

**MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS
OF LITTLE THOMPSON WATER DISTRICT**

The Board of Directors of Little Thompson Water District (LTWD) met in regular session on Thursday, May 16, 2024. Attendance was as follows:

Board of Directors:

Emily McMurtrey, President, Absent - *Excused*
Steven Brandenburg, Absent - *Excused*
Larry Brandt, Treasurer, Present – *Presiding Officer*
Ryan Heiland, Present
Ed Martens, Present
Bill Szmyd, Present
James J. Walker, Present

Staff in Attendance:

Amber Kauffman, District Manager
Angela Diekhoff, Business Manager
Brad E. Eaton, District Engineer
Nancy Koch, Water Resources Advisor
Amanda Hoff, Water Resources Manager
Kammy K. Tinney, Business Project Manager
Judy O'Malley, Recording Secretary

Other Attendees:

Shawn Turk, Project Manager; 1898 & Co. (Burns and McDonnell) – *via Teleconference*
Alex Goedecker, Project Manager; 1898 & Co. (Burns and McDonnell) – *via Teleconference*
Brett Pugh, Project Manager; 1898 & Co. (Burns and McDonnell) – *via Teleconference*

CALL TO ORDER

The recitation of the *Pledge of Allegiance* occurred, followed by Treasurer Larry Brandt calling the meeting to order at 5:05 p.m.

ROLL CALL

It was moved by Director Ed Martens, seconded by Director Bill Szmyd, to excuse the absence of both President Emily McMurtrey and Director Steve Brandenburg. Motion carried unanimously.

Roll call was taken. All other Directors were present.

AGENDA REVIEW

There were no changes to the agenda.

PUBLIC COMMENTS ON NON-AGENDA ITEMS

Treasurer Brandt opened the Public Comments period. There being no public comments, the Public Comments period was closed.

CONSENT AGENDA

It was moved by Director Szmyd, seconded by Director Ryan Heiland, to approve the Consent Agenda including:

- Minutes of the April 18, 2024, Regular Board Meeting,
- Tap List 700,
- April 2024 Disbursements in the amount \$1,401,136.45:
 - ❖ **Operating Account: \$1,071,701.67:**
 - ACH Manual Check Numbers 5383 to 5455 – \$604,750.39,
 - Check Numbers 11797 to 11846 – \$466,951.28,
 - ❖ **Payroll Account: (Two Bi-weekly payroll periods in April) for \$329,434.78:**
 - Live Check Numbers: 2162 to 2163 \$1,836.34
 - ACH Transmittal Vouchers O-2466 to O-2477 – \$168,052.34,
 - ACH Direct Deposit Numbers N-13533 to N-13610 – \$159,546.10,
- April 2024 Financial Report.

Motion carried unanimously.

DISCUSSION ITEMS

Dry Creek Reservoir Feasibility Study for Solar Photovoltaic:

Shawn Turk, Alex Goedecker, and Brett Pugh, Project Managers for 1898 and Company, part of Burns and McDonnell, presented the following information to the Board:

- The District sought an evaluation for the installation of both ground mount and floating solar at the Dry Creek Reservoir.

- ❖ The evaluation looked at the social and financial impacts, the feasibility of installing this technology, and investigated grants and alternative funding methods that may be available to the District.
- ❖ The evaluation also determined the reduction in evaporation with installed floating solar, water quality improvement from aeration systems, and potential revenue generation through electrical or green hydrogen production.
- ❖ Topics included:
 - Ground mount solar siting.
 - Floating solar design considerations.
 - Environmental impacts and necessary federal, state, and local permits.
 - Dry Creek Reservoir water evaporation calculations.
 - Water quality in Dry Creek Reservoir and ways to improve the quality.
 - Producing hydrogen from Dry Creek Reservoir water.
 - Interconnection of generated power with either Poudre Valley Rural Electric Association (PVREA) or Tri-State Generation and Transmission Association, Inc. (Tri-State).
 - Economic Analysis:
 - ◇ These types of projects are showing mostly a negative net present value.
 - ◇ Rates from PVREA are too low to make a good return on selling power and costs do not include any upgrades identified by transmission/distribution studies.
 - ◇ The cost of the project was far greater than any benefit the District would receive, including less water evaporation from Dry Creek Reservoir.

The Board agreed the study provided valuable information; however, the costs were too prohibitive to move forward with any energy projects at Dry Creek Reservoir.

Additional discussion was held on the options to improve the water quality at Dry Creek Reservoir. Ms. Kauffman noted that discussions would need to be held with Central Weld County Water District (CWCWD) and Carter Lake Filter Plant (CLFP) Staff.

