

PSWD-WE Agenda

November 28, 2001

Agenda review & changes

Rules and Regulations Hearing (base rate increase)

Year 2001 Budget Hearing

Customer concerns: Water alert/caution status

Acceptance of minutes: October 24, 2001

Administration clerk's report

Technician^ report: Compliance inspection
Contact tank
May Ave. to 20K tank communication

Water Spec, report: (Written, as Frank Novak won't be present)
Grants/Loans
Employer postings

Treasurers report:

Old business: 1) Northern Colorado Water Conservancy
2) Water court decree interpretation (meeting with district-engineer)
3) Crescent Lake

New business: 1) Ratify salary increase for Water Superintendent

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
11-28-01**

The regular meeting of the Board of Directors of the Pinewood Springs Water District's Water Enterprise, Larimer County, Colorado, was held in accordance with the applicable statutes of the State of Colorado on 11-28-01 at the Pinewood Springs Firehouse. The meeting was called to order at 7:05PM 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, Mike Keilty, Jim Wendell, Danielle Maguire, Janet Carabell, Dave Horton, Tom Adams, Mark Upton and John Harkness.

RULES AND REGULATIONS HEARING: Gary Clements opened the hearing for the Rules and Regulations at 7:10PM. Gary and Linda discussed the reasons for the proposed \$10 increase to the base rate to accommodate the new part time specialist position and contingency fund for system repair and upgrades. This increase in the contingency fund has been recommended by the new CPA firm. There was much discussion and input from the customers present including questions on whether the new position could be a subcontracted position instead of an employee, whether some of the work could be performed by volunteers in the community, whether the salary offered matched the job duties, and a suggestion to provide information to the customers on the budget. Several comments were made questioning the need to increase \$2 for the contingency fund immediately along with the \$8 for the new position or wait until the emergency water rates are back to normal.

Gary Clements closed the Rules and Regulations hearing at 8:25PM.

BUDGET HEARING: Gary Clements opened the hearing for the 2002 budget at 8:25PM. Linda Mootsey presented the budget for 2002. Linda also discussed the contingency fund recommended by the CPA firm and reviewed for the customers the money we have in reserve now. Customers again questioned the need for the \$2 increase in the base rate at this time.

Gary Clements closed the budget hearing at 8:35PM.

Gary Clements motioned to raise the monthly base rate \$8 per month effective 1-1-02. Three votes for and one vote by Linda Mootsey opposing the motion. Linda stated she feels the extra two dollars is needed for a contingency fund. Motion approved.

Andy Sharp motioned to accept the proposed budget for 2002 with the knowledge that the mill levy will be adjusted when the final property valuations are provided by the County and a correction to the figures to account for an \$8 increase in the base rate instead of \$10.

CUSTOMER CONCERNS:

1. Water alert status-We are still hauling and the signs will be left up.
2. Mike Keilty questioned why the plant is not run on Saturday or Sunday. The water superintendent likes to rest the alluvium. Will be discussed further under the technician's report.

3. Jim Wendell submitted a written request for information about the Water District signed by himself and John Harkness. Gary will make copies for the Board members and check with our attorney on how we must respond. (Letter attached)

MINUTES: Minutes of the 10-24-01 meeting were accepted with revisions. Linda Mootsey motioned to accept the minutes with revisions. Approved unanimously

ADMINISTRATIVE CLERK'S REPORT: Andy Sharp questioned why he could not have the usage numbers before the 5th of the month. Cheri said it had to do with the billing program setup and the District's policy not to consider a payment late until after the 5th of the month. Ron said he could provide the numbers to Cheri quickly after the meters are read and she can have them prior to inputting them on the 5th. Gary checked with Cheri on the status of the 1-9's and W-4's for all employees. We now have 259 taps connected to the system.

