

**MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS
OF LITTLE THOMPSON WATER DISTRICT**

The Board of Directors of Little Thompson Water District (LTWD) met in regular session on Thursday, September 21, 2017 at the District office. Attendance was as follows:

Board of Directors:

Bill Szmyd, President	Present
Paul Bukowski, Vice President	Absent
Steven Brandenburg	Present
Larry Brandt	Present
Diana Larsen	Present
Ed Martens	Present
William Prewitt	Present

Staff in Attendance:

Mike Cook, District Manager
Judy Dahl, Business Manager
Amber Kauffman, District Engineer
Nancy Koch, Water Resources Manager
Sandi Lebsack, Recording Secretary
Angela Diekhoff, Customer Service

Other Attendees:

Michael Hart, Town Administrator, Town of Berthoud
Stephanie Brothers, Engineer, Town of Berthoud
Mark Chambers, Customer
Melissa Chambers, Customer

CALL TO ORDER

President Szmyd called the meeting to order at 5:03 p.m. followed by recitation of the *Pledge of Allegiance*.

ROLL CALL

Roll call was taken. **It was moved by President Szmyd, seconded by Director Brandenburg, to excuse the absence of Director Bukowski. Motion carried unanimously.**

AGENDA REVIEW

The following Agenda Items were moved for discussion before Agenda Item 6 - *Consent Items*:

Agenda Item 7.6 – *Customer Request – Exemption from Rules and Regulations*

Agenda Item 7.3 – *Public Hearing, Changes in Rates and Fees*

PUBLIC COMMENTS ON NON-AGENDA ITEMS

There were no public comments on non-agenda items.

PUBLIC HEARING – CHANGES IN RATES AND FEES, DISTRICT INCLUSIONS

President Szmyd opened the Public Hearing for Changes in Rates and Fees and the District Inclusions, Guinotte and Simons. There were no public comments and the Public Hearing was closed.

DISCUSSION ITEMS 7.6 AND 7.3

Agenda Item 7.6 - Customer Request, Exemption from Rules and Regulations:

Customers Mark and Melissa Chambers were present regarding their request to dedicate raw water rather than purchasing a new tap for the secondary residence on their property as a variance to the District's Rules and Regulations.

Following discussion, **it was moved by Director Martens, seconded by Director Prewitt, to allow a variance to the Districts Rules and Regulations for customers Mark and Melissa Chambers and allowing them to pay Cash-in-Lieu of raw water for the existing second residence to be expanded on their property at 17300 I-25 Frontage Road, while foregoing the plant investment fee and installation fee until the parcel sells or parcel is subdivided. Motion carried unanimously.**

Agenda Item 7.3 - Public Hearing, Changes in Rates and Fees:

Changes to the Town of Berthoud Rate for Temporary Service: Berthoud Town Administrator, Mike Hart, and Berthoud Engineer, Stephanie Brothers, were present to speak regarding proposed changes to the Town of Berthoud Rate for Temporary Service. LTWD staff recommended a temporary rate for service to the Town of Berthoud, through master meters, at the proposed rate of \$2.37 per 1,000 gallons.

It was moved by Director Larsen to implement a temporary rate for service to the Town of Berthoud, through master meters, at \$1.03 per 1,000 gallons. The motion died due to a lack of a second.

Following discussion, the Board asked that this agenda item specific to the “Changes to the Town of Berthoud Rate for Temporary Service” be tabled for discussion in an Executive Session at the October Board meeting. The Board asked that staff define “emergency” versus “temporary” service.

Changes to the Cash-in-Lieu of Water Charges for a Tap: **It was moved by Director Martens, seconded by Director Prewitt, to set the Cash-in-Lieu at \$55,000 per acre-feet of water dedication as outlined in Section 15, Schedule A of the District’s Rules and Regulations. Motion carried unanimously.**

CONSENT AGENDA

It was moved by Director Brandenburg, seconded by Director Brandt, to approve the Consent Agenda including:

- **Minutes of the August 10, 2017 Regular Board Meeting;**
- **Tap List 620;**
- **August 2017 Disbursements in the amount \$671,386.56:**
 - **Operating Account: \$488,584.84**
 - **ACH Manual Check Numbers 1264 to 1285 for \$213,914.40;**
 - **Check Numbers 7986 to 8094 for \$274,670.44;**
 - **Payroll Account: (Two Bi-weekly payroll periods in August) for \$182,801.72**
 - **ACH Transmittal Vouchers – O-1267 to O-1282 for \$96,935.34;**
 - **ACH Direct Deposit Numbers N-7400 to N-7460 for \$85,866.38.**
- **August 2017 Financial Report;**
- **Resolution 2017-8, District Inclusions (Guinotte and Simons).**

Motion carried unanimously.

