

PSWD-WE Agenda

October 24, 2001

Agenda review & changes

Customer concerns: Restaurants
Water alert/caution status

Acceptance of minutes: September 26, 2001

Administration clerk's report

Technician's report: Compliance inspection
Contact tank
Well list
500K tank fill strategy

Treasurers report: Including year 2002 budget discussion, appoint budget officer, schedule hearing, post advertisement and posters, make budget available for inspection, required resolutions.

Old business:

- 1) Ruppert judgement
- 2) Prince/Glassgow well status
- 3) Northern Colorado Water Conservancy
- 4) Water court decree interpretation (meeting with district engineer), our missing water reports
- 5) Grant information, from Joy Barrett
- 6) Rental agreement
- 7) Part-time position (motion to create), schedule rules and reg hearing for rate increase to cover cost

New business: 1) Personal use of Districts vehicles

Executive session (Personnel or other matters that require private discussions if necessary)
Employee evaluation

Adjournment

**Minutes of the Regular Meeting of the Board of Directors of the
Pinewood Springs Water Districts Water Enterprise
10-24-01**

The regular meeting of the Board of Directors of the Pinewood Springs Water Districts Water Enterprise, Larimer County, Colorado, was held in accordance with the applicable statutes of the State of Colorado on 10-24-01 at the Pinewood Springs Firehouse. The meeting was called to order at 7:10PM by President Gary Clements.

ATTENDANCE: The following directors were present constituting a quorum: Gary Clements, Linda Mootsey, Andy Sharp and Meg Rotan. Also present were Ron Savage, Cheri Brown, Rich Troiano, Robin Ferrugia, Cheryl Townsend, M. Wojcik, Brent Schoeb and Jim Wendell.

CUSTOMER CONCERNS: General discussion with the customers present regarding the current water situation and need for continued hauling and conservation.

1. Robin Ferrugia discussed her inability to stick to the agreed payment schedule due to the increased rates from hauling. She requests to pay \$80 to \$85/month through the hauling period and continue until zero balance. Cheri to send a modified letter of agreement to pay \$80/month.
2. Cheryl Townsend wrote a letter and appeared at the meeting to request a payment plan during hauling. The Board requested she reduce her usage to under 3000gal/month and pay \$120/month during hauling to cover the 3000gal during the hauling period. Cheri to send a letter of agreement.
3. Letter from Elizabeth Wojcik and representation by her son-asking to stretch some of the bill over the next two months to pay it off. The Board requested payment of September and October in full with payment of August's bill by 12-31-01. Cheri to send a letter of agreement.
4. Gary Clements read two letters to the Board-one requesting a long range plan for water supply and the second thanking the Board for all the work done.
5. Jim Wendell requested clarification on the wells and plant production.
6. Bart Utley called Cheri before the meeting wanting to know if the bill could be sent to him as the renter because he is in a lease/purchase situation. Cheri to inform him the Board needs a letter from both parties regarding the legal agreement and a completion date.

MINUTES: Minutes of the 9-26-01 meeting were accepted as read. Motion to accept the minutes made by Linda Mootsey. Approved unanimously

ADMINISTRATIVE CLERICS REPORT: Two disconnect notices sent, and both are paid in full. Fourteen friendly reminders were mailed. Water tests were acceptable. Mark Upton forwarded information on average income numbers needed for the grant application given to us last month by Joy Barrett. There are currently 258 customers. Cheri will be the designated election official, and attend a seminar on training.

TREASURERS REPORT: Gary Clements motioned to appoint Linda Mootsey as the budget officer. Approved unanimously Gary recommended scheduling the budget hearing at the 11-28-01 meeting. Linda will post notices and determine how to make the budget available for review prior to the hearing. Budget looks good overall.

WATER TECHNICIANS REPORT: Average water production per day from the river in September was 3,522gallons. The river is almost totally dry. The Board requested Ron get in writing the permitted delay from John Payne regarding Lead and Copper testing. Ron will work with Frank to investigate ways to comply with the compliance inspection.

OLD BUSINESS:

