

The Board of Directors of the Left Hand Water District, meeting as the Board of the District and of the Left Hand Water Activity Enterprise, held their regular meeting on November 19, 2015 at the District offices, 6800 Nimbus Road, Longmont, Colorado. The meeting was called to order by President Corey Heil at 9:05a.m.

Directors Present: Corey Heil, President
Bo Shaffer, Vice President
Julie Trumpler, Secretary
John Brunner, Treasurer
Dan Lisco, Director
Paul Schlagel, Director

Directors Absent: Mark Hochhauser (Excused)

Staff and Consultants: Chris Smith, General Manager
Vicki Santos, Finance Manager
Darwin Williams, District Engineer
Scott Holwick, Attorney
Meghan Connolly, Engineer I
Lilah Imes, Assistant Secretary, Board of Directors

Public Present: Henry Wright, Homeowner, 7993 Meadow Lake Rd
Jessie Olson, Watershed Coordinator, Lefthand Watershed Oversight Group

SUBJECT: MINUTES OF THE DISTRICT REGULAR MEETING HELD 10/15/2015

Approval of the Minutes

The minutes of the October 15, 2015, Board meeting were submitted prior to the meeting.

MSP: *Director Schlagel moved to approve the minutes of the October 15, 2015 meeting. Motion seconded by Director Lisco. Motion carried unanimously.*

SUBJECT: PUBLIC HEARING/COMMENT

MSP: *Director Lisco moved to officially open the public hearing to discuss Policy No. 18: System Connection / Disconnection / Abandonment. Motion seconded by Director Schlagel. Motion carried unanimously. Public hearing opened at 9:07am.*

Potentially Abandoned Taps – Policy No. 18.4

In accordance to Policy No. 18, staff continues to send out letters to owners of record requesting information regarding intent of future use for the taps on

their properties. On November 4th, 2015, letters were sent via certified mail, to 16 property owners. This round of letters went smoothly as staff was able to anticipate what type of questions we would receive. We received 7 responses requesting retention of their taps. Discussion.

- 1) Tap Retention Request - 5935 Galatia Rd-Acct # 6109.01
- 2) Tap Retention Request - 9909 Isabelle Rd- Acct # 4775.02
- 3) Tap Retention Request - Isabelle Rd Lot 3- Acct # 4480.01
- 4) Tap Retention Request - 3002 Nelson Rd- Acct # 2036.02
- 5) Tap Retention Request - 0 Oxford Road- Acct # 5430.01
- 6) Tap Retention Request - 7990 WCR 1- Acct # 2575.02
- 7) Tap Retention Request – 10187 Isabelle Rd - #4479.01

MSP: *Director Lisco moved to officially close the public hearing. Motion seconded by Director Schlagel. Motion carried unanimously. Public hearing closed at 9:12.*

MSP: *Director Lisco moved to accept the responses from the seven tap owners as evidence that there is intent to utilize the tap in the future and to grant an extension to the conditions of Policy No. 18, for all seven tap holders, to ten years from the date of this meeting. Motion seconded by Director Schlagel. Motion carried unanimously.*

2016 Rate Hearing

MSP: *Director Lisco moved to officially open the Public Rate Hearing. Motion seconded by Treasurer Brunner. Motion carried unanimously. Public hearing opened at 9:12.*

2016 Rate Hearing

Vicki Santos presented the Board with a memo on proposed rates and fees. The proposed rates and fees are based on the Colorado Cost-of-Service rate model provided by AWWA. By state statute, we advertised on our website that a Public Rate Hearing was set for today. The District published all required notices for a public rate hearing to be held on November 19, 2015 during the regularly scheduled BOD meeting. Vicki Santos presented information related to water rates and the District's "Cost of Service" that provides water service to our customers. Three rate increases were discussed today. The first increase presented was the Tier Rates. The District has not increased the tier rates since 2011. Second, Tap Fees and its components, which consists mainly of Plant Investment Fee, (PIF) and the Water Acquisition Fee. Tap fees are monitored quarterly by staff due to the dynamic water market. The PIF is the customer's "buy in" to the District's infrastructure. The Water Acquisition Fee is the cash-in lieu price for water dedication. The last fee increase in the discussion was the "Miscellaneous Fee". This fee schedule encompasses the non-utility fees charges for miscellaneous items not including Tap Fees. The presentation included information on existing rates and staff recommendations for 2016 rate increases. No comments were received by the public nor any concerns by mail. Discussion.

MSP: *Director Lisco moved to officially close the Public Rate Hearing. Motion seconded by Treasurer Brunner. Motion carried unanimously. Public hearing closed at 10:35am.*

MSP: *Director Lisco moved to adopt the Proposed 2016 Monthly Service and Volume Charges as presented. Motion seconded by Director Schlagel. Motion carried unanimously.*

MSP: *Director Lisco moved to adopt the Proposed 2016 Tap Fees as presented. Motion seconded by Vice President Shaffer. Motion carried unanimously.*

MSP: *Director Schlagel moved to adopt the Proposed 2016 fee increases for the Miscellaneous Fee Schedule as presented with the exception to increase the Shut Off Fee to \$75.00 instead of the recommended \$35.00. Motion seconded by Vice President Shaffer. Motion carried unanimously.*

SUBJECT: UNFINISHED BUSINESS

Lefthand Watershed Oversight Group (LWOG) Flood Recovery and Stream Restoration

Jessie Olson thanked the Left Hand Water District's Board of Directors for their continued support of LWOG. Currently LWOG has the opportunity to obtain grant funding that will help the water shed recover from the 2013 flood. In September, a recovery survey of 9 flood sites was conducted by NRCS Emergency Water Protection Program and they determined that the Nimbus Road project is an area they are willing to partner with to fund flood recovery efforts. The funding is estimated to cost \$1.4 million. However, this funding requires a sponsor to fund a small portion of the recovery cost. Chris is seeking BOD direction. Any funding requested will be brought before the Board at a later time. Discussion.

