

RECORD OF PROCEEDINGS

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MINUTES

FORT COLLINS-LOVELAND WATER DISTRICT

APRIL 16, 2019

The Regular Meeting of the Fort Collins-Loveland Water District was held on April 16, 2019 at 7:00 p.m., at 5150 Snead Drive, Fort Collins, Colorado 80525.

**1. Roll Call**

Present: Directors: James Borland, Dale Leach, Ron Ruff, William Dieterich, Michael Pruznick and Peter O'Neill

Excused Absence:

Others Present: Chris Matkins, District Manager, Amanda Proctor, District Controller, and Chris Pletcher of CivilWorx

**Business Conducted:**

**2. Public Comment**

None

**3. Consent Agenda**

Several items were presented for the consent agenda. After discussion, it was:

**Moved by Director Pruznick and  
seconded by Director Leach to approve  
the presented consent agenda  
*Motion carried 5-0***

**4. Introduction of Chris Pletcher of CivilWorx (Interim District Engineering Support)**

District Manager, Chris Matkins, introduced Chris Pletcher from CivilWorx. Chris Pletcher is providing contract engineer support to SFCSD and FCLWD. Chris Pletcher and District staff have successfully started tracking incoming projects to ensure that they are being reviewed timely. The transition to using CivilWorx with the referral agencies has been communicated.

Currently CivilWorx is providing 20-25 hours per week reviewing projects, and taking ad hoc project calls.

**5. Water Purchase Opportunities**

Director Leach provided an update to the Board regarding a potential trade of water shares. There is currently an opportunity to trade WSSC, NPIC, or CBT to a developer for 85 shares of Divide Canal.

The Board discussed the trade opportunity and whether or not they could purchase the Divide Canal shares for the developer without trading. After discussion, it was:

**Moved by Director Borland and seconded by Director Ruff to approve Director Leach and the District Manager to negotiate the trade deal for up to \$1,956,410 and 65 units of CBT for the 85 shares of Divide Canal.  
Motion carried 5-0**

Chris then informed the Board of an opportunity to purchase 0.2 shares of Jackson Ditch. The water is classified as Ag and has not been through water court, and the seller does not want to have a dry up covenant. The Board discussed a potential purchase price. After discussion, it was:

**Moved by Director Pruznick and seconded by Director Leach to authorize the District Manager to negotiate the purchase of the shares up to \$432,000 with a dry up covenant.  
Motion carried 5-0**

**6. Resolution 2019-04-01 – Appointing Directors to the Soldier Canyon Water Treatment Authority**

Chris stated that per the SCWTA Agreement, each District is allowed to appoint two Directors and an alternate Director to the Board.

After Board discussion, it was:

**Moved by Director Borland and seconded by Director Ruff to appoint Director Borland and Chris Matkins to the SCWTA Board and appoint Director Dieterich as an alternate.  
Motion carried 5-0**

**7. Soldier Canyon Water Treatment Authority Creation Agreement Amendment – Revised and Restated**

Chris stated that there are concerns that the SCWTA Board has too much spending authority. Therefore, there is an amendment to the Authority Agreement that places a cap on significant capital expansion projects without the approval of all three District Boards. After Board discussion, it was:

**Moved by Director Dieterich and seconded by Director Pruznick to approve the amendment to the SCWTA Agreement.  
Motion carried 5-0**

**8. Managers Update**

**A. General Information**

Chris stated the Monroe Diversion is owned by Northern Water. The Diversion needs repairs and maintenance done on it. The total cost is approximately \$600,000. The cost will be divided between the users of the diversion. FCLWD's cost is approximately \$100,000.

Northern Water increased the CBT water quota to 70%. Currently the per unit assessment is \$45.20. Northern is looking at increasing them to \$64.57 in order to cover the costs of the project and build up reserves to replace the aging infrastructure.

The South Platte Basin currently has above average snowpack. Current storage is at approximately 85%.

Chris updated the Board on the NISP project. He stated that currently mitigation efforts of the Preble's Jumping Mouse and Wetlands is in the critical path to receive the record of decision. The Water Secure program is being well accepted in the ag community. The project is still on track for the first bonding to take place in 2021. City of Evans is looking to sell approximately 400 AF. Also, the attorneys for the participants and Northern have started on the allotment contract process.

For SCWTA, Garney will deliver the GMP on the 28<sup>th</sup>. NWCWD is selling bonds to finance the project on May 24, 2019. Therefore, Garney will be receiving the notice to proceed on June 2, 2019.

Chris stated that regarding the inclusion of River Bluffs and Steamboat, which was approved last month by the Board, SFCSD has concerns regarding flooding and did not approve the inclusion. Additional information from the applicant has been requested.

Dallas Horton is finalizing plans in Timnath and wants to include a non-potable outdoor irrigation system. The average lot size in the development is projected to be 6,000 square feet. Dallas Horton would like a discount on all the taps for the project. Chris suggested a 40% discount on the 8,000 square foot lot or using the tap fee for 6,000 square foot lot. The District would receive a letter from the Town of Windsor regarding the reliability of the source. The Board then discussed requiring a letter from NPIC as well.

Chris discussed a safety program currently under development and additional opportunities for staff training.

Chris stated that the Districts have a complicated IT system. We've also lost institutional knowledge of our current system. Greystone, the District's new IT firm, has developed a plan that will take 2-3 months to fully transition our IT structure. It may cost \$30,000 to \$40,000, not including hardware, to complete the project.

Chris stated that all employees received their annual compensation statements.

The Cities of Fort Collins and Loveland are both working on their fiber optic networks. This means that there will be a higher volume of locate requests. Operations is currently working on cross training to ensure locates are completed timely. Operations will continue to monitor this to see if we need to hire a third party.

The new I-25 water bore is going to start soon.

On April 19, 2019 a PRV Vault will be delivered and installed. This will help the Southern part of our District with water pressure. The second vault will be delivered around May 3, 2019.

The District has ordered two Gardens in a Box to be planted in front where the Juniper bushes are dying. The Board is welcome to attend.

The CSU startup, Razix, has requested the District's data to aid in the land use project. The \$15,000 Razix project will help in projecting water demands according to land use.

Chris stated that on April 30, 2019 from 6-8 pm there will be an open house with both Districts.

The annual Tri-City Water Board Meeting will be on May 2, 2019. The City of Loveland is hosting.

Chris stated that there will be a joint meeting with the SFCSD Board on May 24, 2019 at 9:00 am at the old Egg and I off of Harmony.

Chris stated that in June, SDA will be having their annual Board workshop in Windsor. All Board members wishing to attend should notify Chris.

**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 20 taps have been sold in the month of March for revenues of \$815,990. For the year, 63 taps have been sold for revenues of \$2,382,624

**9. Other Business**

Director Borland reminded the Board of SDA Conference in Keystone. The Conference will take place September 18-20, 2019. Director Borland recommended that Board members arrive the night before.

**10. Disbursements**

The Manager presented disbursements for March 2019 in the amount of \$1,006,774.14. After discussion, it was:

**Moved by Director Leach and seconded  
by Director Pruznick to approve the  
Disbursements for March 2019.  
Motion carried 5-0**

**11. Adjournment**

There being no further business to come before the Board, the meeting was adjourned at 9:42 PM.

Respectfully,

/s/  \_\_\_\_\_

/s/  \_\_\_\_\_

Date Approved: 5/21/2019