

St. Vrain and Left Hand Water Conservancy District
Minutes of the Board Meeting held at
9595 Nelson Road, Longmont, CO 80501
September 11, 2017

I. ROUTINE ITEMS

A. Roll Call – Terry Lance

Board members present: President Dennis Yanchunas, Secretary Douglas Rademacher, Treasurer Mike Rademacher, and Directors Reggie Golden, Verna Sigg, Chris Smith, and Ron Sutherland. Director Doug Lyle was absent.

Staff members and consultants present: Sean Cronin, Executive Director; Terry Lance, Office Manager; Legal Counsel, Scott Holwick; and Mark McLean, Engineer.

B. Call to Order – Dennis Yanchunas

President Yanchunas called the meeting to order at 1:00 p.m.

C. Amendments or Additions to the Agenda – Dennis Yanchunas

President Yanchunas asked for any amendments or additions to the Agenda and there were none.

D. General Liability Insurance Renewal – Lauren Hix

President Yanchunas introduced Ms. Lauren Hix from Arthur J. Gallagher Risk Management Services, Inc. to present the General Liability Insurance Renewal Policy. Ms. Hix reviewed the individual insurance package policies monoline policies, policy changes, and noted that the annual insurance premium for 2017-2018 decreased by \$109. The Board was then made aware of additional lines of coverage and optional supplemental policies that were available. Ms. Hix then answered questions from the Board. Director Smith made a motion to renew the General Liability Insurance Policy for 10/01/17 - 10/01/18 as presented. Treasurer M. Rademacher seconded and the motion passed unanimously.

II. CONSENT AGENDA

A. Motion: Approval of Minutes – Dennis Yanchunas

President Yanchunas asked the Board if there were any comments or questions regarding the Minutes. As there were none, Secretary D. Rademacher made a motion to approve the August Minutes and Treasurer M. Rademacher seconded. The motion passed unanimously.

III. ACTION ITEMS

A. Motion: Election of Vice President – Dennis Yanchunas

President Yanchunas stated that due to Mr. Patterson's resignation, the Vice President seat was vacant and asked the Board if anyone was interested in filling that position. Director Smith stated he would be willing to serve as Vice President.

Secretary D. Rademacher made a motion to approve Director Smith as Vice President of the Board. Treasurer M. Rademacher seconded and the motion passed.

B. Motion: Personnel Committee Vacancy – Dennis Yanchunas

President Yanchunas reminded the Board that Mr. Patterson also served on the Personnel Committee and with his resignation there was a vacancy; however, the Committee could still operate with the remaining three members. The Board was then asked if anybody wanted to serve on the Committee and after a brief discussion it was concluded the Committee would remain as is until committee elections in January.

C. Motion: General Fund Finance Report – Terry Lance

Ms. Lance reported the significant revenues for the General Fund and stated the District had no unusual expenses in August. The Assistant Treasurer stated the General Fund was looking good this time of year with expenses at 54% of budget and revenues at 98%. With no questions, Vice President Smith made a motion to approve the General Fund finance report and Treasurer M. Rademacher seconded. The motion passed.

D. Motion: Enterprise Fund Finance Report – Terry Lance

Ms. Lance distributed the Lake No. 4 Reservoir budget report that was not included in the Board packet. The Assistant Treasurer reported in August the District received \$2,068 in augmentation fees and current revenue balance for 2017 was approximately \$100,000. The District leased its 89 acre-feet of surplus Colorado Big-Thompson (“C-BT”) water in August and received \$6,491 in revenue. Ms. Lance requested and received a Colorado Water Conservation Board (“CWCB”) loan payment of \$1,188 to cover expenses relating to the Lake No. 4 pipeline; a total of \$24,290 borrowed in 2017. The significant legal and engineering expenses were then reviewed. Secretary D. Rademacher made a motion to approve the Enterprise Fund financial report. Treasurer M. Rademacher seconded and the motion passed.

E. Motion: Update to the Accounting and Financial Policy – Sean Cronin

The Board was directed to the red-lined Accounting and Financial Policy (“Policy”) in the packet which was first adopted in 2010 and later amended in 2011 and 2012. Mr. Cronin stated the Finance Committee met to review and make recommendations to the Policy that primarily consisted of corrections to grammatical errors, revisions to language, and updates to reflect current office procedures. In addition, the Committee concluded the 2012 Policy was getting muddled with prior amendments and recommended staff provide the Board a clean 2017 Policy consisting of all prior amendments as well as the new recommendations. A brief conversation ensued with Secretary D. Rademacher making a motion to approve the 2017 Accounting and Financial Policy. Vice President Smith seconded and the motion passed.

F. Motion: Resolution in Support of Ballot Issue 2J – Sean Cronin

Mr. Cronin directed the Board to Resolution 2017-04 in the packet that supports the City of Longmont’s (“City”) Ballot Issue 2J in the November election. The Executive Director reminded the Board that in August Mr. Ken Huson from the City presented information about the ballot issue in which the Board made a decision to support. Since then, Mr. Cronin drafted a Resolution that he and Mr. Huson believed was consistent with what the City requested of the District. Wes Lowrie from the City was present to answer questions from the Board.

After a discussion, Treasurer M. Rademacher made a motion to approve Resolution 2017-04 and Director Sigg seconded. The motion passed.

G. Motion: Resolution for Glenn Patterson – Dennis Yanchunas

President Yanchunas read Resolution 2017-05 from the Board of Directors of the St. Vrain and Left Hand Water Conservancy District that formally expressed appreciation of Glenn Patterson upon his resignation from the Board. Director Sigg made a motion to adopt Resolution 2017-05. Vice President Smith seconded and the motion passed. President Yanchunas thanked Mr. Patterson for his expertise and commitment to the Board. Mr. Patterson stated it was a pleasure serving on the Board and a learning experience with many friendships made.