SUBJECT: TAPS FOR BOARD CONSIDERATION

W. Dean & Deborah A. Smith – 4951 WCR 7

This tap request is for a single-family residential tap to serve a vacant lot at the SW corner of WCR 7 and WCR 12. The lot is part of a recorded exemption from 4871 WCR 7. There is adequate pressure and flow to service a tap in this area. The property is within Left Hand Water District and Northern Water service boundaries. The tap would be backed with CBT and is subject to the Eastern Zone Transmission line fee (EZF). Discussion.

MSP: *Director Lisco moved to approve a 5/8 inch single-family tap to serve a lot on the SW corner of WCR 7 and WCR 12. Motion seconded by Vice President Shaffer. Motion carried unanimously.*

Source Gas – GBP Lot 8-Upgrade

This tap request is for an upgrade from a 5/8 inch commercial tap to a 1 ½ inch commercial tap plus a 6 inch fire line and all the fees associated with a tap purchase. The applicant has submitted all necessary forms and will receive a credit for the existing 5/8 inch commercial tap. There is adequate pressure and flow to service an upgraded tap in this area. Discussion.

MSP: *Director Schlagel moved to approve a standard upgrade from a 5/8 inch commercial tap to a 1 ½ inch commercial tap and a 6 inch fire line for Lot 8 Glacier Business Park, Source Gas. Motion seconded by Director Lisco. Motion carried unanimously.*

SUBJECT: FINANCIAL REPORTS

Monthly Financial Statements

Vicki Santos presented the financial reports and payables for the month of October 2015. Discussion.

Bills and Appropriations

A listing of monthly bills and appropriations was presented for review prior to the meeting. The total payables equaled \$3,906,076.04.

SUBJECT: UNFINISHED BUSINESS

Boulder Valley Farms – Tap Transfer

Chris presented an update concerning the Boulder Valley Farm and the Farms at Boulder Valley tap transfers. In July 2015 both entities met with the BOD to discuss a potential tap trade and abandonment of unused taps. Chris has been in contact with both parties and they have yet to reach a final agreement. The District has been extremely generous in allowing plenty of time for both parties to come to an agreement. Earlier this month, a draft agreement was reached, however both parties would like more time to continue discussions. Chris has agreed to allow discussion into 2016 with the condition that they provide the District with a copy of the Draft Agreement. Discussion.

SUBJECT: NEW BUSINESS

Colorado State Well Permit Request – Hurst: 9482 Valmont Road

Left Hand Water District has a long standing policy regarding wells. The District will only provide a “No objection” letter to dig a well for a homeowner to present to the county they reside in if providing water to their property is very prohibitive.

The home owner at 9482 Valmont Rd, Ms. Hurst, is petitioning the Board for such a letter due to the cost of purchasing a tap on the Left Hand Water District system verses the cost of digging a well. Discussion.

St Vrain Exchange Diligence Application

In 2002 the District went to court to adjudicate for a water right. This water right was for the exchange of C-BT up the Saint Vrain Creek from the Saint Vrain Supply Canal near Lyons, to Left Hand Ditch Co.'s Saint Vrain Diversion on the South fork of Saint Vrain Creek, west of the Peak to Peak Highway. We have continued to perfect the water right and the conditional exchange right was granted March 19, 2010. According to the decree, the District must file an application for Finding of Reasonable Diligence before the last day of March, 2016. This right basically allows delivery of C-BT through the Saint Vrain canal during drought conditions. Staff would like to move forward with counsel and an engineering consultant to prepare the diligence application. Discussion.

CORA – Open Records Request Policy

Pursuant to the Colorado Open Records Act (CORA), public records are to be open for inspection by individuals at reasonable times, upon request, unless such disclosure would be contrary to the public interest as provided under CORA. In order to create a systematic method of managing open records requests, a draft policy was included in the Board packet for consideration. Discussion.

MSP: ***Director Schlagel moved to adopt Left Hand Water District's Open Records Request Policy. Motion seconded by Director Lisco. Motion carried unanimously.***

Town of Frederick – Urban Renewal Plans

The Town of Frederick is proposing two Urban Renewal projects on the west side of I25 which overlap Left Hand Water District's Service Area. The purpose of these two Plan is to provide for the development of the areas for commercial purposes and includes financing the plans through the use of tax allocation financing. Since the development under an Urban Renewal Plan can include tax financing, it requires action by Left Hand Water District. Discussion.

Meeting adjourned at 12:25 pm.

By,

Lilah Imes, Assistant Secretary, Board of Directors

Julie Trumpler, Secretary