

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 February 21, 2019 at the District offices, 6800 Nimbus Road, Longmont, Colorado. The meeting was called to order by President Julie Trumpler at 9:07 a.m.

Directors Present: Julie Trumpler, President
Mark Hochhauser, Vice President
Dan Lisco, Secretary
Sam Barnsley, Treasurer
Bart Fischer, Director
Jim Richard, Director
Alan Pratt, Director

Directors Absent: N/A

Staff and Consultants: Chris Smith, General Manager
Vicki Santos, Finance Manager
Jason Whitmore, Treatment Manager
Scott Holwick, Attorney
Adam Delaney, Distribution Manager
Steve Buckbee, District Engineer
Jordan Tyson, GIS Technician
Lilah Imes, Assistant Secretary, Board of Directors
Bob McFadden, Plant Mechanic

Public Present: N/A

SUBJECT: MINUTES OF THE DISTRICT REGULAR MEETING HELD 1/17/2019

Approval of the Minutes:

Draft minutes of the January 17, 2019, Board meeting were submitted to the Board prior to the meeting.

MSP: *Secretary Lisco moved to approve the minutes of the January 17, 2019 meeting. Motion seconded by Director Richard. Motion carried unanimously.*

SUBJECT: PUBLIC HEARING/COMMENT (Public Comment only)

Email Correspondence Regarding Fluoride – Pat Cantwell:

Staff received several emails from Ms. Cantwell, a customer, concerning the District's addition of fluoride to the District's water system. Staff has communicated to Ms. Cantwell the District's position on the monitoring and adjustment of fluoride levels by the Treatment department. The addition and/or adjustment of fluoride levels, a natural mineral, has been proven to benefit public health and the District follows the recommendations from the Colorado Department of Public Health and Environment regarding the amount of fluoride added to its water treatment process. The Board believes the best course of action is to follow the guidelines established by the CDPHE. At a future Board meeting,

staff suggested, and the Board was interested in inviting a representative from CDPHE to update the District on fluoridating water systems. Discussion.

SUBJECT: TAPS FOR BOARD CONSIDERATION

Richmond Homes – Wyndham Hill Fil. 2 Replat D Contract (78 lots):

The lots for this contract are larger than other contracts the Board has approved, which will require more dedication of C-BT units. Richmond American Homes is responsible for constructing the water distribution infrastructure and has requested to pay cash-in-lieu of dedication for service of treated C-BT water to these 78 lots. Pressure and flow in that area are sufficient to serve this request. The 5 year take down schedule in the contract is usually completed well before the 5-year expiration. Discussion.

MSP: *Director Pratt moved to approve Subdivision Multiple Tap Purchase Agreement with Richmond American Homes for 78 Lots in Wyndham Hill Subdivision Filing No. 2 Replat D, conditional on meeting all requirements and fees required for service. Motion seconded by Secretary Lisco. Motion carried unanimously.*

John & Susan Canzoneri – 5828 Ideal Drive (Parcel ID 146703201009):

This request is for an upgrade of a previously assigned 3/4-inch commercial tap to a 1-inch commercial tap which will serve a 7-11. The lot will be divided into Lot 9A and 9B, with the 1-inch tap assigned to Lot 9A. The developer of Glacier Business Park West, where this lot is located, had previously constructed the water distribution infrastructure. Pressure and flow are sufficient to serve this request, the treated water provided will be C-BT units, and the applicant has requested to pay cash-in-lieu of dedication. Discussion.

MSP: *Treasurer Barnsley moved to approve to approve an upgrade to the existing 3/4-inch commercial tap to a 1-inch commercial tap for Lot 9A Glacier West Business Park conditional on meeting all requirements for service. Motion seconded by Secretary Lisco. Motion carried unanimously.*

Adam & Amber Muir – TBD County Road 5 (Parcel ID 146709300010):

The owners of this vacant lot plan on constructing a new home there. However, water service to this lot will require a long service line coming off of the District's existing line in WCR 5. Due to the District's IGA with the Town of Erie, staff contacted Erie to ensure that the Town had no issue with the District serving the property. The applicant has requested to pay cash-in lieu of dedication of water rights. This lot will be served with treated C-BT water. Discussion.

MSP: *Secretary Lisco moved to approve a 5/8-inch single family residential tap for Lot-A AMD REC EXEMPT AMRECX-18-07-4614 conditional on meeting all requirements for service. Motion seconded by Director Richard. Motion carried unanimously.*

SUBJECT: FINANCIAL REPORTS

Monthly Financial Statements:

Vicki Santos presented the financial reports and payables for the month of January 2019. Discussion.

Bills and Appropriations:

A listing of monthly bills and appropriations was presented for review prior to the meeting. The total payables equaled \$991,794.06.

Letter from the Office of the State Auditor (OSA):

The Board received a letter from the State Auditor concerning the District's Financial Audit for the calendar year of 2017. The Audit was submitted to the State after the deadline that is required by State Statute. While the audit was completed on time, the upload to the State Auditor's site was not. Discussion.