2024 Legislative Update:

Business Project Manager Kammy Tinney presented a summary of Bills from the 2024 Legislative Session to the Board:

- Water:
 - ❖ HB24-1463. Restrictions on Tap Fees. 05/07/24 Passed.
 - ❖ HB24-1379. Regulate Dredged & Fill Activities in State Waters. 05/06/24 Passed.
 - ❖ SB24-197. Water Conservation Measures. 05/08/24 Sent to Governor.
 - ❖ HB24-1435. Colorado Water Conservation Board (CWCB) Projects. 05/01/24 Passed.
 - ❖ HB24-1436. Sports Betting Tax Revenue Voter Approval. 05/01/24 Passed. November Ballot Referred Measure. 05/08/24 Sent to Governor.
 - ❖ HB24-1362. Measures to Incentivize Graywater Use. 04/30/24 Passed. Effective January 1, 2026, subject to referendum petition.
 - ❖ SB24-127. Regular Dredge & Fill Material in State Waters. 04/25/24 Passed.
 - ❖ SB24-148. Precipitation Harvesting Storm Water Detention. 04/11/24 Governor Signed.
 - ❖ SB24-005. Prohibit Landscaping for Water Conservation. 03/15/24 Governor Signed.
 - ❖ SJR24-004. Water Projects Eligibility List. 03/08/24 Governor Signed.
- Employment:
 - ❖ SB24-073. Maximum Number of Employees to Qualify as Small Employer. 04/22/24 Sent to Governor.
 - ❖ SB24-160. Records of Workplace Discrimination Complaints. 05/08/24 Passed.
 - ❖ SB24-232. Public Employees' Workplace Protections. 05/08/24 Passed.
 - ❖ HB24-1260. Prohibition Against Employee Discipline for Refusing to Participate in Employer Speech. 05/04/24 Passed.
 - ❖ HB24-1220. Workers' Compensation Disability Benefits. 04/30/24 Passed.
- Local Government:
 - ❖ HB24-1152. Accessory Dwelling Units. 05/07/24 Passed.
 - ❖ HB24-1454. Grace Period Noncompliance Digital Accessibility. 05/07/24 Passed.
 - ❖ HB24-1266. Local Government Utility Relocation in Right-of-Way. 04/30/24 Passed.
 - ❖ HB24-1007. Prohibit Residential Occupancy Limits. 04/15/24 Governor Signed.
- Of Note and Likely to Return in 2025:
 - ❖ HB24-1296. Modifications to the Colorado Open Records Act (CORA). 05/01/24 Postponed Indefinitely.
 - ❖ HB24-1168. Equal Access to Public Meetings. 01/24 Introduced and dead-on-arrival.

District Manager Kauffman and Ms. Tinney provided an overview of the legislation included in the summary and responded to questions from the Board.

Treasurer Brandt called for a break at 6:39 p.m. The meeting reconvened at 6:45 p.m.

CLFP:

District Manager Amber Kauffman presented the following information to the Board:

- A summary of the proposal from NoCo Engineering Company (NEC) for pretreatment construction activities was provided.
 - ❖ It was proposed that the contract be for time and materials so that CLFP only pays for the time required for the construction progress.
 - The proposal amount was close to \$3,185,000 assuming a three-year construction window.
 - The proposal included a request of nearly \$58,000 for a construction management software lease.
 - ❖ No action was taken on the proposal.
- Also discussed was the potential need for an additional staff member to replace the project management duties of Plant Superintendent Darrel Larson after he retires at the end of 2024.
 - ❖ Plant Manager Rick Whittet felt it would be hard to get a project manager up to speed on the plant in time for construction and that the current operators had much more valuable input for the design and construction.
 - ❖ Hiring another operator was discussed to allow Mr. Whittet or Chief Operator Bryan Beberniss the opportunity to leave regular duties at short notice to address construction issues.
- It was brought to the Board's attention that Northern Colorado Water Conservancy District (Northern) will be looking to replace the gate in the canal downstream of the current location where CLFP diverts water to the south plant.
 - ❖ The proposed new location of this gate will be downstream of the proposed new connection required for the south plant and Dry Creek Reservoir deliveries.
 - ❖ This provides an opportunity for cost sharing in the construction of the new connection for CLFP and of the new gate for Northern in the canal.
 - One challenge is Northern's schedule is one year later than the proposed schedule to have the pretreatment plant on-line.
 - This schedule difference was thought to not have a significant impact on water production at CLFP but is a concern.
- Valves arrived on site and CLFP Staff were authorized to engage Wesco to complete the installation of the valves after receiving the necessary three quotes.
 - ❖ The quote was \$80,000 higher than budgeted.
- The north plant has experienced chemical issues for operators in the membrane area requiring some changes to air handling.
 - ❖ NEC is working with CLFP Staff to add some louvres and fans to address the safety issues.
- CLFP will receive the new style of membrane for installation in one cell this year.
 - ❖ Colorado Department of Public Health and Environment (CDPHE) has not yet issued approval for installation but has indicated they will be doing so.
- CLFP has also received two totes of Avistaclean chemical that showed promise for better cleaning of the membranes.
 - ❖ The plant proposes using this in one to two cells to see if the cleaning results are better than the current citric acid cleaning solution that is used.
- Power outages at the plant have been occurring late night or early morning.
 - ❖ The outages have been managed by the person living at the plant house and / or the crews that have started working the overnight shift.
- Connel has agreed to paint the outside and the floor of the 7 million-gallon (MG) tank but will not repaint the inside joints.
 - ❖ Connel stated the nature of joints causes the paint issues.
 - ❖ Director Szmyd asked if the District was facing the same issue at the Twin Mounds tank; District Engineer Brad Eaton responded there have been no problems so far.

