

CITY OF FORT COLLINS

WATER BOARD

WATER BOARD ANNUAL REPORT

1987

MEMBERSHIP STATUS

Current Members

Norman A. Evans, President
Henry P. Caulfield, Vice President
Josephine Boyd
Neil S. Grigg
Ray Herrmann
James G. Kuiken (First Alternate)
Thomas K. Moore
Thomas G. Sanders
John F. Scott
MaryLou Smith
David Stewart
Chester C. Watson (Second Alternate)
Harvey Johnson (Honorary Lifetime Member)

New Members

James G. Kuiken (alt.)
Chester C. Watson (alt.)

Resignations

Jim S. O'Brien
Stanley L. Ponce

Jim Kuiken was appointed as an alternate following the resignation of Jim O'Brien. Chester Watson was appointed an alternate after Stan Ponce resigned. Ray Herrmann and Jo Boyd were moved from alternate positions to regular members. Henry Caulfield, Neil Grigg and Tom Moore were re-appointed to additional four year terms.



MAJOR ISSUES

Water Supply Policy Report - Water Metering Strategies

In 1987 the Water Board spent a considerable number of hours on the Water Supply Policy Report and related issues.

The report was the culmination of several previous studies and actions by Council. In 1983, the City Council directed the staff to conduct a water rate study, a drought study and to develop a comprehensive water conservation program. The water rate study was completed in January of 1985 and the drought study was finished in July of 1985. As a follow-up to the water rate study, the staff prepared a more detailed study of water demand management options, which was completed in February of 1986.

In September of 1986, the staff and a special Water Board committee, began the process of reviewing the City's water supply policies. This review was initiated as a result of two factors: (1) the findings and recommendations of the previous three studies, and (2) the City of Thornton's acquisition of a large quantity of water rights in Northern Colorado.

In March of 1987, the final draft of the Water Supply Policy Report was completed. Seven policy elements were reviewed and evaluated in the report:

1. Cooperation with Agricultural Community
2. Reliability of Supply
3. Timing of Acquisitions
4. Process of Acquiring Water Rights and Storage
5. Raw Water Requirements for New Development
6. Regional Participation/Cooperation
7. Demand Management

The Water Board accepted the full report by a vote of 9 to 1; however, there was considerable discussion on Recommendation No. 7, Demand Management. The strategy for implementing recommendation No. 7 was an incremental water metering program. After considerable debate on this subject, the Water Board voted 5 to 4 at their June, 1987 meeting in favor of the following suggested approach on demand management:

- A. Require meters on all new construction.
- B. The City would pay to convert an existing residence when a homeowner volunteered. Funding for the conversions would come from the plant Investment fees paid by new residents, and not from existing rate payers.
- C. After three to five years, the City would review the experience.

Following the Council/Water Board work session on June 23, the Council requested additional information and some members of the Council requested another strategy. In a memo to the Water Board, the staff submitted additional information and an alternate strategy of encouraging metering with a dual rate structure. At the Water Board's August meeting, they reaffirmed their previous position 6 to 3 in favor of the strategy to require metering in new construction, for voluntary conversion of existing homes paid for by the PIF's, and a review of efforts in 3 to 5 years. The dual rate structure strategy was defeated 7 to 1 with 1 abstention.

At their November 3 meeting the Council voted 4 to 3 on first reading to approve the Water Supply Policy Report with the metering strategy that the Water Board recommended. At their December 2 meeting, a resolution and ordinance to implement the policy was defeated on a 3-3 vote. The issue will be revisited at a Council session in February of 1988.

Westminster's Water Acquisition Plans in Northern Colorado

The Director of Public Works/Utilities for the City of Westminster presented his City's water acquisition plans to the Fort Collins Water Board at their September meeting. Westminster's existing water supply is expected to last into the mid-1990's. The Director said that an additional 17,000 AF must be acquired to provide an adequate water supply to meet future demands within the existing city limits. Their proposed Windy Gap acquisition concept included these main elements:

- * Westminster would purchase 4,000 AF (40 units) of Windy Gap Project water, each from Boulder and Longmont.
- * Westminster must secure a minimum supply of at least 8,000 AF (80 units of Windy Gap) before committing to the project.
- * Westminster would anticipate annexation to the Northern District as well as the municipal sub-district under fair and equitable taxation and financial consideration. They would agree not to purchase CBT units for an agreed period of years.
- * Other elements of the plan included ideas for construction, procurement, exchanges, joint projects, etc.