IV. REPORTS

A. Water Commissioners Report – Sean Cronin

In the absence of the Water Commissioner, Mr. Cronin read her report stating the call on the Main Stem was Tremont (Snyder) – 01/17/1902, and the call on the St. Vrain was Oligarchy – 06/01/1866. At 8 a.m. the flows at Lyons gauge were 60.20 cfs and reservoirs at the end of August were 82.8% full.

B. Legal Report – Scott Holwick

Mr. Holwick announced Elizabeth Joyce had resigned from Lyons Gaddis Attorneys and Counselors and had accepted a position as the Attorney General for Parks and Wildlife.

Counsel reported the Coffintop diligence application was filed August 28 and letters were sent to those who were directly identified as property owners on which Coffintop would have been built. The statement of opposition period ends on October 31.

Mr. Holwick gave a status update on an augmentation member who has an agreement with the District and applied for a well permit.

There were no applications of interest in the July Resume.

Counsel gave an update on Boulder County's ("County") application regarding Martha Matthews's water and the augmentation plan for Kenosha Ponds. Opposers were to provide comments by September 29.

Mr. Holwick gave an update to the proposed legislation regarding the Northern Integrated Supply Project's ("NISP") in-stream flow. President Yanchunas provided additional information about the project and stated that the general consensus was that the proposed legislation would be beneficial to many people. A discussion ensued on in-stream flows and exchanges. Mr. Cronin and Mr. Kahn attended a meeting on this subject and concluded there wasn't a lot of applicability to the District but would continue to monitor.

C. Engineers Report – Mark McLean

In the month of August, Mr. McLean spent time working on the Lake No. 4 design, pipeline plans and profile, and access manhole designs.

Engineering work also included a comparison to the original pipeline design concept in order to rebuild the pipeline back as operable and economical as possible. The Engineer stated the pipeline design work was now in the Computer Aided Drafting and Designing (“CADD”) phase. Mr. McLean had also coordinated with the County to address the interrelationship between the Lake No. 4 pipeline and West Lake spillway and communications are also beginning with the State Engineers office to ensure they understand the pipeline plans and what bearing it has on the West Lake Dam as well as safety aspects.

Mr. McLean then summarized a discussion he had with Mr. Cronin regarding an augmentation member that had lagging occurring on his property and if lagging fees were applicable.

Vice President Smith inquired about the group “Save Our St. Vrain Valley” as it relates to the gravel mining operation going on at Lake No. 4 and a discussion ensued on Martin Marietta, debris removal, land use permit approval process, and traffic mitigation.

D. Goals and Policies Report – Dennis Yanchunas

In prior months staff addressed updating the District Goals and Policies with the Board and was decided that more thought was needed and to address at a later date. Last month President Yanchunas and the Executive Director met to discuss a strategy and believed it would be more beneficial to focus on all the Goals and Policies as a whole instead of one Goal with relating Policies at each meeting. President Yanchunas then suggested the Goals and Policies could be consolidated and focused on the three following areas:

- Goal #1 – protect and preserve water rights within the St. Vrain and Left Hand Basins
- Goal #2 – support and develop additional water storage capacity
- Goal #3 – general leadership within the basin.

A discussion ensued closing with President Yanchunas stating he and Mr. Cronin would continue to have conversations on revising the Policies and update the Board in the coming months.

E. Augmentation Member Approval Timeline – Sean Cronin

To address questions from the August Board meeting regarding the augmentation program, Mr. Cronin provided a memo outlining a specific timeline for processing applications, State approval of the Annual Report, and invoicing members. A discussion ensued on the water releases, invoicing, and terminations.

F. Stream Management Plan – CWCB Grant – Update – Sean Cronin

With the District pursuing a Stream Management Plan – Colorado Water Conservation Board (“CWCB”) grant, Mr. Cronin provided the Board with an example of an existing plan, the “Crystal River Management Plan” (“Plan”) so the Board would have an idea and understanding of what one may look like. The Executive Director then highlighted a few management strategies in the Plan and conveyed that the process of creating a Stream Management Plan includes a great deal of collaboration with the community and the Board. Mr. Cronin reiterated the District is the fiscal agent and the CWCB grant is a 50% match of funds; next conversations will be how to obtain the remaining 50% of funds. The grant application deadline is November 3, however Mr. Cronin believes the application won’t be ready for the Board to approve in October; therefore a special meeting of the Board may be needed. The Executive Director stated the next Stream Management Plan meeting is on September 25.

G. Board Tour Update – Sean Cronin

Mr. Cronin stated the Board tour is set for September 29 starting at 9:30 a.m. and then reviewed the tour locations that included Lake No. 4, Copeland Reservoir and a couple locations on Left Hand Canyon. A discussion ensued on the locations and length of tour. After a brief discussion, it was concluded to eliminate the Lake No. 4 stop to save time and because it is near could be toured at a different time. The tour is scheduled to start at 9:30 a.m. and end at approximately 2:30 p.m.

H. Items from the Board President – President Yanchunas

President Yanchunas attended a Northern Water tour and updated the Board on the Maitland System project on Horsetooth Reservoir. Secretary D. Rademacher also spoke about a water tour he attended in Nebraska.

Secretary D. Rademacher made a motion to adjourn the meeting and Vice President Smith seconded. The motion passed and the meeting adjourned at 3:15 p.m.

Respectfully Submitted,

Terry Lance, Assistant Secretary

Dennis Yanchunas, President

Additional Guests:

Lauren Hix – Arthur J. Gallagher Risk Management Services, Inc.

Wes Lowrie – City of Longmont

Glenn Patterson – Former SVLHWCD Board Member