St. Vrain Water Authority (SVWA):

District Manager Kauffman presented the following information to the Board:

- With the resignation of Board President Julie Svaldi, Sean Doherty was appointed as a new Board Member.

- ❖ Officer elections were held, and the results are as follows:
 - Julie Pasillas – President.
 - James Walker – Vice President.
 - Sean Doherty – Treasurer.
 - Dave Lindsay – Secretary.
- The SVWA Board passed Resolution 2024-08, Designating the Website Accessibility Officer, and Adopting a Website Accessibility Policy.
 - ❖ Rusti Roberto of the Town of Firestone (Firestone) was designated as the Accessibility Officer.
- An issue is occurring with the injection well where there seems to be a reaction with the natural limestone in the ground and the salts from the reject water.
- Firestone was settling with the last two contractors and expected to receive the Certificate of Occupancy in June.
- SVWA had a problem with the setpoints, and the Reverse Osmosis (RO) continued to run past the stop setpoint.
 - ❖ The Ramey Environmental Supervisory Control and Data Acquisition (SCADA) employee researched and then corrected the issue.

Public Hearing: Action Item: Resolutions 2024-15 and 2024-16 Exclusions:

The Public Hearing had been properly publicized. No written objections were received.

Treasurer Brandt opened the Public Hearing at 6:58 p.m. No public was present, and the Public Hearing was closed at 6:59 p.m.

It was moved by Director Szmyd, seconded by Director Heiland, to adopt Resolution 2024-15 Exclusions (Babcock Land), and Resolution 2024-16 Exclusions (Sauer South). Motion carried unanimously.

STAFF REPORTS

District Manager's Report: District Manager Kauffman reported on the following:

- District Activities:
 - ❖ Water Resources Manager Amanda Hoff attended the NoCo Water Alliance meeting on April 30.
 - Discussion continues as to the organization's purpose and the direction moving forward.
 - ❖ On May 8, 2024, Ms. Kauffman sat on a panel at a Lunch and Learn meeting of Upstate Colorado regarding water.
 - Topics centered on costs of water for development, potential of Agricultural Transfer Methods (ATM's) for water sources for water providers, water conservation methods, and non-potable systems.
 - On the panel was a representative from Brookfield, the City of Fort Lupton city manager, and a water attorney.
- District Staffing:
 - ❖ The District continued to look for a new Global Information System (GIS) Specialist.
 - The position is extremely important to the organization and will be critical to get the expertise needed for the role and the system as it currently sits.
 - IMEG had been re-engaged to identify and correct problems with the system.
 - Applications were being evaluated.
 - ❖ The District published the opening for the Operations Manager and were evaluating applications.
 - ❖ Three additional employees announced their resignations to pursue other opportunities.
 - One position was for Civil Engineer I, which will be posted quickly.
 - The second position was for the Backhoe Crew Leader. Staff will wait until the Operations Manager position is filled before posting the opening.
 - ◇ Crew Leader Valve Exerciser Alan Cordova will fill in during the interim.
 - The third position, the Water Resources Administrator, announced his departure the day of the Board Meeting.
 - ❖ The District was also going to be advertising for a Customer Service Representative as this position was budgeted for this year.
- Follow up on Litigation:
 - ❖ The District attorney had a scheduling conference with Magistrate Judge Neureiter who recommended that the case that was filed in Federal Court be placed on hold / administratively closed until the State Court case is settled and the plaintiff's attorney agreed.

- ❖ Staff hope to close the State Court case scheduled for mediation in May and then for court to begin in December if it is not settled.
- ❖ After closure of the State case, the parties must either move to reopen the Federal case or stipulate that the action be dismissed within five days.

