

RECORD OF PROCEEDINGS

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**MINUTES**

**FORT COLLINS-LOVELAND WATER DISTRICT**

**OCTOBER 17, 2017**

The Regular Meeting of the Fort Collins-Loveland Water District was held on October 17, 2017 at 7:00 p.m., at 5150 Snead Drive, Fort Collins, Colorado 80525.

**1. Roll Call**

Present: Directors: Dale Leach, George Holter, James Borland and James Petersen

Excused Absence: Director William Dieterich

Others Present: Chris Matkins, District Manager, Amanda Proctor, District Controller, Terry Farrill, District Engineer, Richard Raines, Water Resources and Raftelis Financial Consultants

**Business Conducted:**

**2. Reading of The Minutes**

The Minutes of the Regular Board Meeting on September 19, 2017, were read and approved.

**3. Public Comment**

None

**4. Cost of Service Study**

Raftelis Financial Consultants presented a final plant investment fee analysis and recommendation. They first started by reviewing the three methodologies, buy-in, hybrid, and incremental. Then they went through the suggested final plant investment fees with a fixed infrastructure component and a scaling water requirement.

Raftelis then went through the financial plan results using the recommended plant investment fee and suggested charge of service rate increases. Using the overall financial plan, Raftelis presented the preliminary charge of service rates for all classes of customers. Upon presenting the preliminary charge of service results, Raftelis asked for Board recommendation on the presented findings.

The Board suggested looking into the multi-family rates further to ensure that the calculation would be accurate for the long-term District stability.

Raftelis, using the Board's recommendations, will come to the November Board meeting with their final recommendations in regard to charge of service fees.

## **5. Water Resources Update and Budget Review**

Richard Raines presented the 2018 proposed water resource budget as it relates to the District.

Richard also went through the last two months of water usage. Compared to 2016, 2017 water usage is down. This combined with the General Manager's more conservative water renting approach in 2017, will result in about 2,500 AF of CBT to go into the regional pool at potentially significantly higher revenue returned to the District this year.

Lastly, Richard noted that the SCWTA is using Poudre River water along with its other sources for water treatment.

## **6. Health Insurance Options and Staff Recommendation**

Amanda Proctor, District Controller, discussed the need to change employee health insurance options due to increasing health care costs and claims exceeding the Districts' funding ability to self-insure a portion of the plan. She stated that due to lack of time in regards to open enrollment and insurance paperwork, a new broker has been selected. Working with the new broker, the employees will be presented with two health insurance options: a high deductible plan with an HSA option, and a traditional PPO based plan. She and Chris are working together to finalize the District's contribution towards employees' HSA accounts and premiums. Currently, it is expected that there will be no cost increase to the District.

## **7. Draft Budget Overview and Hearing Setting**

District Manager, Chris Matkins, went through a proposed budget summary. Chris went through the change of breaking out Capital projects between Operating and Non-Operating; included in the breakout is the expansion of SCWTA. Highlights from the budget include: no new employees, one new vehicle, purchase of a valve exercising truck, and an increase in management fee revenue from SFCSD.

**Moved by Director Petersen and  
seconded by Director Holter to set the  
public hearing for November 21, 2017 at  
the regularly scheduled Board Meeting.  
Motion carried 4-0**

## **8. Managers Update**

### **A. General Information**

Chris went through the water tank repairs that are currently ongoing on the water tank by Hughes Stadium. Chris stated that the repairs will be more extensive than originally planned but that District staff is doing a great job of overseeing the rehab work.

Chris provided an update on the SCWTA. The final resolution regarding the split between all the District has been finalized. The preliminary stages of bonding will now begin. Also on October 20, 2017 the SCWTA Board will be in an all-day retreat.

Chris stated that District staff is currently working on the scoping of a master plan to send out to firms for bidding.

An opportunity to purchase water for \$28,300 per CBT unit has occurred. Board decided to pass on the purchase of CBT above \$27,200 per unit at this time

Chris announced that the annual joint Board holiday celebration for Board members and spouses will be at the Candlelight Dinner Theatre on December 6, 2017 beginning at 5:00 PM

Lastly, Chris reminded the Board of his vacation November 4-13, 2017.

**B. Financial Statements**

The General Manager reported that the Financial Statements prepared by Amanda Proctor, District Controller, are included with the agenda packet for their review.

**C. Tap Purchases**

The Manager reported that 29 taps have been sold in the month of September for revenues of \$1,446,000 and for the year, 352 taps have been sold with revenues in the amount of \$11,853,200.

**9. Other Business**

None

**10. Disbursements**

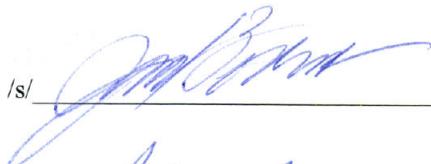
The Manager presented disbursements for September in the amount of \$1,117,454.52. After discussion, it was:

**Moved by Director Petersen and  
seconded by Director Leach to approve  
the disbursements for September 2017.  
Motion carried 4-0**

**11. Adjournment**

There being no further business to come before the Board, the meeting was adjourned at 10:25 PM.

Respectfully,

/s/   
/s/ 

Date Approved: 11/21/2017