

**Minutes of the Regular Meeting of the Board of Directors
of the Pinewood Springs Water Districts Water Enterprise
June 26, 2002**

The regular meeting of the Pinewood Springs Water District Board of Directors, Larimer County, Colorado, was held in accordance with the applicable statutes of the State of Colorado at the Pinewood Springs Firehouse on June 26, 2002. The meeting was called to order at 7:08pm by Andy Sharp, President.

Attendance:

The following directors were present constituting a quorum: Andy Sharp, Meg Rotan, Mark Upton, and Jim Wendell. Win Knechtel was absent. Also present were Cheri Brown, Ron Savage, Frank Novak, Gary Clements, Vic and Linda Mootsey, Henry and Carol Snider.

Review of the Agenda:

Andy requested that the MacLaughlin lot size variance be added to the agenda.

Announcements:

We are still producing water. The river is flowing.

Ron has announced his resignation as of July 5, 2002 after approximately 2 years of service.

Win's absence is an excused absence.

New Customer Issues:

No new customer issues that were not already listed in the current agenda.

Old Business:

Apache Line Project:

Lyons Excavating can finish after county road approval. Hydrant extension installation still needed. Approximately 4 taps are moved to the new water line, leaving approximately 8 taps that still need to be moved. Discussion of meter pit placement for the remaining taps that need to be moved to the new water line. Employee safety while making these changes was also discussed. Customer complaint at May 22, 2002 meeting about soil placed at water treatment plant has been resolved. After investigating the complaint, the Health Department (also speaking on behalf of the EPA), the Army Corp of Engineers, and Larimer County saw no problems with this action. However, the remaining excess soil from the project was placed at the Water District property located next to the firehouse. Final costs for the project should be available by the July meeting.

Mark motioned to "Approve partial payment #2 to Lyons Excavating of \$43,603.78." was unanimously approved.

Reservoir:

Powelson's requested verbally through Mark that we provide them with a picnic area which would include a pier and covered shelter for compensation for use of their property to expand the size of Crescent Lake. They also requested that we mark on the lake surface where their property boundary is located. The Powelson's were made aware of the possibility that the lake may go dry and that we cannot guarantee that there will always be water in the lake.

Mark motioned to "Accept the bid from MGC for \$3025 to conduct a seismic survey on the Powelson's property." was unanimously approved.

Andy motioned to "Accept the bid from Rick England to locate the seismic lines from the MGC survey, not to exceed \$1000, and that Frank be authorized to make the decision to activate this contract after discussion with the Board of Directors and completion of the MGC survey to determine if it is necessary to proceed." was unanimously approved.

Storage rights for a new reservoir was discussed. Mark volunteered to talk with Fred Renner (Water Commissioner) to discuss our storage rights.

Plan of action for our planning grant funds was discussed. Frank suggested that we use the \$5000 grant from the Colorado Water Conservation Board for activities like the seismic and survey work, and use the \$10,000 grant from the Colorado Department of Public Health and Environment exclusively for the preparation of a planning document. This would involve hiring an outside engineering firm to generate the planning document. Discussion also involved expenses that we have incurred that can be billed to these funds.

Drought Planning:

New rate structure discussed covering time between when production is no longer able to meet demand and when hauling is required. This new rate structure would be used to encourage users to start conserving before water hauling starts. Discussion of water production and at what time we make a call for Big Elk Meadows to release water.

Andy moved that "If we get to the point this summer that we are not able to meet production (when we make that determination) we will read everybody's meter, notify the community that we have hit that status, and at which point we will then charge hauling rates for water that is used in excess of a rate of 3000 gal. per month per tap. The money collected from this will be used to purchase water on behalf of those who stayed under the 3000 gal. per month rate. It will then be credited to those that used less than 3000 gal. per month in the first month before we have to start hauling water in addition to any other normal rate structure for hauling." and was approved unanimously.

Discussed at what level finished water storage should drop to before we start hauling. Consensus was reached that we should start hauling when we drop to 400,000 gal. of finished water. Alternate sources for hauled water under investigation.

Big Elk Meadows:

First-fill completed. BEM storage rights document requires finalizing. Tap fee structure and cost of installation briefly discussed after Cheri mentioned that BEM's tap fee is increasing.

Truck Acquisition:

Still searching for a work truck with 4-wheel drive and automatic transmission for \$10,000.

Knapweed and Pine Beetle:

Approximately 3 acres of Water District property has been sprayed for Knapweed. Beetle-kill trees located at the South-side tanks and possibly some trees located at the North-side tanks need to be cut down and treated/peeled within the next 2 weeks before the beetles fly. Ron will look into getting bids from companies to do the required work. Mark and Jim volunteered to cut and peel the infected trees.

Reports:

Administrative Clerk (Cheri Brown):

High usage customer(s) discussed. Water tests for June were acceptable. CCR will be sent before the due date, July 1st.

Water Superintendent (Ron Savage):

Water treatment plant shut-down in response to possible chemical spill from vehicle accident.

Water Specialist (Frank Novak):

No other items to add that we haven't already discussed other than the required transfer of information from Ron before he leaves.

Treasurer (Mark Upton):

Discussion of the Treasury Report with assistance from Linda.

Approval of Minutes:

Jim motioned to "Accept the minutes from the May 22, 2002 meeting after correcting "... the change order up to \$2000 based on ..." to read "... the change order up to \$3000 based on ..." was unanimously approved.

New Business:

Insurance:

Discussion of liability insurance and bonding of Board members. Cheri will check bonding status.

MacLaughlin Lot Size Variance:

Discussion about the current status of the variance and the next step in the process.

Superintendent Position:

Discussion to insure that hardware and operational information is transferred to other individuals before leaving, including procedures used when hauling water, with as much in written form as possible. Andy will notify the State about the transfer of personnel. Discussed contracting a company to provide the required services until a new superintendent can be hired. Response time requirement if new superintendent is not living in Pinewood Springs. Advertisements for the replacement superintendent summarized.

Unauthorized Water Usage From the River:

Discussion pertaining to individual(s) that may be using water from the river when they are not allowed. Contact required with Fred Renner to request status and enforcement if required.

Wells:

A discussion of the wells was postponed till the July meeting.

Respectfully submitted,