Business Manager's Report: Business Manager Angela Diekhoff reported on the following:

- Board:
 - ❖ For the 2024 renewal of the District's general liability and cyber security insurance Staff decided to go to the market to see what the options were.
 - ❖ The District has been with Gallagher for a few years and each year the pricing has had a huge increase.
 - The 2024 proposal came in \$20,000 higher than 2023.
 - ❖ Staff received bids from Gallagher, TCW and SDA Pool.
 - ❖ District Manager Kauffman, Business Project Manager Tinney, and Ms. Diekhoff compared each quote and compared the coverages side by side.
 - Ms. Diekhoff thanked Ms. Tinney for her large contribution to the process.
 - The group also listened to proposals from both Gallagher and TCW.
 - ❖ After thoughtful consideration Staff decided to sign the 2024 / 2025 renewal with TCW.
 - The coverage is very comparable and in some areas a lot better than what the District was currently carrying with Gallagher.
 - Signing with TCW saved the District a little over \$20,000 this renewal year.
 - Also, an added benefit of TCW is that the District's representative will be local, where our representative with Gallagher was in Arkansas.
 - ❖ Coverage will continue for ongoing litigation through Gallagher.
- EyeOnWater (EOW):
 - ❖ There was a huge increase in customer sign-ups for EOW in March and April.
 - ❖ Staff had sent out postcards regarding water allotments and how to monitor allotments using EOW in March.

District Engineer's Report: District Engineer Eaton reported on the following:

- There was one new tap and two Accessory Dwelling Units (ADU) Commitment to Serve Requests for April. The 2024 total was 20 taps and seven ADUs.
- Capital Projects:
 - ❖ All capital projects currently in progress are moving forward with no issues to report.
- Development Projects:
 - ❖ The final acceptance was issued for Range View Estates.
 - ❖ The Waterfront development had been quiet but was beginning activity again.
 - Lennar Homes has contracts on several of the phases of the development.
- Other Engineering Department Activities:
 - ❖ The Lead Service Line Inventory (LSLI) project was progressing.
 - Director Szmyd asked if any lead lines had been discovered, Mr. Eaton replied not yet but Staff expect there may be some found in older portions of the District.
 - ❖ Director Szmyd asked if any large apartment complexes were planned within the District, Mr. Eaton replied there is one expected in the Mead Crossing development.
 - Mr. Szmyd questioned if the water dedication for the project had been addressed, Mr. Eaton advised that it had been.
 - ❖ Mr. Eaton noted the District had received approval from Larimer County to make the repairs on West 1st Street.

Water Resources Manager's Report: Water Resources Manager Amanda Hoff reported on the following:

- The water use for April had been average for the past ten years and lower than projections.
- Ms. Hoff, Water Resources Administrator Garrett Dickson, and Water Conservation Specialist Holly Suess gave a water presentation to the Loveland Rotary Club.
 - ❖ Ms. Hoff also noted there is a Headwaters River Journey museum managed by a water alliance group located at the Rotary Club meeting location.
- The snowpack totals were okay but coming down quickly.
 - ❖ Ms. Hoff had included charts in the Board Packet showing that within one month some areas of Colorado that had been at 100 percent or higher snowpack were now at 75 percent or lower.
 - ❖ District Manager Kauffman added that Lake Powell was below average levels.
- Cash-in-Lieu (CIL) sales of the Windy Gap water shares purchased by the District were discussed.
 - ❖ Prices in the water market had recently dropped significantly.

Operations Manager's Report and Water Quality Update: District Manager Kauffman reported on the following:

- Locate Requests were down, and Leak Repairs were on par with the 10-year average.
- Monthly Water Quality Report:
 - ❖ Monthly Total Coliform samples were within acceptable parameters.
 - ❖ Disinfection By Products (DBPs) Sampling was expected to occur in May.
 - ❖ Unregulated Contaminant Monitoring Rule 5 (UCMR5) samples had been returned and one constituent was found to be .0008 micrograms per liter higher than the minimum reporting level.
 - There are no current regulations regarding these findings as the Environmental Protection Agency (EPA) is using these tests to base future requirements.
- Project Updates and Notes:
 - ❖ 6,433 out of 6,564 valves were exercised.

DIRECTOR REPORTS

- Director Martens mentioned a documentary called "Dirty Water" that is about per- and poly-fluoroalkyl substances (PFAS).
 - ❖ Director Szmyd advised that fabric manufacturers have discontinued adding coatings to their material due to PFAS concerns.
- Director Brandt noted that currently Buc-ee's gas station had a much lower price than other area stations.

It was moved by Treasurer Brandt to adjourn the meeting at 7:31 p.m. Motion carried unanimously.

Respectfully submitted,

Amber Kauffman