

RECORD OF PROCEEDINGS

MINUTES

FORT COLLINS-LOVELAND WATER DISTRICT

JANUARY 11, 2017

The Regular Meeting of the Fort Collins-Loveland Water District was held on January 11, 2017 at 4:00 p.m., at 5150 Snead Dr., Fort Collins, Colorado 80525.

1. Roll Call

Present: Directors Dale Leach, James Petersen, George Holter, William Dieterich, and James Borland (attending via phone conference).
Director Holter was requested to chair this meeting.

Excused Absence:

Others Present: Chris Matkins, District Manager, and Terry Farrill, District Engineer

Business Conducted:

2. Reading of The Minutes

The Minutes of the Board Meetings on December 13, 2016 were approved.

3. Public Comment

None

4. Approval of the 2017 Schedule of Board Meetings and Posting Locations

The proposed schedule and location of the 2017 Board meetings was reviewed. After discussion, it was:

**Moved by Director Petersen and seconded by Director Dieterich to approve the schedule and location of the 2017 Board meetings.
Motion carried 5-0**

5. Appoint District Representative to the North Poudre Irrigation Meeting

The District must appoint a representative to the annual meeting North Poudre Irrigation Company meeting on February 6, 2017. After discussion, it was:

**Moved by Director Leach and seconded by Director Petersen to authorize the General Manager to represent the Board in voting matters to be addressed at the Annual North Poudre Irrigation Company meeting on February 6, 2017. The General Manager will work closely with Director Leach to determine voting issues in the best interest of the District.
Motion carried 5-0**

6. Designate a District Representative to the Divide Reservoir Company

The District must designate a District Representative to the Divide Reservoir Company. After discussion, it was:

**Moved by Director Petersen and seconded by Director Dieterich to appoint Director Holter, Director Leach and General Manager Chris Matkins as representatives to the Divide Reservoir Board of Directors annual meeting scheduled for February 7, 2017.
*Motion carried 5-0***

7. Managers Update

- A. *General Information* – The General Manager updated the Board on various District items, including a reimbursable form developed by Controller Hawkins for submitting expenses to the District incurred while each Board member is representing the Board or attending business meetings that concern the District. Expenses that the Board authorized for reimbursement include: mileage, lunches, parking and Board fees.

The General Manager also updated the Board on “Fossil Creek Ranch”, a proposed development project by Mr. Dallas Horton and Steve Pfister. The Developers are proposing a Metropolitan District to provide raw water irrigation services. State Statute requires that formal acknowledgement is required for new Districts with overlapping service areas.

The General Manager relayed a CBT buying opportunity for the Board’s consideration: 35 shares available with an asking price of \$27,000 each. The Board declined to pursue this purchase.

The General Manager distributed a water use analysis for the year 2012 for the Board’s information. This analysis illustrates a correlation between lot sizes of single family residential and annual water volume demanded. Further analysis by staff will continue, with options for the Board’s consideration at future Board meetings to scale water rights requirements with lot size. The Board directed the General Manager to pursue this water rights analysis, but directed staff to not analyze or consider reductions in impact fees related to treatment or distribution infrastructure for any Developer until further notice from the Board.

- B. *SCFP Steering Committee Update* – The General Manager updated the Board for ongoing Steering Committee work, including a rate study by Rick Giardina and preliminary design work by Stantec for Plant expansion.
- C. *CFC Collaboration – Draft Charter* - The Board briefly discussed the proposed Charter for collaboration with the City of Fort Collins and ELCO. Director Leach indicated that the topics in the Charter were not restrictive to the District’s best interests, however stated that the discussion of this topic could be delayed as it was not as pressing as other business the Board is currently facing.
- D. *Financial Statements* – The General Manager informed the Board that \$26.3 million of District investments were moved from First Bank into Colotrust funds to yield better investment returns. Financial Statements prepared by Kathy Hawkins, Controller, are included with the agenda packet for their review.
- E. *Tap Purchases* - The Manager reported that 22 taps have been sold in the month of December for revenues of \$704,000 and for the year, 384 taps have been sold with revenues in the amount of \$12,999,600.

8. New Business

The Board passed Resolution No. 2017-01-02, authorizing signature authority on Wells Fargo Accounts. It was:

**Moved by Director Petersen and
seconded by Director Leach to pass
Resolution No. 2017-01-02.
*Motion Carried 5-0***

9 Old Business

None

10. Disbursements

The Manager presented disbursements for December in the amount of \$ 1,301,511.16. After discussion, it was:

**Moved by Director Leach and seconded
by Director Petersen to approve the
disbursements for December 2016.
*Motion carried 5-0***

11. Executive Session to Receive Legal Advice from Andy Nathan Regarding M. Timm Litigation. §24-6-402(4)(b), C.R.S.

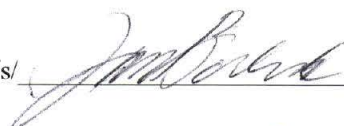

At 6:00 PM, Vice Chairman Holter motioned that the Board enter a joint executive session per Colorado Revised Statute §24-6-402(4)(b) with the South Fort Collins Sanitation District for the purpose of receiving legal advice from District Special Counsel Andy Nathan concerning litigation by M. Timm related to development fees. It was seconded by Director Petersen and the vote unanimous.