WATER TECHNICIAN'S REPORT: Due to the increase in anticipated cost for a radio control system for the May Avenue pump station because of the difficulty transmitting a signal, no action was taken regarding purchase of a system. Contact tank scheduled for installation 11-29-01 when Mark comes in to run the backhoe. Lead and copper testing on hold during hauling-requested Ron get written confirmation from John Payne that we do not have to comply during hauling. District engineer, Thomas Shaffer, is reviewing the compliance and inspection plans. Plant is being run to capture available water in the alluvium. Ron is experimenting with various scenarios of length of time to run the plant, frequency, and allowing the alluvium to accumulate water for longer periods of time. With the production so low from the river, not much is making a difference in production.

TREASURERS REPORT: The YTD net income is -\$7560.79

OLD BUSINESS:

1. Northern Colorado Water Conservancy -Meg to contact Frank regarding the next step.
2. Water Court Decree-Andy to contact Ronnie Sperling, attorney, on status.
3. Crescent Lake-no further information is available; Andy will try to contact the heir via e-mail to discuss use of the property for recreation and water storage.

NEW BUSINESS:

1. Ratify salary increase for Water Superintendent-Gary Clements motioned to increase Ron Savage's salary .50/hr and adjust the housing rate to \$6.14/hr for a total compensation of \$22.14/hr. Approved unanimously
2. Appoint Cheri as election official-Andy Sharp motioned to appoint Cheri Brown as the designated election official. Approved unanimously Cheri is scheduled to attend an election seminar on 12-6-01.

Meg Rotan motioned to adjourn the meeting. Approved unanimously. Meeting adjourned at: 11:21PM.

Pinewood Springs Water District

Operational report October 25th, 2001 Through November 28th , 2001

Date: Wednesday, November 28, 2001

From: Ron Savage Water Superintendent

Total water production October 2001

758,275 gallons

67,385 gallons from river

102,890 gallons from wells

Water breaks: 0 found

All water meters read October 1st .

588,000 gallons hauled in October

606,000 so far this month

Tanks 500 K 239,650 gallons, 100K 74,532 gallons, 20 K 5,000 gallons.

Water production from river about 2,930 gallons/day avg. for the month of October.

3,316 gallons/per/day so far this month.

Producing from River alluvium as water is available.

Leaking water service at 142 Pinewood fixed.

Bacteriological Sampling, and Cross Connection Control Plan, being reviewed by Thomas Shaffer (CDPHE district Engineer.) If he is satisfied with it then The Board needs to adopt the Cross Connection Control Plan, if it meets their approval.

A copy is supplied for your review.

November 26, 2001

To: Members of the Board of the Pinewood Springs Water District

From : Frank L. Novak

Re: Activity Report

Summary of Gallons Pumped and Connections Served for the Last 10 Years

It has been my understanding that this was one of the requirements of the Northern Colorado Water Conservancy District for their consideration to offer membership in their District to the Pinewood Springs Water District, and the Summary is attached.

The files containing the minutes for the 10 years of 1991 through 2000 were researched on a month by month basis to obtain the water pumped in each month, and then totaled for that particular year.

It was noted in the minutes that there was generally no distinction made between water produced by the treatment plant and water produced by the wells, and it was presumed that the entry " Water Pumped" for each month represented the sum of these two sources.

As indicated in the Summary, the connections shown are the average of the monthly connections for each year. Also noted is that the total for the year 2000 includes the water hauled from Longmont, since it was part of the total amount needed to meet the needs of the community.

Applications for Grants and Loans

A) Colorado Department of Local Affairs --As mentioned at the meeting of November 14th, I had met with Ms. Becky Picasso of DOLA on November 9th to review the data she had previously given to Mark Upton. As it turns out, it is not possible to isolate US Census data to determine the median income of just Pinewood Springs, alone, since it is not defined as just that entity in the Census Bureau programs, and confidentiality concerns prevent the Bureau from selectively releasing such income data for Pinewood Springs residents.

