

East Larimer County Water District
Board of Directors
Regular Meeting

Tuesday - 7:00 P.M.

October 16, 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, Scott Baker, Randy Siddens,
Vern Sunset, Ed Laudick

Directors Absent: none

Others Present: Mike Scheid, General Manager; Kathy Phipps, Administrative Manager and CFO; Amber Kauffman and Tom Ullmann, TEC; Jesse Tollefsrud, Water Systems Operator; Shawn Hoff, Water Resources Manager
Soldier Canyon Filter Plant

3. APPROVAL OF MINUTES FROM MEETING ON SEPTEMBER 18, 2007

Scott Baker moved for approval of the September 18, 2007 regular meeting minutes as presented. Vern Sunset seconded and the motion passed unanimously.

4. DISCUSSION AND APPROVAL OF FINANCIAL AND INVESTMENT REPORT

Scott Baker moved for approval of the Financial and Investment reports. Vern Sunset seconded the motion, and it passed unanimously.

5. SOLDIER CANYON FILTER PLANT REPORT

The water production process at the plant has been modified slightly and is working well.

The sludge dewatering equipment proposal discussed last month has been received. Funding in the 2007 budget is available for the equipment purchase and construction of a small metal "wash down" building in which to house it.

The Annual Tri-District meeting will be held in Windsor on October 25th. Those planning to attend are asked to contact Brenda.

6. PRESENTATION OF THE 2007 MASTER PLAN UPDATE

Tom Ullmann and Amber Kauffman with TEC attended the meeting to present the updated Master Plan. The ELCO Master Plan was last updated in 1996. The Water System Hydraulic Model and Master Plan are used to determine the best mode of long term operation of the system. Both are valuable tools used by ELCO to identify necessary water system improvements for storage, pipelines, and treatment.

The cost and timing of each capital project identified in the model is included in the report. Future recommended improvements are based on specific growth projections. Lack of adequate fire protection at existing hydrants and low service pressure were criteria used to identify current problem areas.

Constructing system improvements to address fire flow issues may require imposition of a mill levy or an additional monthly fee “ear-marked” specifically to pay for those improvements.

Many of the proposed enhancements will be made by developers for service to their property. TEC has identified improvements the District should make to provide adequate service or capacity to the less robust areas within the distribution system.

7. APPOINTMENT OF BUDGET OFFICER

Scott Baker made a motion to designate Mike Scheid as Budget Officer. Ed Laudick seconded and the motion passed unanimously.

8. PRESENTATION OF PROPOSED 2007 BUDGET

The 2008 Proposed Budget was included with this agenda item. Board members will review the document in preparation for discussion at the November 20th meeting.

9. UPDATE ON ELCO WATER RIGHTS

Shawn Hoff attended the meeting to update the Board on the following water rights and storage projects:

East Rigden Storage Project

A Water Transfer Agreement for 30 units of C-BT water, included with the Board packet, was discussed at length. Modification to the interest rate stated in paragraph six was recommended. The agreement should indicate all transfer fees associated with the initial purchase by the District and possible re-purchase by the current seller are the seller’s responsibility. The Board reached a consensus on the purchase price. Ed Laudick made a motion to enter into the agreement after incorporating the changes to paragraph six. Vern Sunset seconded and the motion

passed unanimously.

Overland Trail Ponds

Evaluation of numerous appraisals of the value of storage at Overland Trail Ponds has been on-going. Negotiations with sellers has resulted in mutually agreeable price per acre foot of storage as well as annual escalation factors. Final contracts will likely be prepared and ready for signature very soon.

Larimer County Road and Bridge Augmentation Plan

Larimer County Road and Bridge has approached ELCO with a request for augmentation water for a well they own in Livermore. Shawn Hoff researched what other entities require to supply augmentation water. Other organizations require transfer of water rights and an annual fee. Larimer County prefers a “one time” transaction that does not have an annual fee associated with it. The matter was discussed thoroughly. It was the consensus of the Board to require transfer of ownership of ¼ share of WSSC stock along with the associated dry-up and recharge from Larimer County Road and Bridge to ELCO in return for ELCO providing three to four acre feet of augmentation water per year. Scott Baker made a motion to enter into an agreement with Larimer County Road and Bridge as described above. Ed Laudick seconded and the motion carried unanimously.

10. MANAGERS REPORT

Minutes from the September Greeley Water & Sewer Board meeting were included with this agenda item.

All Board members planning to attend the annual Soldier Canyon meeting in Windsor are asked to let Mike know so that the appropriate reservations can be made.

ELCO plans to file a “Statement of Opposition” to Greeley’s Water Supply and Storage change of use case by October 31, 2007.

Scott Baker plans to attend the annual meeting of Colorado Diversified Trust on October 24, 2007.

A summary of the October 11, 2007 HSWMP meeting was distributed as an information item. Webb Jones prepared the summary and continues to attend these meetings.

11. OTHER BUSINESS

Tom Ullmann with TEC shared pictures from the explosion that occurred at the Carter Lake Filter Plant in July. Repair costs are estimated at \$5,000,000.

Soldier Canyon Filter Plant has reviewed the protocol it uses for chemical deliveries. Staff is confident that appropriate measures are in place at Soldier Canyon to prevent a similar accident.

A ditch crossing easement with Water Supply and Storage Company was discussed. The easement is needed to complete ELCO's Braidwood Loop project. Scott Baker moved to approve the expenditure and enter into the agreement with WSSC. Randy Siddens seconded and the motion passed unanimously.

12. ADJOURNMENT

At 9:45 p.m., as there was no other business to come before the Board, Randy Siddens moved to adjourn, Scott Baker seconded and the motion passed unanimously.

Secretary

Approved: _____
President