

EAST BOULDER COUNTY WATER DISTRICT

P.O. Box 18641, BOULDER, COLORADO 80308-1641
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Board of Directors Regular Meeting

St. Ambrose Episcopal Church

13 February 2017

Mark Johns called the meeting to order at 4:04 PM. Those in attendance were the board members Bob Champ, Rick Moeller, Yvonne Gates and Bill Hofgard. Mary Wagner (Bookkeeper), Nick Bennett (IT) and Peter O'Brien (Operator) were also present.

PUBLIC COMMENTS

No members of the public were present.

SECRETARY'S REPORT

The minutes of the 9 January 2017 meeting were discussed. Bill Hofgard made the motion that we approve the minutes of the 9 January 2017 meeting. Rick Moeller seconded the motion, which was approved unanimously.

REPORTS FROM CONSULTANTS AND COMMITTEES

FINANCE REPORT

Mary Wagner had e-mailed the financial packet to the board (Income & Expenses - annual budget vs. YTD actual, P&L YTD comparison, Income & Expenses by Month, Balance Sheet and the transaction report). Mary also e-mailed the water usage comparison spreadsheet.

The application for the audit exemption is still with the auditors and must be submitted to the state by the end of March. Mary should receive it by the March meeting.

Mary went through the financial statements and the transactions were reviewed and approved by the board. The money received for the inclusion fee from 630 Paragon Drive will be applied to the Debt Service Fund.

SYSTEM OPERATIONS REPORT – 01/09/2017 - 02/12/2017

01/09/2017	<ul style="list-style-type: none">Board Meeting
01/11/2017	<ul style="list-style-type: none">Pump House check 0.93mg/l freeCollect water sample 996 Paragon 0.96mg/l free, and deliver to lab
01/18/2017	<ul style="list-style-type: none">Pump House check 1.08 mg/l freeLocate 7550 Spring Dr.
01/19/2017	<ul style="list-style-type: none">Locate 7415 panorama
01/23/2017	<ul style="list-style-type: none">Leak reported at 504 Paragon, inspected, pumped out pit, found ground water entering from bottom
01/24/2017	<ul style="list-style-type: none">Purchased new Pressure Reducing Valve, and repaired leak at 504 Paragon
01/26/2017	<ul style="list-style-type: none">Pump House check 0.55mg/l freeUpdate pump hours logSchedule generator service
01/27/2017	<ul style="list-style-type: none">Install replacement radio 7425 EmpireFlush hydrant 11 Benchmark
02/01/2017	<ul style="list-style-type: none">Meter Read 7340 Empire, 7355 Spring manual read.Pump House check 0.89 mg/l freeMeet with Rocky Mountain Cumins for Generator Service

02/08/2017	<ul style="list-style-type: none"> ▪ Diagnose leak at 11 Benchmark, found leaking pump under crawl space. ▪ Pump House check 0.75 mg/l free
02/09/2017	<ul style="list-style-type: none"> ▪ Outbound pressure from the Pump House was reading 120 to 130 lbs/sq inch, reducing valve failure, adjusted pump pressure to compensate. Complete teardown and cleaning of pilot control system, valve still not operating. Main valve needs to be disassembled and repaired

Peter reviewed the above-included report.

IT REPORT

Nick's report was received and will be posted on the website. Nick reviewed his report which included comments on the Rules and Regulation language which could be used on the website with respect to the inclusion fee increase.

UNFINISHED BUSINESS

BILLING SOFTWARE UPDATE

Nick will meet with White Mountain to discuss further.

NEW BUSINESS

INCLUSION FEE INCREASE HEARING

The Regular Meeting was closed and the Board entered discussion into the Inclusion Fee increase for those properties in the service area not included in the East Boulder County Water District. During the discussion the board decided to call this an Infrastructure Equity Fee, which would be levied against properties in the service area wanting to include in the district. The fee would be the amount of East Boulder County Water District taxes that would have been paid from the years 2012 until the year of inclusion. The reason that 2012 was chosen as the base year was because the previous year was the last year that an inclusion occurred according to the Rules and Regulations.

Yvonne Gates made the motion that East Boulder County Water District adopts an Infrastructure Equity Fee equal to the taxes that would have been incurred during the years 2012 to the year of inclusion of the property. Rick Moeller seconded the motion, which passed unanimously.

Nick will add the wording and the fee to the Rules and Regulations and add the necessary corrections to the website. The monies obtained will go to the debt service fund until the bonds are retired and then will go to Capital Improvements.

LAFAYETTE ADDING VALVES AT BARCELONA AND SOUTH BOULDER ROAD

Lafayette is intending to add valves at the above referenced intersection and during this work water supply to the district will be interrupted. It is surmised that this could be for a number of hours and the date for the work is TBD. When we find out the date of interruption we will try to get the word to the district customers so that water usage will be minimized. Lafayette will inform us of the date this work is to be done.

