

MINUTES
WATER AND SEWER BOARD
MARCH 20, 2014 – 3:30 p.m.

CALL TO ORDER

Meeting was called to order by Chairman Oyler @ 3:37 p.m.

ROLL CALL

Present: Chairman Oyler, Vice Chairman Krenzel, Commissioner Snyder and Commissioner Morrison.

Absent: None

OTHERS IN ATTENDANCE

Fred Starr, Public Works Director
Cameron Parrott, City Engineer
Dawn Anderson, Civil Engineer II
Dennis Montgomery

APPROVAL OF MINUTES

Board Member Morrison made a motion to approve the minutes from February 20, 2014. Motion was seconded by Vice Chairman Krenzel. Motion passed with all voting in favor thereof.

CHANGES TO THE AGENDA

Dennis Montgomery, Water Resource Attorney requested to add a report on the Godfrey Ditch Shareholder's Meeting

AGENDA ITEMS

A. Evans Wastewater Treatment Facility Options – Post Flood

- i. Cameron Parrott, City Engineer gave a presentation that was originally completed and given by the City's consultant, HDR Engineering. The presentation discussed the three (3) options that the city has moving forward with permanent repairs:
 - Option 1 – Leave in place and repair (\$5M)
 - Option 2 – Combine both plants into one, located at the Hill'n'Park location (\$21M)
 - Option 4 – Keep the 1st Avenue plant but move and elevate critical facilities to a different location on that site (\$14M)

Cameron explained that if Option 1 or 4 is chosen, it still needs to be known that eventually the Hill'n'Park plant would need to be updated to meet current state regulations and standards.

The board is concerned with potential future flood issues at the Hill'n'Park location. The board also discussed the desire to review the possibility to raise rates to residents but to see what could be done for small businesses. The board is concerned with the amount of rate increase as the water rates will also need and increase. Chairman Oyler stated that he would favor option 1 to move forward

with a safe and gradual curve to the rates, but did mention that his stance could change after more review and thought. Chairman Snyder also favors option 1 for the same reasons as Chairman Oyler. Board Member Morrison asked for the breakout of costs between operating two plants (dual system) at one time. Fred Starr, Director of Public Works, mentioned that city council asked the same question to HDR. This is being looked at and considered moving forward. Fred Starr mentioned that this item is critical and decisions would need to be made sooner rather than later. The board unanimously determined that this item would need to be tabled to have more time to process, review and ask questions. Fred Starr mentioned that none of these options showed any funding being offset by grant funds which may be an option.

Vice Chairman Krenzel made a motion to table this item until a future meeting. Motion seconded by Board Member Snyder. Motion passed with all voting in favor thereof.

B. Water Lease Program

- i. Water Lease Agreement – Handout for Review
- ii. Cameron Parrott gave an update on the current snow pack prediction, 160% of average. With these numbers Evans is projecting to have excess water this year. In the past, Evans has leased excess water to local farmers for irrigation and received approximately \$50,000 in revenue. Due to drought conditions and the stage requirements of the Drought Management Plan the city has not leased water the last two years. Staff would like to move forward with the agreement and lease water in 2014.

Board Member Morrison made a motion to approve the leasing of excess water and collect revenues for that purpose to be put back into the water enterprise fund. Motion was seconded by Board Member Snyder. Motion passed with all voting in favor thereof.

C. Staff Reports

- i. Supply & Treatment Project Updates
Cameron Parrott gave an update on the NISP and Windy Gap projects.

NISP: Still working on supplemental EIS technical reports. Corp of Engineers has been involved so we are starting to see time frames and staff solely assigned to this project. Nothing looks to be of shock or a concern as they move forward. More information will be forthcoming in the future.

Windy Gap Firing: Closer to permitting, deep in discussion on carriage agreement between Bureau of Reclamation and participants. No concerns

environmentally. Permitting is scheduled to take place in 2015, this helps the city in our due diligence to fund the project however it would be a debt issuance to the city. This project would meet our return flow obligations and is a source of water that the city currently has. The storage prediction is 1,600 ac-ft, including carryover. Prior to moving forward on the project the board and staff would need to meet with Doug Seely, Water Resource Engineer, to discuss options of return flow obligations in years of shortage and details of both projects. Doug Seely has informed staff that he sees pros of staying involved in both projects.

ii. Water Change Case Updates

Dennis Montgomery, Water Resource Attorney, gave an update. The Godfrey Ditch Company held its annual shareholder's meeting in early March. At the meeting they approved going forward on the basis of a site specific analysis of changed shares. This is what was proposed. Therefore it will not require a ditch wide analysis. Based on that, the company has authorized to proceed with the application in water court and gave a blessing to allow the city to change the additional shares the city acquired. After that, a status conference with a referee was held in water court. The referee was pleased that the company had approved to move forward. Agreed to circulate post decree and submit the engineering report to the other objectors. Dennis has done this and also circulated a motion to amend the application to add the additional shares. The other objectors have all approved that on the condition that their existing statement of opposition will be applicable to the amended application. Drafted a motion to amend the application, drafted the amended application and sent it to Fred Starr to verify. If this is filed by the end of the month it will get published. Its been good progress and the project is back to moving forward. The pending application is to change 23 shares in the Godfrey Ditch Company, with the additional share it would be 24 shares we are asking to approve. The city owns 26 shares. Doug Seely did not recommend that the city try to change the other two. The city has also entered into an IGA with Central Colorado Water Conservancy District which operates the augmentation station on the lower end of the Godfrey Ditch Company to return water that's converted by the ditch, then returns it through the augmentation station and the city agreed to lease excess shares to Central and in return the city gets to store water in Nissen reservoir. That allows the city to get water storage year round and then Doug can release to meet return flows. The only down side is that Nissen reservoir is downstream so it's not always affective in making up return flows.

iii. Recruitment Process

Fred Starr mentioned that there is currently one applicant; however the applicant does not live in the city limits and would therefore be an at-large member. The board stated that the only at-large position is already filled. Fred mentioned adding a second at-large position to fill the position. This may or may not be an option and the by-laws may need to be changed. Staff will look into this option and will report to the board at a later time.

CORRESPONDENCE:

Jack Schneider, the one applicant introduced himself and gave a brief update on himself and his qualifications. Jack lives in Greeley but owns property in Evans. He served on the City of Greeley storm water board.

City staff will look into what it would take to create a second at-large position. The board has asked for this correspondence to go through email so that a quick decision can be made.

Briefly discussed the litigation from Eastwood Village and what happens to the water taps moving forward.

AUDIENCE PARTICIPATION: See above in correspondance

ADJOURNMENT

Motion was made by Vice Chairman Krenzel and seconded by Board Member Snyder to adjourn the meeting at 5:08 p.m.

Member stayed to view Evans Flood Video

Dawn Anderson, Civil Engineer II