Median income data for Pinewood Springs, however, will be a key element in some of the loan and grant applications available, and Ms. Picasso suggested that when such information is specifically required, that DOLA has what she referred to as a Community Development Block Grant program whereby the median income for just Pinewood Springs may be procured by an anonymous

type questionnaire where the respondent provides only the income data without providing either name or address.

B) Colorado Department of Public Health and Environment-Discussions have been held with Ms. Carolyn Hermann of CDPHE in the preparation of the application for a \$10,000 planning grant. One element of this application requires "evidence of compliance" with what is commonly referred to as the "Tabor Amendment" to the State Constitution which requires that a District can only accept grant monies if 1) 10% of the District's yearly revenues exceed the amount of the grant requested, and 2) the District does not collect property taxes from those it serves.

With regard to the first point, I understand that 10% of the Districts revenues do. indeed, exceed the \$10,000 requested. Regarding the second point, there is an issue to be resolved as to whether or not that part of the property taxes collected for retirement of the G.O. Bond can be considered as being collected "by the District", since such is strictly for the Bond and not for District operations which are covered by the monthly services charges.

Ms. Hermann has suggested that the District get a legal opinion from its attorneys on this point, and attach it to the application. I have contacted Jonathan on this, but he advised that his office is in the process of moving from one building to another in downtown Denver, and he will not be able to access the Districts files until the first of next week-which he feels he must do to confirm what Fred Huff has already offered as a tentative opinion that the District is exempt from the Tabor Amendment.

I have asked Jonathan to fax his opinion on this to me as quickly as he can, and presuming it is in the District's favor, I will attach it to the application --which is essentially otherwise complete-and fax it to Ms. Hermann, followed by a hard copy by mail. I have advised Ms. Hermann of our interest in obtaining this grant, and have kept her informed as to what is happening in our efforts to get the application to her. She has advised that she has already made preparations in her office to receive the completed application. (There is apparently one last \$10,000 grant available for this year, with the State planning to start the process again next year.)

C) U.S. Department of Agriculture-Rural Development-On November 23rd, I met with Tim Sullivan , who is the engineer with the the USDA -Rural Development office in Denver-to review their basic requirements in the application procedures for grants and/or loans. He suggested their standard "Pre-Application Meeting" at which is presented basic data such as (1) a general map of the area in which the project(s) will be located, (2) Number of District users, user rates, and long term debt, (3) A sketch description of the project, and (4) a budget level project estimate of cost.

Items 3 and 4 cannot be defined until an evaluation of several options is completed to provide some description of the project, which will require some engineering effort to at least define a "preferred option"

Mr. Sullivan advised that such a Pre-Application meeting is attended not only by USDA personnel, but representatives from other agencies, as well, such as the Colorado Department of Health and Environment, Colorado Department of Local Affairs, Colorado Water Conservation Board, etc, all of which may play a part in offering the Pinewood Springs Water District either a grant or a loan for project construction.

Though items 1 to 4 above will involve effort on our part, it is a relatively small segment of the lengthy and involved overall USDA application process. The purpose of the meeting with all of the agencies represented is to compile their respective inputs in determining the Districts eligibility and the most promising route for the District to follow in obtaining financial assistance. One possible result from this meeting could be that pursuing a USDA grant or loan may not be the best way to go-thus saving much needless and costly efforts to pursue that source any further.

D) Colorado Water Conservation Board-Following the meeting with Tim Sullivan of the USDA on November 23rd, I met with John Van Sciver at his office to discuss what is available from the CWCB in the way of grants and loans. He advised that a typical loan can currently go as high as \$300,000 , but he felt there may be a possibility the the Colorado Legislature may increase this to \$1000,000 at their next session.

He provided me with a sample three part application for a construction loan, which-similar to the USDA pre-application procedures-requires some form of description of the project. I told him we were in the early stages of evaluating various options, and he stated that we could so indicate this on the application, but some type of definition of a "preferred option"-again, similar to USDA-would be helpful. He will be sending a more complete application package for a construction loan for our review.