1. Ruppert judgement-Gary spoke with Jonathan Hummel, attorney, about options. We can lien the property, but that would not be cost effective. May be able to obtain a garnishment, Gary will check on it.
2. Prince/Glasgow well-Gary spoke with Jonathan Hummel and also obtained copies of all deeds and covenants relating to the property. Gary will review the documents and forward them to Jonathan.
3. Northern Colorado Conservancy District-Jonathan Hummel is researching how to make all customers join. Gary thinks we should pursue membership so that we can purchase shares of CBT water.
4. Water court decree-We have not supplied reports to the Water Engineer since 1986. Ronnie Sperling, water attorney, is reviewing Big Elk Meadows reports.
5. Grant information-covered in clerk's report
6. Rental agreement-Linda Mootsey motioned to accept Mr. Williams proposal to decrease the rent from an increase to \$1,100 to \$900 for the next year to cover the cost of the old renter delinquent water bill and the cost of the renovations done by Ron Savage. Approved unanimously (Letter attached) Linda also brought up the issue that the original agreement called for a full propane tank, but it was not full on occupancy by the water superintendent. It cost the District \$392 to fill. At some time, the cost of the propane needs to be adjusted for the cost to the Water District filling the tank.
7. Part time position- Linda motioned to create a new part time position of Water Specialist (description attached) Approved unanimously Position offered to Frank Novak and was accepted. He is to start 11-1-01 or a later date mutually agreed upon. The Board recommended asking Frank to start 11-1-01. Gary Clements recommends a special hearing at the 11-28-01 meeting to change the Rules and Regulations regarding the rate structure to cover the cost of this position.
8. Lawn Lake-we were contacted by an attorney selling water storage rights in Lawn Lake. Ronnie Sperling briefly checked into it and did not think that would benefit the District.
9. Drake-The drilling company's insurance does not want to pay on the claim for the Highway 36 repair. Frank is working on paperwork needed by the insurance company.
10. Wray property-Gary Clements checked with the County Assessor's office and determined that the property now has two parcel #s, but he has not had any contact from Mr. Wray.

NEW BUSINESS: 1. Personal use of District vehicles-Linda Mootsey checked with the insurance company and determined that personal use is not covered.

2. Infrastructure security-Gary Clements recommended everyone just be aware of anything unusual after receiving a letter from the Colorado Dept. of Public Health and Environment.

3. Employee evaluation-discussed Ron Savage's evaluation. Gary Clements and Meg Rotan will meet with Ron to review evaluation.

Linda Mootsey motioned to adjourn the meeting. Approved unanimously The meeting was adjourned at 12:05AM.

Respectfully submitted,

Meg Rotan
Secretary

Pinewood Springs Water District

Operational report September 27th , 2001 Through October 24th , 2001

Date: Wednesday, October 24, 2001

From: Ron Savage Water Superintendent

Total water production September 2001

660,797 gal lons

105,667 gallons from river

153,130 gallons from wells

Water breaks: 0 found

All water meters read September 1st and 2nd .

402,000 gallons hauled September

426,000 so far this month

Tanks 500 K 227,807 gallons, 100K 75,607 gallons, 20 K 2850 gallons.

Water production from river about 3,522 gal lons/day avg. for the month of September

2,455 gal lons/per/day so far this month.

River is almost dry producing from alluvium as water is available

Leaking water service at 142 Pinewood pending. Leaking water at 259 Apache, fixed ?

John Payne Colorado EPA, granted a delay in Lead & Copper testing until we have our water in the system.

September 30, 2001

Linda Mootsey, Treasurer
Pinewood Springs Water District
183 Cree Court
Lyons, Colorado 80540

Dear Linda,

Thanks for the two recent letters. I will file papers with the bankruptcy court against Tami but I don't hold out much hope on collecting. I will keep you informed. On the propane issue, I am sorry that you feel misled ... maybe we can find some common ground.

Flora Williams has been in/out of the hospital and is not really able to make financial decisions so I will try to act on her behalf. We had originally planned to increase the rent on the house by \$100 per month. However, because of your cooperative attitude and assistance on maintaining the home, we will instruct the rental agent not to increase the rent. In addition, I propose that we reduce the monthly rent by \$100 per month (to \$900) for this next year lease period in order for you to recapture the costs of improvements. This would represent a \$2,400 concession over the next year. If we need to revisit the issues with regard to the propane, Tami's bill or other costs, we can do so, when Flora regains her health. In the meantime, it is clear that we appreciate the care you have taken and that we want to make things right for all parties.

If this is an acceptable plan, please let me know so that I can instruct the rental agents to renew the lease based upon this reduced rate.

Sincerely,

Robert Williams
180 Sunrise Lane
Boulder, Colorado 80302
3039381130

Agreement with Bob Williams regarding 108 Pinewood Drive rental property
October 2001

The Board submitted expenses for restoration of the Pinewood property to Mr. Williams in the amount of \$2,293.76. Although that amount was not all inclusive, it was felt to be a fair amount based on verbal agreements at the time the property was leased. Secondary and not included in the above expenses are:

- 1) An outstanding water bill left by the previous tenant, Tammi DiBucci, in the amount of \$413.57. Note that Ms. DiBucci filed for bankruptcy in October. We surrendered the paperwork to Mr. Williams to file the claim.
- 2) The propane tank was empty when we took possession of the home. It was filled by Peak to Peak Propane for \$392. An agreement was made with Mr. Williams regarding the propane. When the house is vacated, the tank will be empty or Mr. Williams will reimburse the district for any remaining propane.

