

East Larimer County Water District
Board of Directors
Regular Meeting

Tuesday - 7:00 P.M.

February 20, 2007

1. CALL TO ORDER

Loren Maxey, Chairman of the Board of Directors, called the meeting to order.

2. ROLL CALL

Directors Present: Loren Maxey, Vern Sunset, Randy Siddens,
Ed Laudick

Directors Absent: Scott Baker

Others Present: Mike Scheid, General Manager; Kathy Phipps, Administrative Manager and CFO; Melissa Tremelling, Senior Billing Specialist; Joe Bent, President of Terry Point Homeowners Association; Cathy Schott and Amber Murphy, First National Bank

3. APPROVAL OF MINUTES FROM MEETING ON JANUARY 16, 2007

Ed Laudick moved for approval of the January 16, 2007 minutes as presented. Vern Sunset seconded and the motion passed unanimously.

4. DISCUSSION AND APPROVAL OF FINANCIAL AND INVESTMENT REPORT

The disbursements report was discussed briefly. Ed Laudick moved for approval of the Financial and Investment reports. Vern Sunset seconded the motion, and it passed unanimously.

5. REVIEW OF MANAGED ACCOUNT – CATHY SCHOTT, FIRST NATIONAL BANK

Cathy Schott and Amber Murphy with First National Bank attended the meeting to summarize the performance of ELCO's Investment Management Account during the past year. The fund performance has exceeded the Lehman Government 1-5 benchmark. Composition of the portfolio was reviewed. All investments made are compliant with the Colorado Revised Statutes as well as the Districts Investment Policy. The Investment Management Account has maintained a well diversified portfolio with adequate liquidity. The negative and positive aspects of having First National Bank "sweep" the Districts checking account each day was explained.

6. FOLLOW-UP TERRY POINT HOA – REQUEST TO TRANSFER ANNUAL ALLOTMENT

Joe Bent, President of the Terry Point Homeowners Association, attended the meeting to participate in further discussion of the request to allow the transfer of a portion of the annual allotment from “willing home owners” within the subdivision to the three (3) irrigation taps.

The Board is concerned with setting precedence by allowing the transfer of dedicated water rights from one property to another. Additionally, the financial incentive to conserve water would be eliminated by granting the Terry Point Homeowners request.

Vern Sunset made a motion to deny the request. Ed Laudick seconded the motion. The motion passed unanimously.

Staff will ask ELCO’s attorney to review the District’s policies related to the Terry Point HOA request.

7. STANDBY TAP TRANSFER REQUEST

An ELCO customer who owns two fully paid standby taps assigned to Rocky Ridge Subdivision requested permission to transfer one of them to Lot 7 of Trappers Point II. The customer also requested permission to transfer the unit of water assigned to Lot 7 Trappers Point II to Rocky Ridge Subdivision. After discussing the request, Ed Laudick made a motion to grant the request. Vern Sunset seconded the motion and it passed unanimously.

8. SOLDIER CANYON FILTER PLANT REPORT

Minutes

A draft copy of the minutes from the February 1, 2007 Steering Committee meeting was included in the Board packet.

TEC Updates

Tom Ullmann updated the Steering Committee on the Stage 2 Disinfectant By-Products Monitoring Plan for the Soldier Canyon Districts. Randy, Loren and Vern expressed interest in touring the Johnstown Dissolved Air Flotation Plant and Carter Lake Membrane treatment facilities scheduled for April 5th.

Halligan Update

Webb Jones provided an update on the Halligan-Seaman Project. The “Purpose and Need Statement” has been completed.

SCFP 2006 Audit

Dan Schommer presented the 2006 Audit along with several recommendations that will be implemented in 2007.

Water Resources

Bruce Kroeker updated the Steering Committee on the Substitute Water Supply Plan for the Laramie-Poudre Tunnel water Right, the Water Supply and Storage Company change case and the Jackson Ditch head gate removal and return structure. Snowpack report and the 3-year comparative usage graph were included with this agenda item.

9. UPDATE ON ELCO PROJECT (LCRB DRY-UP AND RECHARGE, NPIC, NEWT, CWCB GRANT APPLICATION AND CONSERVATION PLAN DEVELOPMENT)

Larimer County Road & Bridge Request

In early February ELCO was notified that Larimer County Road and Bridge (LCRB) was under contract to purchase ½ share of Water Supply and Storage Company stock for augmentation. ELCO owns the dry-up and recharge for this water. The LCRB contract was contingent upon the Districts willingness to transfer 1/6 share of the dry-up and a pro-rata share of the recharge. Staff polled the Board and the consensus was to agree to the transfer. Closing on the water sale was to have taken place on February 16, 2007.

NPIC Annual Meeting

Loren Maxey and Mike Scheid attended the annual meeting of the North Poudre Irrigation Company. Mike Matsuda was re-elected to the Board of Directors. Rick Knight, a CSU professor of Natural Resources and George Varra, Poudre River Commissioner made presentations. The 2007 assessments were set at \$85.00 per share. NPIC Annual Report was included with the Board Packet.

NEWT Pipeline

The design and easement acquisition phase for the first segment of the NEWT pipeline is underway. The routing study for the second (western) phase will begin soon. Joe Fonfara will draft a joint easement agreement to be used by ELCO and North Weld.

Staff will meet with representatives from the City of Greeley to discuss the portion of NEWT and the Greeley water line (GWET) that will run parallel to each other.

CWCB Grant Application and Conservation Plan Development

Colorado Water Conservation Board (CWCB) approved ELCO's \$26,514 grant request. The funds will be used for preparation of the Water Conservation Plan. Clear Water Solutions, the consultant selected to prepare the plan, will attend the Board meeting in March to solicit input regarding conservation measures and programs to be included in the final plan.

Clear Water Solutions will be asked to address moving or combining annual water allotments from one property to another in the Water Conservation Plan.

10. EMPLOYEE HEALTH INSURANCE RENEWAL

A table showing various health insurance options and their relative costs was included with this agenda item. The employee health insurance policy renews on April 1. After discussing the matter, Ed Laudick made a motion to renew the health insurance using the same provider and the same plan. Vern Sunset seconded the motion and it passed unanimously.

11. PETITION FOR EXCLUSION

Staff recommended the Board adopt the resolution granting the petition for exclusion for the property known as Lot M29, Block 5, Old Town North. This property is currently included within the District boundaries, but will receive water service from the City of Fort Collins. Randy Siddens made a motion to adopt the resolution and Ed Laudick seconded. The motion passed unanimously.

12. MANAGERS REPORT

Minutes from the January meeting of the City of Greeley Water and Sewer Board were included with this agenda item.

The Managers Goals and Time Line for 2007 will be emailed to the Board in the near future.

Loren Maxey made a motion to ratify the Managers salary adjustment approved at the recent work session. Vern Sunset seconded and the motion passed unanimously.

A documentary prepared by those opposing new reservoir projects on the Poudre River was discussed briefly. Copies of the DVD "Drop by Drop" will be available next month.

13. OTHER BUSINESS

Dana McBride is the architect who is preparing plans for the partial office remodel and building reface. Updates will be provided as they become available.

The Board received a status report on staff efforts to fill the opening for District Engineer.

Operations staff has traded-in both of the Districts dump trucks for two newer dump trucks that should better meet ELCO's needs.

14. ADJOURNMENT

At 9:45 p.m., as there was no other business to come before the Board, Ed Laudick moved to adjourn, Vern Sunset seconded and the motion passed unanimously.

Secretary

Approved: _____
President