 40 units are built. The previous owner contracted for 12 units under an ASC agreement. Mr. Hoaglund will attend the Board Meeting to make a presentation and present a written request for the Board's consideration in resolving the difference in the previous ASC Agreement and his desire to build 40 EQR's.

LEGAL ISSUES: Alan Pogue gave the Board an update on legal issues.

OPERATIONS: Mike Marcum gave the Board an overview of work done in the District, at the Plants and in the Field.

ENGINEERING: Bill Goetz gave the status report to the Board and discussed the rainfall/water treatment report.

FINANCIAL: Mr. Snailum presented September 30, 2016 RWSD Financial Statements to the Board. Upon a motion by Director Maas, second by Director Moore and unanimous vote the September 30, 2016 RWSD Financial Statements were accepted.

ADMINISTRATIVE:

Monthly Customer Summary: Ms. Taylor reviewed the Monthly Customer Summary with the Board. Since we started the rebate program January 1, 2008 we have rebated \$70,705.11.

ACTION ITEMS:

Resolution 16-10-11: Upon a motion by Director Heldt, second by Director Dillon and unanimous vote, Joint Resolution 16-11-10 regarding connection of Titan Rd Industrial Park to Municipal Water System was adopted.

Public Hearing to Amend the 2016 Budget: Director Thomas, upon a motion by Director Moore, second by Director Maas and unanimous vote, opened the Public Hearing to amend the 2016 Budget. There was no public comment. Upon a motion by Director Dillon, second by Director Mass and unanimous vote, the Public Hearing was closed.

Resolution 16-11-12/Public Hearing for Amended 2016 RWSD Budget: Upon a motion by Director Moore, second by Director Dillon and unanimous vote, the 2016 RWSD Budget was amended by an increase in \$1M in the Capital Fund.

Public Hearing for proposed 2017 RWSD Budget: Director Thomas, upon a motion by Director Moore, second by Director Maas and unanimous vote, opened the Public Hearing for the 2017 Proposed RWSD Budget. There was no public comment. Upon a motion by Director Moore, second by Director Heldt and unanimous vote, the Public Hearing was closed.

Resolution 16-11-13/Public Hearing for proposed 2017 RWSD Budget: Upon a motion by Director Moore, second by Director Dillon and unanimous vote, the Board approved Resolution 16-11-13 Adopting the 2017 Budget, Appropriating Sums of Money and Certifying Mill Levies.

Resolution 16-11-14: Upon a motion by Director Heldt, second by Director Dillon and unanimous vote, the Board approved Resolution 16-11-14 approving 2017 Administrative Matters.

Cancellation of December 21, 2016 Regular Meeting: Upon a motion by Director Moore, second by Director Dillon and unanimous vote, the Board approved the cancellation of the December 21, 2016 Regular Meeting.

Cool Water Land & Cattle Investments: Mr. Hoaglund presented his development proposal to the Board for PA 13 RXD. Mr. Hoaglund made a proposal regarding payment of ASC fees. After discussing the Board thanked Mr. Hoaglund and indicated they would consider his proposal and get back to him with their decision.

Continuation of November 16, 2016 Regular Board Meeting: Upon a motion by Director Moore, second by Director Heldt and unanimous vote the meeting was to be continued at 8:00 am on Wednesday, November 30, 2016, as several Board Members had commitments and needed to leave shortly after 11:00 am. The remaining Action Items for the continued meeting are as follows:

- Consider approval of the 2016 Audit Engagement Letter with Poysti & Adams.
- Render a decision on the proposal made by Cool Water Land & Cattle Investments.

CONTINUATION: The motion to continue the meeting occurred at 11:10 am.

Respectfully Submitted,

Secretary for the Meeting