He also advised that though the CWCB primarily provides loans, that there may be a possibility of obtaining a \$5000 grant for planning.

As a final thought, it has become apparent from my discussions with the various agencies, thus far, that whatever one particular agency may grant or loan to the District will not be limited, or contingent, on what the District may have gotten from another agency.

PINEWOOD SPRINGS WATER DISTRICT

SUMMARY OF WATER PUMPED AND CONNECTIONS SERVED

1991 THROUGH 2000

| YEAR ***** | WATER PUMPED (GALLONS) ***** | AVERAGE # OF ***** CONNECTIONS ***** |
|---------------|----------------------------------|---|
| 1991 | 9,818,400 | 199 |
| 1992 | 10,793,698 | 202 |
| 1993 | 11,384,220 | 209 |
| 1994 | 11,659,965 | 218 |
| 1995 | 16,262,746 | 227 |
| 1996 | 13,771,165 | 234 |
| 1997 | 15,426,850 | 242 |
| 1998 | 16,133,070 | 250 |
| 1999 | 15,179,100 | 256 |
| 2000 | <u>*11,597,033</u> | 258 |

10 YEAR TOTAL-132,026,247 GALLONS

* Includes 1,338,000 Gallons Hauled from the City of Longmont

November 28, 2001

Pinewood Springs Water District
Board of Directors
Lyons, Colorado 80540

This is a ~~formal~~ request on behalf of a group of Pinewood Springs residents who are concerned about the water problems (and price increases) we have been experiencing in the last few years. If the Board of Directors is unable or unwilling to provide the following information, please include the reason.

Please supply us with copies of the following:

- Articles of Incorporation.
- Rules and Regulations that apply to how meetings are conducted and how decisions are made regarding inactivating wells, selling taps, the cost of new taps, pricing of water, etc.
- A description of the duties and authorities of each position on the board.
- The procedure used to appoint a new board member and the criteria that a volunteer must meet.
- Minutes from meetings starting with inception of the water board.
- Water District financial records starting with the inception of the water board.

Please answer the following questions, in writing, and provide the following documentation. We would like this information before the next board meeting in December 2001, so that we may review the answers and attend the December meeting. In the following statements, the term "weir refers to both wells and springs.

- What changes have occurred, in the last few years, that caused us to run so low on water that it has had to be hauled?
- What is the current status of each well? Include the reason for making a well inactive and the date when it became inactive. Also, include the expected date for returning it to active service.
- A copy of the latest analysis report indicating contaminates levels for each well, whether currently active or inactive.
- Document total monthly production from each well for a period of one year during the latest period when all wells were active.
- Document total monthly production from all sources, including water hauled, for the current year (starting Jan. 1, 2001). Include costs charged to customers for each water source.
- Document when work was last performed on each well to enhance production. Include a brief description of the work performed.
- Document the current number of water taps on the distribution system. Also document the number of water taps that the Water District will allow to be added to the existing distribution system that have not been implemented. Indicate the number of water taps that are considered to have already been paid for, but not implemented.
- Document yearly water tap sales, listing price per new tap and number installed, since the formation of the Pinewood Springs Water District.
- Has a Small System Variance been applied for? Include a status report, including dates, if a variance has been applied for.

- Has an application been submitted to the Drinking Water State Revolving Funds (DWSRF) for funds to correct our current water shortage? Include a status report, including dates, if an application has been filed.

- What are the board's plans to eliminate our ongoing water problem?
- What is the situation with water from Big Elk Meadows? Are we getting all the water that is legally ours?
- If the Pinewood Springs Water Board disbands or all board members quit and no new volunteers step in for appointment or election, who takes over?

Thank you,

John L. Harkness
12 Deer Lane
Lyons, CO 80540
303/823-6516
linda.harkness@colorado.edu

Jim Wendell
20 Deer Lane
Lyons, CO 80540
303/497-6994
isd-jwendell@rocketmail.com