

East Larimer County Water District
Board of Directors
Regular Meeting

Tuesday – 5:30 P.M.

May 18, 2010

1. CALL TO ORDER

Loren Maxey, Chairman of the Board of Directors, called the meeting to order.

2. ROLL CALL

Directors Present: Loren Maxey, Ed Laudick, Vern Sunset,
Randy Siddens

Directors Absent: Scott Baker

Others Present: Mike Scheid, General Manager; Kathy Phipps, Administrative Manager and CFO; Lynn Jacquart, Senior Accounting Specialist; Shawn Hoff, Tri-Districts Water Resources Manager

3. OATH OF OFFICE

Loren Maxey, Chairman of the Board, administered the Oath of Office to Randy Siddens and Vernon R. Sunset both of whom were declared elected after having run unopposed in the May 2010 election.

4. NOMINATION AND ELECTION OF OFFICERS

Ed Laudick made a motion to keep the present officers. Randy Siddens seconded the motion. Motion passed unanimously.

5. APPROVAL OF MINUTES FROM MEETING ON APRIL 20, 2010

Randy Siddens made a motion to approve the “revised minutes” from March 9, 2010. The motion was seconded by Vern Sunset and carried unanimously.

Randy Siddens moved for approval of the April 20, 2010 regular meeting minutes as presented. Vern Sunset seconded and the motion passed unanimously.

6. DISCUSSION AND APPROVAL OF FINANCIAL AND INVESTMENT REPORT

Ed Laudick moved for approval of the April 20, 2010 Financial and Investment reports. Randy Siddens seconded the motion and it passed unanimously. Fifty-three taps have been sold thus far for 2010. Fifty-one taps were sold during the entire year of 2009. Ever increasing costs of system repair and maintenance affects rates and should be mentioned in a future newsletter.

7. SOLDIER CANYON FILTER PLANT REPORT

Minutes- Draft minutes from the May 6, 2010 Steering Committee meeting were included in the Board packet.

SCFP Update-

Finished water quality coming out of the plant is the best it's ever been. Geotubes used for sludge drying are working well.

Rod Hansen has stepped down as Operations Supervisor. Loren Sterling is now the Operations Supervisor.

To help eliminate recent cash flow issues, the Steering Committee decided to add \$15,000 to the SCFP contingency.

A meeting with CSU and the Tri-Districts will be held tomorrow to discuss potential land acquisition. The land owned by CSU, is adjacent to SCFP and would be used for solids drying. This and other possible solids handling solutions will be explored before a decision is made.

8. WATER RIGHTS/STORAGE PROJECTS UPDATE

Shawn Hoff attended the Board meeting to discuss Tri-District water resources activities.

A copy of the executed agreement between the City of Greeley and Water Supply and Storage Company was included with this agenda item. As a condition of its change-of-use case, ELCO will likely be subject to a very similar agreement with WSSC. Areas of particular concern include the overall restrictive nature of the agreement, the ambiguity surrounding possible injury to other shareholders, and the fee-per-share that will be assessed as soon as the agreement is signed. After lengthy discussion, Ed Laudick made a motion to place a 3-year moratorium on accepting WSSC shares. Vern Sunset seconded the motion and it passed unanimously. The moratorium is effective immediately. A notice of the moratorium will be posted at the Water Supply and Storage Company office. Water Bank Credit holders will also be notified. District staff will continue to work with WSSC to craft a mutually acceptable operating agreement and impact fee.

Work continues on preparation of a Common Interest Agreement with Greeley and the Tri-Districts on the Overland Trail Ponds. City of Fort Collins participation in this storage project is also being reviewed by the participants. Carriage Agreement and Easement discussions with the Larimer County No. 2 are

ongoing.

A proposal from TZA to perform a study to determine the amount and timing of municipal return flows that result from water use within ELCO's service area was included with this agenda item. Data from this study will first be used in conjunction with the John G. Coy change case. It will also be used in the WSSC as well as any other future change cases. Randy Siddens made a motion to accept the proposal – not to exceed \$70,000. Vern Sunset seconded and the motion carried unanimously.

TZA Technical Memo No. 1 was included with the Board packet. There will likely be ten technical memos prepared to outline various components of the engineering analyses. These memos will be circulated to objectors so that they may provide comments regarding any issues or concerns about the technical approach being used by TZA.

9. REGIONAL WATERSHED SUPPLY PROJECT (RWSP)

Mike recently attended a meeting of the Water Users Technical Advisory Group made up of entities who submitted letters of interest in the pipeline project that would divert water from the Green River or Flaming Gorge Reservoir to parts of Wyoming and the Colorado Front Range. AECOM has been retained by the Army Corps of Engineers to prepare the EIS for the 404B permit. Harvey Economics has begun the work needed to validate the purpose and need for the project. Million Conservation Resource Group is anxious to receive a project schedule from the Army Corps of Engineers and could hold up the 3rd party consultants working on the project until a schedule is received. The District expects it will be asked to commit financially by the fall of 2011.

10. MANAGER'S REPORT

2010 SDA Conference – The Board was reminded that the SDA Conference is scheduled for September 22-24. Loren and Ed indicated they will not be able to attend.

NEWT Payment Request – Newt Payment Request #9 was included with the Board packet. The contractor is boring under College Avenue at this time.

Giddings Road Pipeline Project – Don Kehn Construction was awarded the contract to construct the new waterline on Giddings Road. The bid was well-under the engineers estimate. They expect to begin the project next week.

11. OTHER BUSINESS

Developers of Maple Hill have contacted the District with a new proposed layout that will reduce the number of lots with water service line entering the home through the back yard. The new proposal calls for only fifteen lots to be served in this unconventional configuration. The customer service line falls

outside the District's area of influence and responsibility.

The City of Fort Collins is considering purchase of approximately 140 acres once occupied by the Community Airpark. The property may be used for storm water drainage, bike trail and parks.

There was no other business to come before the Board.

12. ADJOURNMENT

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

Secretary

Approved: _____
President