The lease was renewed on November 1, 2001 for another year. The rent was to be \$1,100 per month. Mr. Williams has proposed lowering the rent to \$900 per month as a way of repaying the outstanding restoration charges. This would amount to \$2,400. Mr. Williams' proposal was discussed at the October 24, 2001 Board meeting and the members were in agreement to accept Mr. Williams' proposal. The new lease was signed by Gary Clements and Ron Savage at the meeting.

There will be a shortfall of \$307.33. An adjustment will be made to the books.

**Pinewood Springs Water District
Administrative Clerk s Report
October 24,2001**

1. Status on Morris: The lien is being removed from the property. The Morris' paid the bill in full.
2. 2 disconnect notices were mailed in October. They have both been paid in full. 14 friendly reminders were mailed for October.
3. Water Tests for October were acceptable.
4. Status of Byers (Lakin): Bill paid in full.
5. Our new e-mail address is PSH2O@hotmail.com. The password is waterline. To access it, go to www.hotmail.com.
6. Mark Upton forwarded information to me regarding the grant application. I would like help in getting it filled out by the end of the year.

7. October 1, 2001 billing info: Gallons Billed For - 590,100 Gallons Pumped & Hauled - 660,797
 258 customers 258 taps

Water Charges	\$ 25,044.00	
Base Rate	\$ 12,624.00	
Disc/reins fee	\$ 50.00	
<u>NSF Fee</u>	<u>\$ 0.00</u>	
Total Charges	\$ 37,718.00	Avg Cust Chg \$146.19
		NSF's 0

MOSES, WITTEMYER, HARRISON AND WOODRUFF, P. C.

LAW OFFICES

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COUNSEL
HUNTLEY STONE
SPECIAL COUNSEL

November 26, 1996

PRIVILEGED AND CONFIDENTIAL
ATTORNEY-CLIENT COMMUNICATION

Board of Directors
Pinewood Springs Water District
P. O. Box 3248
Lyons, CO 80540

Re: Proposed Settlement of Water Rights Cases

Dear Directors:

After months of negotiations with Big Elk Meadows Homeowners Association over the various water rights cases pending in the water court, we are at a point where we can recommend settlement of all cases.

Attached you will find proposed decrees for Pinewood Springs Water District's Case Nos. 95CW284 and 95CW285 and a proposed decree for Big Elk Meadows Case No. 95CW238.

If approved by the Court, the decree in Case No. 95CW284 would authorize Pinewood Springs diversions out of Well Nos. 19 and 20 and their inclusion in the District's augmentation plan including exchange. The decree in Case No. 95CW285 would confirm that the District's augmentation plan and exchange has a 1975 priority, meaning that the exchange is senior to the exchange proposed by Big Elk Meadows. This is significant because during dry periods there may not be enough flow in the stream to allow for both exchanges to operate. According to Big Elk Meadows¹ counsel, the attached proposed decrees are acceptable to Big Elk Meadows Homeowners Association.

The proposed decree in Case No. 95CW238 would allow Big Elk Meadows to store water in the Big Elk Meadows reservoirs and/or divert out of their municipal system when the reservoirs and system are not in priority. We have negotiated with Big Elk Meadows for inclusion of a number of terms and conditions that would restrict their out-of-priority diversions. The most significant terms and conditions include:

MOSES, WITTEMYER, HARRISON AND WOODRUFF, P. C.

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Board of Directors

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1. No additional storage or direct municipal diversions will be made except where Big Elk Meadow's 1995 exchange is in priority or under a 1995 storage priority. (Both priorities are junior to the District's water rights.)

2. The exchange can only be operated under live stream conditions (the theory being that so long as live stream conditions exist Pinewood Springs¹ wells will continue to have an alluvial water supply);

3. The exchange cannot operate when the depletions to the river upstream from the District's wells and collection gallery would cause the streamflow level to go below the levels necessary to meet the District's senior call;

4. Big Elk Meadows will complete construction of an outlet to the Big Elk Reservoir which is the last of a series of reservoirs and will make releases from the reservoirs as necessary to meet the terms and conditions described above.

Other terms and conditions are included to insure that Big Elk Meadows' out-of-priority diversions will not increase the call on the river by downstream senior water rights to the detriment of the District. Finally, language has been included in the proposed decree which will insure the District's ability to enforce the terms and conditions of the decree.

After careful consideration, we believe that the attached proposed decrees are acceptable and protective of the District's water rights. Therefore, we recommend that the District enter into stipulations with Big Elk Meadows for the entry of these decrees. I plan to attend the Board meeting scheduled for November 27, 1996 to answer any questions you may have on this matter. I look forward to seeing you.

MOSES, WITTEMYER, HARRISON AND WOODRUFF, P. C.

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Board of Directors
Pinewood Springs Water District
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Sincerely,

MOSES, WITTEMYER, HARRISON AND
WOODRUFF, P.C.

Amelia S. Whiting

ASW: rlo
Enclosures
cc(w/enc.): Robert L. Kirby, Esq.
Robert Brand/Verna L. Sigg