

East Larimer County Water District  
Board of Directors  
Regular Meeting

Tuesday – 5:30 P.M.

December 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, Vern Sunset,  
Scott Baker, Ed Laudick

Directors Absent: none

Others Present: Mike Scheid, General Manager; Kathy Phipps, Administrative Manager and CFO; Melissa Tremelling, Senior Billing Specialist; Shawn Hoff, Water Resources Manager Soldier Canyon Filter Plant; Dan McGuire

3. APPROVAL OF MINUTES FROM MEETING ON NOVEMBER 17, 2009

Scott Baker moved for approval of the November 17, 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 November 17, 2009 Financial and Investment reports. Randy Siddens seconded the motion and it passed unanimously.

5. CUSTOMER REQUEST TO CONSIDER CONSERVATION CHARGE

Dan McGuire, an ELCO customer, attended the meeting to discuss the Districts conservation charge policy. Mr. McGuire owns Elm Ridge Ranch Landscape and wholesale large-caliper tree nursery located at 1727 Ridgecrest Drive. A single family residence is also located on the nine acre parcel.

Using treated domestic water for agricultural purposes is cost prohibitive. There is no delivery mechanism on the property to enable irrigating the trees with ditch water. The cost analysis of providing an additional 696,833 gallons (average overage the past six years) of raw water was reviewed. Mr. McGuire indicated he will pursue activation of the Colorado Well Permit he has obtained.

6. SOLDIER CANYON FILTER PLANT REPORT

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

**SCFP Update-**

The plant has treated Poudre River until water November 16<sup>th</sup>. Algae count in Horsetooth is high but geosmin levels are low.

Bill Roberts has received price quotes for a sludge handling loader. There is a municipal pricing program available through a local dealer that will likely keep the cost under budget. Additional information will be available at the January Steering Committee meeting.

In order for TEC to complete the master plan, Tom Ullmann asked if the Districts intend to continue efforts to purchase property to the north of the existing plant for future expansion. That is still the intention.

Weather permitting, National Coating is expected to begin work on painting tank 3 before the end of the year.

The Steering Committee approved a 3% cost of living increase for 2010.

It was noted that peaks indicated by the 3-year comparative Tri-District usage graph could likely be reduced if each of the Districts made better use of storage capacity within the District.

At a recent meeting with Joe Fonfara, Mike Ditullio, Shawn Hoff and Mike Scheid, Joe Fonfara provided input on the future of Water Resources functions at Soldier Canyon. Joe recommended amending the IGA to include the water resources function performed by Shawn on behalf of the Tri-Districts. He also indicated changing the name of Soldier Canyon Filter Plant to Tri-District be given careful consideration. Associated costs and unintended consequences may out-weigh any benefit of a name change.

7. WATER RESOURCES

Shawn Hoff attended the meeting to discuss District water resources matters. The closing on the John R. Brown Ditch Water Right took place last week. The recorded documents will arrive soon.

A draft application for ELCO's 35% interest in John G. Coy Water Right will likely be filed in water court by December 31, 2009. This right has an 1865 priority date.

ELCO and North Weld's Water Supply and Storage Company change of use case has been assigned a trial date of June 6, 2011. Engineers and Attorneys involved in preparing for the court date will be busy in 2010 preparing for the case. Funds have been set aside for associated legal and engineering work.

8. CONSIDERATION OF 2010 BUDGET AND RELATED RESOLUTIONS

Changes made to the proposed 2010 budget reflected in the final 2010 budget were discussed. The 2010 budget reflects a 9% reduction in operations and maintenance from 2009 and a 3.7% increase in operating revenue over 2009.

Other differences are reflective of changes in the Soldier Canyon budget. Red Oak Consulting's recommendation of a 12% rate increase effective January 1, 2010 has been incorporated in the final budget. Revenue from tap sales in 2010 is projected to be lower than in 2009.

Scott Baker moved and Ed Laudick seconded the motion to adopt Resolution 2009-12-01, Resolution to Adopt Budgets. Motion passed unanimously. Scott Baker made a motion to adopt Resolution 2009-12-02, Resolution to Appropriate Sums of Money for Governmental Activities. Ed Laudick seconded and the motion carried unanimously. Motion was made by Scott Baker, seconded by Ed Laudick to adopt Resolution 2009-12-03, Resolution to Appropriate Sums of Money for Water Activity Enterprise. Motion carried unanimously.

9. ADOPTION OF MEETING DATES AND TIMES FOR 2010

Regular monthly Board meetings are held on the third Tuesday of each month at 5:30 pm at the District office. Vern Sunset made a motion to continue this schedule for 2010. Scott Baker seconded the motion and it passed unanimously.

10. RECOMMENDED SALARIES FOR 2010

At 6:36 pm Scott Baker moved to go into executive session for discussion of recommended salaries for 2010. Ed Laudick seconded and the motion passed unanimously.

At 6:56 pm the executive session concluded. The participants in the executive session were: Loren Maxey, Randy Siddens, Vern Sunset, Scott Baker, Ed Laudick, Mike Scheid, Kathy Phipps, and Shawn Hoff. Those attending the session were asked to state their concerns if they felt any substantial discussion of any matters not included in the motion to go into executive session occurred during the executive session or that any improper action occurred during the executive session in violation of the Open Meetings Law. Hearing none, the meeting proceeded to the next agenda item.

11. MANAGER'S REPORT

**Larimer County 1041 Regulations** – Alternative language regarding the proposed 1041 designation of water and wastewater lines as matters of state interest was addressed in a Larimer County Staff Report included with this agenda item. Staff members from Larimer County Planning and Health Department, along with several local Special Districts and Municipalities have met multiple times recently to discuss the proposed language and have reached a level of agreement acceptable to both. ELCO, along with other utility providers, developed and submitted an alternative that focuses on easement width rather than pipeline diameter. Each alternative will be presented to the County Commissioners on December 21<sup>st</sup>.

**NEWT** – Payment request #4 was discussed. The project is ahead of schedule in spite of recent cold weather.

**December 2009 Newsletter** – A copy of the newsletter that will be

mailed with the December bills was included with the Board packet.

11. OTHER BUSINESS

A letter from Boulder County Treasurer regarding funds lost by local governments due to the closure of CDT was distributed. Their intent is to generate money to continue their efforts on behalf of all entities to recover those losses from the Federal Government TARP money. Staff was instructed to decline the request.

12. ADJOURNMENT

As there was no other business to come before the Board; at 8:30 p.m. Scott Baker moved to adjourn. Ed Laudick seconded and the motion passed unanimously.

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Secretary

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