

East Larimer County Water District
Board of Directors
Regular Meeting

Tuesday – 5:30 P.M.

January 20, 2009

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, Scott Baker,
Randy Siddens

Directors Absent: Ed Laudick

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

3. APPROVAL OF MINUTES FROM MEETING ON DECEMBER 16, 2008

Vern Sunset moved for approval of the December 16, 2008 regular meeting minutes as presented. Scott Baker seconded and the motion passed unanimously.

4. DISCUSSION AND APPROVAL OF FINANCIAL AND INVESTMENT REPORT

The District's Managed Investment Account was discussed briefly. Scott Baker moved for approval of the December 2008 Financial and Investment reports. Vern Sunset seconded the motion. The motion passed unanimously.

5. SOLDIER CANYON FILTER PLANT REPORT

Minutes- Minutes from the January 8th Steering Committee meeting were included in the Board packet.

Water Quality – Unusually high levels of algae in Horsetooth Reservoir continue to cause minimal taste and odor issues for the Districts. The problems may be related to changes in the method NCWCD uses to clean the canals that carry water through the C-BT system.

CSU Land Purchase – Property the Tri-Districts are interested in acquiring for plant expansion, currently owned by CSU, will likely be transferred to CSURF by mid February. Details of the purchase continue to be refined.

Water Resources – Shawn Hoff provided status reports on Overland Trail Ponds, pending Water Court Applications, and snow pack as of January 8, 2009.

Soldier Canyon Treated Water Capacity Requirements – At the Steering Committee Meeting Tom Ullmann with TEC presented the initial findings of the latest master planning activity for Soldier Canyon.

At the ELCO Board meeting TEC's Scope of Study was reviewed and various expansion scenarios were discussed at length. Treatment capacity, storage, transmission and residuals handling must each be evaluated and considered within each "project scenario" identified. The presentation included "Engineer's Opinion of Probable Cost" for each alternative. Excess regional capacities are also being considered in the evaluation of alternatives. Updates will be provided as the analysis progresses.

6. WATER RESOURCES

Overland Trail Storage Project – A copy of the Treiber Purchase and Sale Agreement was included with this agenda item. After discussion Scott Baker moved to approve the Treiber Purchase. Vern Sunset seconded and the motion passed unanimously.

Closing for the Warson property is scheduled for January 26, 2009. Final documents prepared by Joe Fonfara were distributed at the Board meeting.

Larimer County Road and Bridge – Documents related to the Larimer County Road and Bridge Partial Assignment of Dry-up Covenant, Partial Assignment of Recharge, Water Stock Assignment for ¼ share of WSSC and ¼ share of Pierce Lateral, and a Bargain and Sale Deed for the water and lateral share were included in the Board packet. This transaction is related to the District's agreement to augment Larimer Counties Livermore well. Scott Baker made a motion to approve the documents. Vern Sunset seconded the motion and it passed unanimously.

Snowpack as of January 8, 2009 - Although it is early in the season, the snowpack levels in various basins in this region look promising.

7. REQUEST TO TRANSFER DRY-UP

Late in December 2008, ELCO received a request to transfer a portion of the dry-up held by the District on the Casa Loma subdivision located north of Severence, to the City of Greeley. The dry-up is associated with WSSC shares currently owned by William Yunker. Initially ELCO and Mr. Yunker anticipated two (2) shares of water would be deposited into the District's water bank and entered into an agreement to include two (2) shares in the District's change of use case. Although ELCO received dry-up covenants for two (2) shares, only one (1) share of WSSC owned by Mr. Yunker has been transferred to the ELCO water bank. Yunker has agreed to sell the other share to Greeley and is requesting ELCO transfer the associated dry-up to Greeley.

During the negotiations notary errors were discovered in nearly all of the

Casa Loma dry-up covenants initially provided by Mr. Yunker. Yunker has agreed to bear the cost of correcting all of the dry-up covenants.

Scott Baker made a motion to approve the Assignment of Dry-up Covenants contingent upon Yunker correcting all of the Casa Loma Dry-up Covenants. Vern Sunset seconded the motion and it passed unanimously.

A letter terminating ELCO's obligation in connection with conversion of the water shares represented by WSSC Certificate 006303 in the Water Court proceedings will be signed upon completion of the Assignment of Dry-up Covenants to Greeley.

8. MANAGERS REPORT

NEWT 1-The Crossing Agreement with Union Pacific Railroad Company necessary for the NEWT 1 project was presented with the agenda for discussion and signature.

Halligan and Seaman Water Management Project-Minutes from the January 6, 2009 participant meeting were discussed. It was suggested that minutes be passed on to the Board as soon as they are available rather than waiting to distribute them with the monthly ELCO agenda.

Unaccounted for Water-An updated graph depicting the percentage of "unaccounted water use" was included with this agenda item. The overall downward trend over the past five years is encouraging.

Greeley Water and Sewer Board Meeting Minutes-December 29, 2008 meeting minutes of the Greeley Water and Sewer Board were included with the Board packet.

9. OTHER BUSINESS

There was no other business to come before the Board.

10. ADJOURNMENT

As there was no other business to come before the Board, the meeting adjourned at 9:00 p.m.

Secretary

Approved: _____
President