

East Larimer County Water District
Board of Directors
Regular Meeting

Tuesday – 5:30 P.M.

April 21, 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, Ed Laudick

Directors Absent: None

Others Present: Mike Scheid, General Manager; Kathy Phipps, Administrative Manager and CFO; Darwin Williams, District Engineer; Lynn Jacquart, Senior Accounting Specialist; Melissa Tremelling, Senior Billing Specialist; Shawn Hoff, Soldier Canyon Filter Plant Water Resources Manager

3. APPROVAL OF MINUTES FROM MEETING ON MARCH 10, 2009

Ed Laudick moved for approval of the March 10, 2009 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 March 2009 Financial and Investment reports. Randy Siddens seconded the motion. Disbursements for Halligan-Seaman Project and Water Supply and Storage Company assessments were discussed briefly. The motion passed unanimously.

5. SOLDIER CANYON FILTER PLANT REPORT

Minutes- Minutes from the March 5th Steering Committee meeting and draft minutes from April 2nd meeting were included in the Board packet.
Water Quality –Currently, the Geosmin taste and odor levels leaving the filter plant are below the typical detectable level. In the future, diverting more Poudre River water for treatment at SCFP and blending it with Horsetooth water may help maintain acceptable Geosmin levels.
Gravel Pit Property-Bill Seaworth, owner of property adjacent to the Overland Trail Ponds, would like to lease or purchase three acres of riverfront property from the Tri-Districts and City of Greeley. The Tri-

Districts would consider potentially leasing the property to Mr. Seaworth. Mr. Seaworth plans to contact Greeley and have a draft lease agreement to both the Steering Committee and the City of Greeley for review and comment.

6. IDENTITY THEFT – RED FLAG RULE

ELCO staff has developed an Identity Theft Prevention Program in order to comply with regulations issued by the Federal Trade Commission (FTC) in November 2007. A copy to the program was included with this agenda item. Melissa Tremelling, Senior Billing Specialist and Lynn Jacquart, Senior Accounting Specialist attended the meeting to answer questions about the program. The date references in section I, Purpose and Adoption, will be updated. Mike Scheid was appointed to the position of Program Administrator. Scott Baker made a motion to adopt the program. Vern Sunset seconded and the motion passed unanimously.

7. ELCO WATER REVENUE REFUNDING AND IMPROVEMENT BONDS

Scott Baker recused himself from discussion and selection of the Underwriter with respect to the issuance of Revenue bonds. Prior to leaving the room, Scott distributed the following letter to be included in the minutes:

Dear Fellow Board Members and General Council,

In Accordance with Merrill Lynch & Co., Inc. policy concerning employees holding public office, I wish to inform you that I am a full-time employee of Merrill Lynch located in the Fort Collins, Colorado office, where I hold the position of Resident Director and wealth management Advisor.

As a producing manager, I both assist individual and business clients with financial and investment planning, and manage the day-to-day operations of the Merrill Lynch office. I am required by Merrill Lynch to avoid any conflicts of interest and refrain from opening or servicing an investment account for ELCO. I also may not participate in any debate of vote on any matter that may concern Merrill Lynch and ELCO.

Please contact me if you have any questions or concerns regarding this information.

Thank you,

Sincerely,

Merrill Lynch

Scott T. Baker

Vice President/Resident Director

The RFP's for Underwriting Services were discussed. All the firms submitting proposals were capable of providing underwriting services for ELCO's 2009 bond refunding and new issue. Randy Siddens moved to accept Stifel Nicolaus proposal, as recommended by Staff as well as the District's Financial Advisor. Ed Laudick seconded and the motion passed unanimously.

Scott Baker was asked to return to the meeting and was informed of the Boards selection for underwriting services.

8. NEWT 1 UPDATE

Darwin Williams attended the meeting to provide an update on the NEWT project. Bids for the project were opened on Friday, April 21st. Of the thirteen bids received, four met the minimum qualifications constraints. Garney Construction was determined to be the successful low bidder for the project. Vern Sunset made a motion to award the construction contract in the amount of \$6,047,481.90 to Garney, Ed Laudick seconded and the motion carried unanimously.

ELCO and North Weld have secured easements or possession and use agreements on all but one affected property east of College Avenue. Tim Goddard with Hasler Fonfara and Maxwell has prepared a resolution authorizing acquisition by eminent domain proceedings to acquire the necessary easement from one property owner who has not accepted the District's offers to purchase the easements needed to complete the project. Ed Laudick moved to adopt Resolution #042009-001 "Authorizing Acquisition by Eminent Domain Proceedings of Certain Easements for the Construction of the ELCO-NWCWD Water Pipeline Project". Scott Baker seconded and the motion carried unanimously.

9. MANAGEMENT OF DESIGN AND CONSTRUCTION OF A NEW 12-INCH WATERLINE

Representatives of Anheuser-Busch (A-B) have contacted ELCO staff to discuss the possibility of having ELCO manage the design and construction of approximately 7,900 feet of 12-inch diameter waterline. A-B would like to see this water line in service before the end of 2009. All costs will be paid, in advance, by A-B. The Board indicated support for the project. Joe Fonfara drafted an agreement that has been forwarded to A-B for comment. Updates will be provided as more information becomes available.

10. WATER RIGHTS & STORAGE PROJECTS UPDATE

Shawn Hoff attended the meeting to review water resources and storage projects currently under consideration.

The option contract to purchase East Rigden Gravel Pit site is being reviewed by Joe Fonfara.

Lower Poudre Augmentation Plan recently purchased and filed a change case on four and one-half shares of Boxelder Ditch. Scott Baker made a motion that ELCO file a statement of opposition in order to be kept abreast of the proceedings. Vern Sunset seconded and the motion carried unanimously.

A resume from an experienced individual interested in working for Soldier Canyon Filter Plant as "Water Resources Assistant" was included with this agenda item.

Snowpack as of April 1st is encouraging. The snow water equivalent graph was discussed briefly.

The Board will consider purchasing NPIC shares that are favorably priced.

Shawn is reviewing a well augmentation plan request for a group of approximately 26 property owners in Red Feather Lakes, known as "The 960". They will need approximately three acre-feet of water. They would likely purchase NPIC shares to trade for the augmentation agreement. Additional information will be provided as it becomes available.

11. MANAGERS REPORT

Annual Tri-City, Tri-District Meeting-Greeley will be hosting the annual Tri-City, Tri-District meeting on May 21, 2009 at St. Michaels. Those planning to attend will R.S.V.P. individually.

Water Supply and Storage Memo-A memo from WSSC provided information on the "wilderness designation" of Rocky Mountain National Park as it relates to the Grand River Ditch. A return flow lease program was also discussed in the memo. WSSC estimates they will run 55 days this year. The Irrigation Committee will meet on April 29th and will set the date for the first run of the season.

Northern Colorado Water Conservancy District Minutes- Minutes from the February 13th meeting of NCWCD were included with this agenda item. It was also noted that the 2009 C-BT quota is 80%.

Draft ELCO Newsletter-A copy of the ELCO newsletter that will be included with the April billing was included. It was suggested the next newsletter include information regarding District construction projects.

Greeley Water and Sewer Board Meeting Minutes-March 31, 2009 meeting minutes of the Greeley Water and Sewer Board were discussed briefly.

12. OTHER BUSINESS

There was no other business to come before the Board.

13. ADJOURNMENT

There was no other business to come before the Board. The meeting adjourned at 8:10 p.m.

Secretary

Approved: _____
President