SUBJECT: UNFINISHED BUSINESS

C-BT Cash-in-Lieu of Dedication Rate Review:

The District's current cash-in-lieu of dedication price for C-BT is at \$36,000/unit. Recently the District made offers to purchase C-BT at that price. Those offers have been rejected and sold at higher prices. Northern Water has reported C-BT being sold for \$40,000/unit. The District needs to purchase about 70 units to meet foreseeable future short-term demand. Once NISP permitting is approved and before it comes online, staff will look into long term leasing of water as a bridge to serve any requests that may come in. The Board gave Chris Smith direction to pursue acquisition of C-BT water for \$40,000/unit. Discussion.

MSP: *Secretary Lisco moved to raise the price of the cash-in-lieu of dedication of CBT to \$40,000.00 per unit, effective today, February 21, 2019. Motion seconded by Director Fischer. Motion carried unanimously.*

30 Day Notice of Payment for Tap Requests Approved 2/21/2019:

With the increase in the cash-in-lieu of dedication for C-BT and the approval of 2 tap requests and one Subdivision/Multiple Tap Agreement at the Board's 2/21/19 meeting, staff proposed allowing those three approved requests 30-days from 2/21/2019 (or no later then on 3/23/2019) to) to pay their fees at the previous C-BT cash-in-lieu of dedication rate of \$36,000/unit. If any of the applicants fail to pay their respective fees within 30 days, the fees due after 3/23/19 would be payable at the then current rates. Discussion.

MSP: *Secretary Lisco moved to approve a 30-day extension of payment at the previous cash-in-lieu price for dedication, \$36,000, for both of the individual taps and for the Subdivision/Multiple Tap Contract approved by the Board at this meeting, February 21, 2019. Motion seconded by Director Pratt. Motion carried unanimously.*

Water Rate Increase Effective January 2019:

The water rate increases approved by the Board in November 2018 became effective 1/1/2019. The first round of statements reflecting the new rates were mailed out to customers on February 8, 2019. Chris Smith and Vicki Santos prepared a Water Rate Increase informational memo that was posted to the District's website and with a link to the memo was included on the statements that customers received. Staff has had a few inquiries regarding the rate increases. Discussion.

Lefthand Watershed Oversight Group – Thank you letter from Jessie Olson:

Left Hand Watershed Oversight group addressed a letter to the Board thanking it for all support given LWOG by the District. The office space and services that the District provides to the LWOG organization are very valuable to them. LWOG continues to apply for and receive grant funding, which sets them up for continued success. Discussion.

Northern Integrated Supply Project – Interim Finance Plan:

The NISP finance committee is continuing to plan bridge loan ideas with a 3- to 5-year term that would fund the project design and purchase some of the land needed for the Project. Vicki Santos has attended the NISP Finance Committee meetings and staff would recommend financing the District's full initial amount that would roll into long-term financing. Left Hand Water District's share is about \$8.9 million which aligns with the finance plan the Board received at the last Board meeting. The 15 larger NISP participants will need about 70 million, while the smaller participants will need to bring about 20 million to the table. Discussion.

Amendment to Subdivision Multiple Tap Purchase Agreement – Richmond Homes Filing 9 Ph. 2 (62 lots):

Left Hand Water District's Board approved a Subdivision/Multiple Tap Agreement at its meeting on December 13, 2018 with Richmond American Homes. The Agreement was to have been signed and returned to the District within 30 days of approval. However, due to an oil spill on the parcels, Richmond American Homes has not received possession of the lots, and therefore did not counter-sign the Agreement. The clean-up is almost complete and Richmond would like to move forward with the Agreement. They are requesting an Amendment to the Agreement which will allow a 60-day extension up to and including March 13, 2019. The Amendment does not replace the Agreement, it only amends paragraphs 3 and 6. Richmond understands that the initial payment due will be at the then current rates. Discussion.

MSP:

Secretary Lisco moved to approve the Amendment to Subdivision/Multiple Tap Service Agreement between Left Hand Water District and Richmond American Homes of Colorado, Inc. Motion seconded by Director Richard. Motion carried unanimously.

Spurgeon Water Treatment Plant – Conditions Assessment:

Steve Buckbee and Jason Whitmore gave a history of the Spurgeon Water Treatment Plant and an update on the assessment of the condition of the Plant. The

assessment was performed by Burns and MacDonald. Their assessment grouped project updates that would be needed right away, in the near future and long-term upgrades. Discussion.

SUBJECT: NEW BUSINESS

WCR 7 Right of Way Dedication at Del Camino Tank Site:

With the construction of the new school on Weld County Road 7, the Town of Frederick has requested a site change for the Del Camino tank that is just north of the school. The site change request is to move the fence on the east side of the lot further from the street, so the Town can expand the road which will allow school busses to have better access. The Town will cover the costs of the move. Discussion.

MSP: *Secretary Lisco moved to approve the dedication of additional right-of-way subject to finalizing a Common Use Agreement and authorizing the General Manager to execute necessary documents. Motion seconded by Director Pratt. Motion carried unanimously.*

Intergovernmental Agreement Regarding Water Service – Town of Firestone:

Staff and the Town of Frederick have been working on an IGA that would allow the District to serve some areas west of I-25 in the Town limits slotted for future development. Scott Holwick provided a copy of the red-lined agreement in the board packet this month. Once the Town and the District work out all the details of the IGA, staff will present the final version to the Board for approval. Discussion.

Meeting adjourned at 11:50 am.

By,

Lilah Imes, Assistant Secretary, Board of Directors

Dan Lisco, Secretary