DIRECTORS COMMENTS AND OTHER MATTERS TO COME BEFORE THE BOARD

No comments were noted.

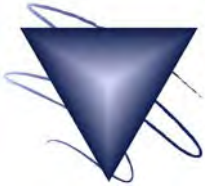
ADJOURN

A motion was made to adjourn by Rick Moeller, seconded by Yvonne Gates and unanimously approved. The meeting was adjourned at 5:42 PM.

The secretary respectfully submits the above.

Robert Champ

2/13/2017



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February 13, 2017

Board of Directors
East Boulder County Water District
P.O. Box 18641
Boulder, CO 80308-0641

RE: IT Consultant Status Report for February 13, 2017 Board Meeting

Dear Board:

The following are the activities during this period. Activities performed through February 10, 2017 have been billed to the District.

Action Items

This section identifies any issues that require Board action or decisions. The issue(s) are summarized here, with details in the appropriate section of the report.

- 1) Draft language for additional Inclusion Fee.

General IT Consulting Activities

- 1) Website Maintenance
 - a) Published the January 9, 2017 Meeting Minutes.
 - b) Published the February 13, 2017 Meeting Agenda.
- 2) Website Summary Statistics for January 2017:

The website statistics have been enabled for the new Windows Server 2008. However, there are considerable changes in format in how the information is presented, as it is a new program. Additional work is required to determine how best to summarize the information for the Board. This will be done during October and November.

- 3) IT Maintenance
 - a) System Maintenance
 - i) Windows updates- 4.
 - ii) Cleaned-up disk space utilization, deleting over 1 GB of old files.
 - iii) Defragmented disk drive
 - iv) Renewed AVG license for one year.
 - v) Updated AVG virus definitions and scanned the computer.
 - vi) Verified Carbonite backups completed.
 - c) User Assistance

Assisted Mary in reestablishing email account access on her computer.

Operational Support

- 1) Billing Program Issue

Worked towards a meeting with White Mountain on Thursday or Friday of next week to do initial discussions of our billing requirements.
- 2) While doing system maintenance, noticed that the outbound water pressure was exceeding 120 lb/in. Called Pete O'Brien who came over to resolve the issue.

General Support

- 1) Both telephone extensions were verified operational.

New Issues or Comments

- 1) The *Rules and Regulations* will need to be updated in support of the delayed inclusion process.

GENERAL DISCUSSION

The Boulder County Assessor's Office has been contacted to determine if the District can report the Delayed Inclusion amount as a property tax item, to allow the homeowner to claim a tax deduction, if desired. This would be identified as Delayed Inclusion Tax if this is allowed. If not, it would be identified as Delayed Inclusion Fee on a District Invoice to the homeowner.

A question needing an answer is, "What happens if someone Includes after the bonds have been retired?" Should the monies collected be directed to the Capital Reserves? Whatever is done would probably need to be stated in the last sentence of 7-6-2.

CURRENT RULES AND REGULATIONS LANGUAGE

7-6 INCLUSION/EXCLUSION FEES: Any person who petitions for inclusion of his property into or exclusion of his property from the District shall pay the following fees and charges in connection therewith:

7-6-1 Processing Fee. A processing fee shall be paid in full at the time the inclusion or exclusion petition is filed with the District. Such fee is payable regardless of whether the property is actually included or excluded.

PROPOSED RULES AND REGULATIONS LANGUAGE

7-6 INCLUSION/EXCLUSION FEES: any people who petitions for inclusion of his property into or exclusion of his property from the District shall pay the following fees and charges in connection therewith (which are in addition to any Water Tap Fee, if Inclusion):

7-6-1 Processing Fee. A processing fee shall be paid in full at the time the inclusion or exclusion petition is filed with the District. Such fee is payable regardless of whether the property is actually included or excluded.

7-6-2 Delayed Inclusion Fee/Tax. This fee/tax is only levied for a property with the same owner as at the time the District was formed (2001) and who had chosen to not be Included within the District at that time. These owner(s) have not paid for the bonds issued to build the infrastructure of the District, however, they will receive the benefit of that infrastructure being in place.

Those properties in the District Service Area now wanting to include in the District will be charged a Delayed Inclusion Fee/Tax. The monies collected will be applied to the outstanding bond principal.

7-6-2-1. This fee/tax will be considered as a property tax by the District, and will be reported to the Boulder County Recorder's Office to be included on the property tax bill, thus allowing for tax deductibility.

7-6-2-2. The amount levied is determined by the amount of taxes that would have been paid for District's bonds during the years 2012 through the year previous to the year of the property's inclusion. Boulder County Assessor's Office records will be used for property valuations during the subject years as well as the mill levies, specific to the EBCWD, for each year.

Sincerely,

J. Nicholas Bennett
Principal