After the Executive Session, Andy Nathan certified that the Executive Session was conducted in accordance with State law.

12. Adjournment

There being no further business to come before the Board, the meeting was adjourned at 6:55 PM.

Respectfully,

/s/  _____
/s/  _____

Date Approved: 2/21/2017

FORT COLLINS-LOVELAND WATER DISTRICT

RESOLUTION NO. 2017-01-02

A RESOLUTION NOMINATING BOARD MEMBERS TO THE DIVIDE CANAL AND RESERVOIR COMPANY

WHEREAS, the Fort Collins-Loveland Water District ("District") is a quasi-municipal corporation and political subdivision of the State of Colorado and a duly organized and existing special district pursuant to Article 1, Title 32, Colorado Revised Statutes; and

WHEREAS, the District purchased a majority ownership of the Divide Canal and Reservoir Company (Divide) on November 30, 2010; and

WHEREAS, as owner, the District may nominate up to three (3) board members to Divide; and

WHEREAS, the Board of Directors ("Board") of the District hereby finds and determines that the nomination of directors to Divide is appropriate and necessary to the function and operation of the District and Divide.

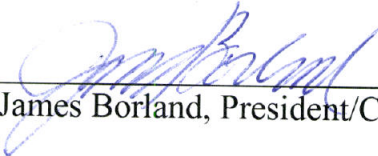
NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Fort Collins-Loveland Water District as follows:

1. Chris Matkins, the District Manager of the District, is hereby nominated to the Board of Directors of Divide.
2. Dale Leach, Director of the Board of Directors of the District, is hereby nominated to the Board of Directors of Divide.
3. George Holter, Director of the Board of Directors of the District, is hereby nominated to the Board of Directors of Divide.
4. **Severability**. If any part, section, subsection, sentence, clause or phrase of this Resolution is for any reason held to be invalid, such invalidity shall not affect the validity of the remaining provisions.
5. **Effective Date**. This Resolution shall take effect and be enforced immediately upon its approval by the District Board.


ADOPTED this 11th day of January, 2017.

FORT COLLINS-LOVELAND WATER
DISTRICT

By


James Borland, President/Chairman

Attest:


Chris Matkins, Secretary

FORT COLLINS – LOVELAND WATER DISTRICT

RESOLUTION 2016-12-01

**A RESOLUTION APPOINTING DIRECTORS TO THE
SOLDIER CANYON WATER TREATMENT AUTHORITY**

WHEREAS, the Fort Collins – Loveland Water District ("District") is a quasi-municipal corporation and political subdivision of the State of Colorado and a duly organized and existing special district pursuant to Article 1, Title 32, Colorado Revised Statutes; and

WHEREAS, Article XIV, Section 18(2)(a) of the Constitution of the State of Colorado and Part 2, Article 1, Title 29, C.R.S., encourage and authorize intergovernmental agreements for the joint and cooperative provision of public services; and

WHEREAS, Section 29-1-204.2, C.R.S., authorized special districts to establish, by contract, a separate governmental entity, to be known as a water authority, to be used by such contracting parties to effect the development of water resources, systems, or facilities in whole or in part for the benefit of the inhabitants of such contracting parties or others.

WHEREAS, the District has entered into Soldier Canyon Water Treatment Authority Creation Agreement with East Larimer County Water District and North Weld County Water District, each of which are quasi-municipal corporations and political subdivisions of the State of Colorado, operating pursuant to Article 1, Title 32, C.R.S., establishing the Soldier Canyon Water Treatment Authority ("Authority") effective February 1, 2017 ("Creation Agreement"); and

WHEREAS, Section IV.A.2. of the Creation Agreement calls for the governing body of each contracting party to appoint two (2) Directors to the Board of Directors and one or more alternate Directors; and

WHEREAS, the Board of Directors ("Board") of the District hereby finds and determines that appointment of directors to the Authority is appropriate and necessary to the function and operation of the District and the Authority.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Fort Collins – Loveland Water District as follows:

1. Chris Matkins, the General Manager of the District, is hereby appointed to the Board of Directors of the Authority.
2. James Petersen, Treasurer of the Board of Directors of the District, is hereby appointed to the Board of Directors of the Authority.
3. James Borland, Chairman of the Board of Directors of the District, is hereby appointed as an Alternative Director to the Board of Directors of the Authority.

4. **Severability.** If any part, section, subsection, sentence, clause or phrase of this Resolution is for any reason held to be invalid, such invalidity shall not affect the validity of the remaining provisions.
5. **Effective Date.** This Resolution shall take effect and be enforced immediately upon its approval by the District Board.

ADOPTED this 13th day of December, 2016.

FORT COLLINS – LOVEALND WATER DISTRICT

By: _____

James Borland, Chairman

Attest:

Chris Matkins

Chris Matkins, Secretary