

East Larimer County Water District
Board of Directors
Regular Meeting

Tuesday – 5:30 P.M.

September 15, 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, Randy Siddens, Ed Laudick,
Vern Sunset, Scott Baker

Directors Absent: none

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

3. APPROVAL OF MINUTES FROM MEETING ON AUGUST 18, 2009

Ed Laudick moved for approval of the August 18, 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 August 2009 Financial and Investment reports. Vern Sunset seconded the motion and it passed unanimously. A chart comparing 2009 with 2008 revenue and expenses as they relate to Bond Coverage was discussed at length.

5. SOLDIER CANYON FILTER PLANT REPORT

Minutes- Draft minutes from the September 3, 2009 Steering Committee meeting were included in the Board packet.

SCFP Update-

Northern Colorado Water Conservancy District recently contracted with an engineering consultant to study a second outlet for Horsetooth Reservoir. A second outlet could provide redundancy to the Soldier Canyon outlet.

The steering committee approved a contract with Ditesco to manage the tank re-coating and structural repair project for Soldier Canyon.

Tom Ullmann with TEC attended the Soldier Canyon meeting and indicated the Plant Capacity/Expansion Study is nearly complete but will

require additional funding. Additional funding was approved. The final report will likely be ready for the October Steering Committee meeting.

The Tri-district's decision to terminate participation in the Halligan-Seaman Water Management Project was discussed briefly.

6. 2010 BUDGET SCHEDULE AND APPOINTMENT OF BUDGET OFFICER

Ed Laudick moved to appoint Mike Scheid as Budget Officer for 2009. Scott Baker seconded the motion and it passed unanimously.

The increasing costs of evaluating sludge handling methods were discussed. Several capital equipment purchases proposed in Soldier Canyon's budget are a concern for ELCO's Board.

Loren Maxey shared an article from the Denver Post regarding a survey of 635 Colorado and Wyoming employers done by The Mountain States Employers Council in August. The purpose of the survey was to determine what kind of pay increases employers projected for 2010. Average wage hikes in Colorado are expected to be approximately 2%.

7. LARIMER COUNTY 1041 REGULATIONS

A copy of the Larimer County response to a letter submitted by Tri-Districts, Boxelder Sanitation, Cities of Greeley and Loveland regarding proposed amendment to the Larimer County land use code was included in the Board packet. The County Planning and Zoning Board meets on September 16, 2009 at 6:30. Additional information will be provided as it becomes available.

8. SERRATOGA FALLS WATER SERVICE AGREEMENT

The developers of Serratoga Falls are reviewing the Water Service Agreement prepared by Joe Fonfara. They require additional time to evaluate and better understand ELCO's position and did not attend the September Board meeting. They will contact staff to request time on a future agenda.

9. WATER RIGHTS AND STORAGE PROJECTS

Shawn Hoff attended the September meeting to review the current water resources agenda items covered at the September Soldier Canyon Steering Committee Meeting.

The closing for purchase the Coy Ditch Water Right is scheduled for mid to late October.

The 2010 Water Resources Budget was reviewed. Attorneys handling the District's "change of use" case are ready to set a trial date for the case however the District's prefer waiting until Water Supply and Storage Company has completed its agreement with Greeley. ELCO's participation in various storage projects has changed significantly, and is reflected in the proposed budget. The water resources technician position will not be filled in 2010.

A memo from Dennis Bode, Water Resources Manager with the City of Fort Collins to Darin Atteberry, City Manager, summarizing key concerns surrounding the Tri-Districts decision to end its participation in Halligan

Reservoir Enlargement Project was included with this agenda item. After considerable discussion the ELCO Board stood by its decision. Staff will convey this message to City representatives.

10. MANAGER'S REPORT

NEWT 1 Change Order – A change order for the NEWT 1 project initiated by the Districts was included with Board Packet. The change order increases ELCO's costs by approximately \$54,000 to install additional butterfly valves and increase the pressure class on all butterfly valves in the project. Scott Baker made a motion to approve NEWT 1 Change Order #1. Randy Siddens seconded and the motion carried unanimously.

Annual Tri-District Meeting – The annual Tri-District meeting will be held at the Eaton Country Club. ELCO's preference is to hold the meeting on October 22, 2009.

Other – The Board was reminded of the upcoming SDA Conference in Keystone from September 23-25, a potluck picnic on September 20 and a retirement dinner for Rick Mattingly on September 30.

11. OTHER BUSINESS

As a result of the two recent asphalt spills into the Poudre River, the Board asked questions regarding the notification process and likelihood of additional testing costs. The City of Fort Collins was notified within twenty minutes after each accident, and in turn, they notified Soldier Canyon Filter Plant immediately. The cooperation is impressive however the Board would like a better understanding of the official protocol for the Plant receiving notification of these types of incidents.

12. ADJOURNMENT

There was no other business to come before the Board; Scott Baker made a motion to adjourn, Ed Laudick seconded. The motion passed unanimously and the meeting at 8:00 p.m.

Secretary

Approved: _____
President