

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE TRIVIEW METROPOLITAN DISTRICT AND THE BOARD OF DIRECTORS OF THE WATER ACTIVITY ENTERPRISE HELD

July 10, 2018

A regular meeting of the Board of Directors of the Triview Metropolitan District was held on Tuesday, April 10, 2018, beginning at 5:00 p.m., at the Fairfield Inn and Suites – Mount Herman Conference Room, 15275 Struthers Road, Colorado Springs, Colorado 80921. This meeting was open to the public.

ATTENDANCE

In attendance were Directors:

President:	Mark Melville
Vice President	Marco Fiorito
Secretary/Treasurer:	James Barnhart
Director	James Otis was absent and his absence was excused
Director	Anthony Sexton

Also in attendance were:

James McGrady District Manager
Joyce Levad District Administrator
Shawn Sexton Water Superintendent,
Chris Cummins District Water Attorney
Gary Shupp District General Counsel

ADMINISTRATIVE MATTERS

President Melville called the meeting to order at 5:00 p.m. Meeting was posted

Agenda – Mr. McGrady distributed for the Board’s approval the proposed agenda. A motion was made by Director Fiorito to approve the agenda. Upon a second by Director Barnhart a vote was taken and the motion carried unanimously.

Consent Agenda –

- a. Prior Meeting Minutes
 - i. June 12, 2018 Regular Board Meeting
- b. Billing Summary Rate Code Report
- c. Sanctuary Point Taps for June

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d. Tax Transfer from Monument

A motion to approve the Consent Agenda was made by Director Fiorito. The motion was duly seconded by Director Barnhart. A vote was taken, and the motion carried unanimously.

PUBLIC
COMMENT

None

AUDIT
PRESENTATION

Presentation of the Triview Metropolitan District ended December 31, 2017 Audit by Stockman Kast Ryan and Company. Steve Hockstader and Cortney Vance of Stockman Kast Ryan and Company along with Cathy Fromm, the District Accountant, presented the audit to the Board. A letter report was passed out to the Board describing the findings of the audit. The audit went very well. There were no adjustments. The month financial reports were of high quality and as such there were very few adjustments. Governmental Activities accounting is done on an Accrual basis. Total Assets \$66,022,198. Cash, cash equivalents, and investments as of December 31, 2017 were \$18,119,859. There was an increased of approximately \$5,000,000 in Total Assets. Total Liabilities for 2017 equaled \$59,176,912. The District's net position increased by \$5.1 million and ended 2017 at \$8,686,333. The Governmental Activity's change in net position was \$2,008,452. The Enterprise change in net position was \$3,080,419. Overall expenses were down. The Governmental Fund well positioned. The end of year Total Fund Balance was \$14,280,065. The Proprietary Fund's Current Ratio of Assets to Liabilities is 2.75 to 1. Operating Revenue of \$5,366,181 minus expenses of \$2,551,478 million yielded an operating income of \$2,814,703. Accounting policies are identical as what was done in 2016. The Enterprise Fund has a receivable from the General Fund in the amount of \$627,938. The Enterprise Fund had revenues in excess of expenses by \$1,920,551. Change in net position per statement of revenues, expenses, and changes in net position was \$3,080,419.

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PUBLIC HEARING WATER AND WASTEWATER RATES

The Public Hearing was opened at approximately 5:50 p.m. regarding Water and Wastewater Rates. The Financial plan was presented by Dr. Brian Kirsch of Raftelis Financial Consultants). Following the presentation by Dr. Kirsch, public comments were received from Lisa Hatfield regarding arsenic removal at the Upper Monument Creek Wastewater Treatment Facility. Mr. Remington also made a number of comments related to the wastewater plant and the cost to expand the plant in the future based upon the costs the District incurred during the last expansion.

OPERATIONS REPORT

District Manager Report

The District Manager reviewed some of the items in his report, however, the report was included in the Board Packet. There were not any questions or comments regarding the report. Other topics discussed by the Manager included the following:

District Manager Monthly Report (enclosure)

West Interceptor update (District Manager)

Public Works and Parks and Open Space Updates

2018 Road Rehabilitation Project.

Update regarding ROW Mowing, Park Mowing, Open Space Clean up, Weed Control, etc.

Irrigation Central Control System Installation update

Status of A-Yard Wall

Utilities Department Updates (enclosure)

SCADA Installation Project Status

Status of A-Plant

Pressure Zone Adjustments

Status of Fire Hydrant Maintenance Program

Leak detection

June Water use.

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ITEMS

Mr. McGrady provided an update regarding Regionalization discussions with Colorado Springs Utilities.

There was a discussion regarding a possible ballot initiative that would allow the District to use excess revenue from the District's 35 mills for capital projects. Mr. Remington mentioned that the District should evaluate if the District can use a ballot initiative to free up the money from the General Fund accounts to pay off Utility Fund Debt.

It was decided that two people from the District will represent the District on Colorado Springs Utilities' Homestake Tour. Those individuals will be Water Superintendent Shawn Sexton and Director Fiorito.

The Board discussed when would be a good time to meet with the Donala Board. The Triview Board suggested either September 17 or September 18 as a meeting date.

ACTION ITEMS

- A. Review and consider approval of Resolution 2018-01 establishing Water and Wastewater Rates effective September 1, 2018.

A Motion to approve Resolution 2018-01 was made by Director Fiorito. The motion was duly seconded by Director Barnhart. A vote was taken, and the motion carried unanimously.

- B. Review and Consider approval and Acceptance of the Triview Metropolitan District Audit for Calendar year 2017.

A Motion to approve the District 2017 Audit was made by Director Fiorito. The motion was duly seconded by Director Barnhart. A vote was taken, and the motion carried unanimously.

- C. Review and Consider approval of a Letter of Engagement between Butler Snow and the Triview Metropolitan District to provide Special Counsel Services related to an election to allow the District to use excess money generated from the District's current mill levy for capital improvement projects.

A Motion to approve a Letter of Engagement with Butler Snow was made by Director Fiorito. The motion was duly seconded

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by Director Barnhart. A vote was taken, and the motion carried unanimously.

FINANCIAL MATTERS

Checks Greater than \$5,000 - The Board reviewed the payment of claims greater than \$5,000. A motion to approve the checks greater than \$5,000 was made by Director Barnhart. The motion was duly seconded by Director Fiorito. A vote was taken, and the motion carried unanimously.

Monthly Cash Position and Unaudited Financial Statements – the Board reviewed the May 2018 unaudited Financial Statements as presented. A motion to approve the District’s April 2018 Financial Statements was made by Director Barnhart. The motion was duly seconded by Director Fiorito. A vote was taken and the motion carried unanimously.

LEGAL

No report.

PUBLIC RELATIONS

The newsletter is well received. The July newsletter will be mailed out the third week of July..

OTHER BUSINESS

None.

EXECUTIVE SESSION

A motion was made by Director Fiorito for the Board to enter into Executive Session pursuant to C.R.S. Section 24-6-402(4) (b), (e), Legal Advice and Negotiations. Upon a second by Director Barnhart, a vote was taken, and the motion carried unanimously. Executive session was entered into at approximately 8:17 p.m.

The executive session was adjourned and the Board returned to regular session at approximately 9:30 p.m.

ADJOURNMENT

There being no further business to come before the Board, a motion to adjourn the meeting was made by Director Fiorito and was duly seconded by Director Otis. The meeting was adjourned at approximately 9:31 p.m.

Respectfully submitted,

James C. McGrady
Secretary for the Meeting