

East Larimer County Water District  
Board of Directors  
Regular Meeting

Tuesday – 5:30 P.M.

November 18, 2008

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, Ed Laudick,  
Randy Siddens, Scott Baker

Directors Absent: none

Others Present: Mike Scheid, General Manager; Kathy Phipps, Administrative Manager and CFO; Lynn Jacquart, Senior Accounting Specialist; Jack Warner, Operations Manager; Darwin Williams, District Engineer; Shawn Hoff, Water Resources Manager Soldier Canyon Filter Plant; Rosie Pindelli, Regulatory Compliance Manager Soldier Canyon Filter Plant; Daniel Rice, PE and Lee Lindeen, PE, Boyle Engineering/AECOM;

3. APPROVAL OF MINUTES FROM MEETING ON OCTOBER 14, 2008

Ed Laudick moved for approval of the October 14, 2008 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 October 2008 Financial and Investment reports. Vern Sunset seconded the motion. The motion passed unanimously. Disbursements for trash service and traffic control were discussed briefly.

5. SOLDIER CANYON FILTER PLANT REPORT

**Minutes-** Minutes from the November 6th Steering Committee meeting were included in the Board packet.

**Health Insurance** - In August 2008 Soldier Canyon elected to establish a health savings account (HSA) for each employee to pay health insurance premiums and other un-reimbursed medical costs. The plan implemented in August was preliminary and final details were to be decided on prior to January 2009. At the November Steering Committee meeting, motion was made to provide each SCFP employee \$900 per month to cover health insurance costs and place an amount into each employee's HAS monthly, up to the maximum allowed by law for a single employee.

**Three-Year Comparative Usage Graph** – The peaking characteristics of the three Districts were discussed. As Tom Ulmann prepares the update to the Soldier Canyon Filter Plant Master Plan, peaking factors should be considered. Staff will review the Soldier Canyon Agreement and will provide a copy to each ELCO Board member. Modifications may be necessary to ensure one District is not subsidizing another.

6. NEWT 1 PIPELINE UPDATE – AECOM WATER (BOYLE ENGINEERING)

ELCO Staff provided an update on the status of NEWT 1. Eight of the twenty-two easements required for NEWT 1 have been acquired. The design work is 99% complete, and will likely be out for bid in March 2009.

Daniel Rice, PE with Boyle Engineering presented a “fly-over” aerial view of the entire route. A detailed “engineer’s opinion of cost” for the project was distributed. Price for ductile iron pipe has declined recently so it is a favorable time to bid. It was recommended the NEWT participants consider pre-qualification of contractors as well as bidding for de-watering as actual costs plus a percent.

7. HORSETOOTH WATER QUALITY

Rosie Pindelli Soldier Canyon Water Quality Compliance Manager provided a thorough explanation of seasonal biological changes that have recently occurred in Horsetooth Reservoir. Naturally occurring blue-green algae that produce taste and odor compounds (geosmin) which are not removed by conventional treatment methods have been unusually high this year.

Shawn Hoff has been able to work with other regional water providers to enable Soldier Canyon to divert Poudre River water until the concentration of geosmin reaches an acceptable level.

The impact of Zebra and Quagga Mussels on water treatment and transmission systems was discussed at length.

8. WATER RESOURCES

**Coy Ditch** - A copy of ELCO's letter of intent to purchase the Coy Ditch water right was included with this agenda item. A response is expected in the near future.

**East Rigden** - The Board was updated on the status of East Rigden Storage Project. The project is expected to yield 800 to 1000 acre-feet of storage. It was recommended the District discuss funding options with local banks to gauge interest and their ability to be competitive with other funding sources available to ELCO.

**Overland Trail Storage** - Shawn Hoff provided a status report on the draft Purchase Agreement with Trieber Family prepared by Joe Fonfara. The Trieber Family has asked that several dates referenced in the agreement be changed.

**NPIC** - ELCO has purchased 2.5 shares of NPIC and is negotiating for several more.

**Carry-Over** - 2009 carry-over water for the Tri-Districts and Poudre River diversions were summarized by Shawn.

**Jackson Ditch Company** - The draft application for the change of Jackson Ditch Company shares owned by the Tri-Districts was included with this agenda item. The application will likely be filed in November or December 2008.

9. DISCUSSION OF PROPOSED 2009 BUDGET

As required by State Statute, the Proposed Budget for 2009 was presented to the Board in October.

Planned capital expenditures for water rights will be finalized soon and will be reflected in the final budget presented at the December Board meeting.

Jack Warner answered questions regarding the capital equipment portion of the budget.

Loren indicated the NPIC assessments for 2009 would likely be \$100 per share.

10. PROPOSED JANUARY 2009 RATE INCREASE

The proposed rate increase based on the recommendation of Red Oak Consulting was discussed briefly. Scott Baker moved to adopt the residential, commercial and wholesale rate increases. Vern Sunset seconded the motion and it passed unanimously. A newsletter notifying customers of the rate increase will be sent with the November water bills. The rate will be effective on January 1, 2009 and will be reflected on the bills sent in February.

11. MANAGERS REPORT

The first quarter 2009 precipitation forecast graph was included with the Board packet. Predictions for Northern Colorado are drier than normal. The Executive Summary for Colorado and Interior Southwest Forecasts, prepared by Klaus Wolter of NOAA, was included for discussion.

Minutes from the September 12<sup>th</sup> NCWCD Board meeting were included with the Board packet. The initial C-BT quota has been set at 60%.

Minutes from the October 20<sup>th</sup> Greeley Water and Sewer Board meeting were included for discussion.

ELCO Christmas Dinner will be held on December 19<sup>th</sup> at noon. Please R.S.V.P. by December 12<sup>th</sup>.

12. OTHER BUSINESS

There was no other business to come before the Board.

13. ADJOURNMENT

As there was no other business to come before the Board, Randy Siddens moved to adjourn the meeting. Vern Sunset seconded and the meeting adjourned at 8:30 p.m.

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Secretary

Approved: \_\_\_\_\_  
President