

RECORD OF PROCEEDINGS

MINUTES OF SPECIAL MEETING OF THE BOARD OF DIRECTORS COLUMBINE LAKE WATER DISTRICT

HELD

Thursday, April 2, 2015
4:00 p.m. at the Administration Building
1111 County Road 48
Grand Lake, CO 80447

ATTENDANCE

A special meeting of the Board of Directors of the Columbine Lake Water District was held as shown above, and in accordance with the applicable Statutes of the State of Colorado. The following Directors were present and acting:

William Elliott (by phone)
William J. Heffron (by phone)
Charlene Penson
Jim Kroepfl
Mark Trumbo

Also present: Emily Allen-Kennedy/Jenks Consultants (by phone)
Sally Blea, Mike Gibboni & Shelly McDaniel – Staff

CALL TO ORDER

Vice President Penson called the meeting to order at 4:00 p.m. and opened for discussion the matter of reviewing various options to determine the amount of money that will be borrowed via the Colorado Rural Water Power Development Authority for the District's water line replacement project.

Sally stated that the estimated cost to complete the Kinnikinnick Road water main replacement project is \$1,000,000.00. The Board has been awarded a \$1.3 million dollar loan and a grant in the amount of \$500,000.00. The grant was gladly accepted but the Board must consider whether to borrow all or only a portion of the loan offer.

The options discussed were as follows:

1. Borrow \$500,000 and, along with the grant in the amount of \$500,000, meet the needs of the existing project.
2. Borrow up to \$690,000, the maximum that can be borrowed without increasing user rates, which will allow for replacement of additional footage of water main.
3. Borrow the \$1.3 million that has been awarded to the District by the State and include additional footage of water main as described in No. 2. This action would require an increase in the District's user rate of approximately \$.90 per fixture per month.

Emily noted that if the Board chose to borrow funds above the \$500,000 needed for the replacement of water main between Western Road and Columbine Drive on Kinnikinnick Road, additional footage of line replacement could be included in the project as a Change Order and can be presented to the State for approval after construction has commenced. The scope of work cannot change but additional footage of line replacement can be added.

Mike noted that there are cul de sacs along Kinnikinnick Road in need of line replacement, and that line replacement extending onto Western Road for a certain amount of footage, could also be considered.

After careful consideration, the Board agreed to move forward with a loan that would allow for additional footage of water main to be replaced, but would not require an increase in the District's rates. By **MOTION** and second the Board approved a loan in the amount of \$690,000.00 and requested that Mike and Emily present to the Board a proposal to increase the amount of footage of replacement of water main at the next Board meeting.

With no further business before the Board, the meeting was adjourned at 5:10 p.m.



Shelly McDaniel, Reporting Secretary



Mark Trumbo, Secretary/Treasurer