DISCUSSION ITEMS

Carter Lake Filter Plant (CLFP):

Discussion topics:

- 2018 projected LTWD water, use-by-month table;
- CLFP extended run of pumps from Dry Creek Reservoir resulting in temporary Taste and Odor complaints;
- Pre-treatment Feasibility Study at CLFP – final report from Tetra-Tech;
- Proposed 2018 future joint (Central Weld County Water District and LTWD) capital projects.

Overview of LTWD Water Dedication Requirements for a New Tap:

An overview of our water dedication requirements for new water taps was presented. Developments with three or more lots are required to provide water rights accepted by the District for their development.

The exception is for developers with three lots or more who use water from the 200 acre-feet of Windy Gap water that the District purchased from the Platte River Power Authority (PRPA.) These developers can pay Cash-in-Lieu. This opportunity exists while the PRPA water is available.

The following sections of the District’s Rules and Regulations were provided for reference: Section 8 – Requirements to Provide Water Rights; Section 15 – Water Dedication Policies and Procedures; Section 15, Schedule A – Tap Fees; and Section 15, Schedule D – Water Dedications.

First Review of the Brookfield 2nd Use of Water Agreement:

A draft of the Brookfield Water Rights and Lake Management Exchange Agreement was reviewed. The goal for this agreement is to get Brookfield “*out of the water business*” securing the 2nd and subsequent use of the Windy Gap water as well as several other important items that will allow LTWD access to the water and provide a location and way to make valuable use of the water.

2018 Budget, Review of Proposed Capital Expenditures:

District Engineer Kauffman presented a Five-Year Financial Forecast and specifically reviewed the following projects for 2018:

- Office Building Expansion – projected \$310,000
- Taft Avenue/Larimer County Rd 17 Improvements – projected \$500,000
- West 1st Street – projected \$505,000
- Arkin’s Tank – projected \$85,000
- Replacement Vehicles and Equipment – projected \$98,200
- Convert Construction Crew to Inhouse – projected \$195,000 (includes equipment purchase)

The proposed 2018 Budget will be presented at the October 12, 2017 Board Meeting.

STAFF REPORTS

Manager's Report: District Manager Cook reported on the following:

- Remaining 2018 Budget Schedule:
 - October 12: Presentation of the proposed 2018 Budget (required prior to October 15, 2017)
 - November 16: Scheduled Public Hearing on the 2018 Budget, 30-day notice required
 - December 14: Adoption of 2018 Budget (required prior to December 15, 2017)
- 2018 Budget Objectives discussed:
 - Anticipated no increase in water rates;
 - Anticipate two additional staff, one in Operations and one in Engineering.
- Receipt of \$173,000 for Griep Farm Mineral Lease;
- Special District Association (SDA) Conference, September 13 - 15;
- Provided updates regarding two customers whose balances total \$50,000 and whose balances were being certified to the Weld County Treasurer's office for collection through their property taxes.
- Provided an update on a commercial tap that had been over-reading for four years. The customer was overcharged \$13,000 and has been reimbursed for the overcharges.

District Engineer's Report: District Engineer Kauffman reported on the following:

- 24" line replacement and corrosion protection project – construction starts September 26;
- Burdick Vault abandonment – projected awarded to J&J Construction Concepts;
- Developer project: Aurora Dairy – waterline construction along property frontage in progress;
- County road projects – Larimer County Road 3 and 15;
- GIS system progress.

Water Resources Manager's Report: Water Resources Manager, Nancy Koch, reported on the following:

- The District's cumulative usage through August was 350 acre-feet less than projected due to ten days of cool weather and rain in August.
- The District continues to lease water to agricultural users not needed to meet 2017 demands and carry over to next year.

Operations Manager's Report and Water Quality Update: In the absence of Operations Manager Lambrecht, District Engineer Kauffman presented the Operations' Report:

- Locate requests are down;
- Fewer leaks are being reported;
- Cleaning is being done to the exterior of the Twin Mounds 5M tank;
- The State Health Department results for the Lead and Copper samples taken January through June 2017 states "the Supplier has not exceeded the lead or copper action level and remains in compliance."
- The DBP2 test results are good. All testing was within acceptable parameters.
- As part of a taste test at the September 11, 2017 Rocky Mountain Section of the American Water Works annual conference in Loveland, LTWD was the winner for best water in the mountain west region.

DIRECTOR REPORTS

Discussion topic:

- It was decided to change the time for the December 14 Board Meeting to 3:00 p.m. This change will be duly noticed.
- Business Manager Dahl provided information from the recent SDA Conference regarding impending changes to Special District Elections.

There being no further business, **it was moved by Director Brandt, seconded by Director Martens, to adjourn the meeting at 8:15 p.m. Motion carried unanimously.**

Respectfully submitted,

Michael T. Cook