Although the Water Board appreciated Westminster's forthright approach in apprising Fort Collins of their plans, they strongly opposed an extension of the Northern Colorado Water Conservancy District parent boundaries to allow Westminster to annex to the Northern District. The Board asked staff to prepare a resolution to be sent to the NCWCD stating their objections. The Water Board subsequently approved a resolution to that effect which was sent to the City Council. Following Council approval, the resolution was forwarded to the NCWCD.

Filing for Water Rights

In December of 1986, City staff submitted an application to the Water Court, Division I for surface water rights in the Cache La Poudre River. The City has pursued several options for increasing and maintaining flows in the River in order to protect and maintain the recreation and aesthetic potential of the Poudre River as it flows through Fort Collins. For more than a year, the City has been working with Trout Unlimited, the Poudre River Trust, the Colorado Division of Wildlife and Federal agencies on a detailed study of the Poudre River from Overland Trail to I-25. A 5-phase study was initiated to find out what kinds of flows are necessary to support a fishery, to find out what kind of habitat improvements are needed, to identify different approaches to providing flows, and to implement the approaches that seem workable. The Water Board concurred with the staff's filing for the instream flows, calling it a very constructive, far-sighted proposal, but cautioned that cooperation with water users was essential in pursuit of that goal.

As expected, several area water users, the Northern Colorado Water Conservancy District, (NCWCD) the Colorado Water Conservation Board (CWCB) and the City of Thornton objected to the filing. Over the last year, the City has met several times with the NCWCD, the CWCB, and the Cache La Poudre Water Users Association to discuss options for providing flows. Area water users would prefer that management options rather than a water right be used to maintain flows. In June, the City and the NCWCD signed an agreement to work together to pursue exchange agreements to provide flows in the River. Once the results of the work group's efforts are available, the City will be in a position to decide what course of action to take regarding a water right filing by the City or by the Colorado Water Conservation Board. Once the opportunities for exchanges are investigated, staff will return to the Water Board to review them and make recommendations on any proposed ideas.

Septage Waste Agreement with Larimer County

Larimer County plans to phase out the acceptance of liquid wastes at the County Landfill because of potential adverse impacts to ground water beneath the facility. The City and County entered into an agreement in mid 1987 where the City would build a transfer station to handle wastes from vaults, septic tanks and portable toilets. The project is being funded by the County. The Water Board, at two meetings, carefully reviewed the document and offered suggestions and comments to City and County staff. At their July meeting, the Board voted unanimously to approve the Septage Waste Agreement. Construction for the sanitary waste transfer station should begin in April of 1988 and completion is scheduled for July, 1988.

Proposed Customer Trade with West Fort Collins Water District

The Water Board discussed a customer exchange with West Fort Collins Water District brought about because Water Treatment Plant No. 1 in the Poudre Canyon has been closed and Poudre River water will now be piped to Water Treatment Plant No. 2 at Soldier Canyon. The exchange would involve 65 City customers and 82 District customers. The Water Board supports the City's endeavors in the matter and encourages the City to pursue a workable arrangement.

Water Supply Opportunity - Halligan Reservoir

At the October meeting, staff informed the Water Board of the possibility of acquiring an interest in Halligan Reservoir located on the North Fork of the Poudre River and owned by North Poudre Irrigation Co. The City has been interested in becoming involved in the enlargement of Halligan which has a current capacity of 6,400 AF and the potential to be enlarged as much as 20-30,000 AF. In 1985, however, NPIC entered into an agreement with Halligan Resources Corporation (Carl Judson and Associates) to pursue the enlargement. Early in 1987, HRC indicated to City staff that the enlargement of the Reservoir was no longer an attractive option for them, and offered the City an opportunity to acquire their interest in the agreement with NPIC.

The Water Board voted to recommend approval of the staff proposal which has since been approved by the City Council.

U.S. Reserved Rights Case

The Water Board voted (with two abstentions) in November to express agreement that the City help to support financially, the legal action being take by the Cache La Poudre Water Users Association in the Federal Reserved Rights Case.

OTHER ACTIONS

Establishing Communication and Cooperation Between City and NCWCD

In February of 1987, the Water Board initiated regular monthly updates from the Northern Colorado Water Conservancy District (NCWCD). A representative from the District has attended the Board meetings each month since that time. These updates have established a process where the Board and the District, through communication and discussions, can nourish a spirit of cooperation that will lead to the protection of their mutual long term interests.

To further encourage this cooperative effort, the District and the Water Board met with the City Council at a work session in December. The District presented historical and background information on their organization. The agenda also included discussion on NCWCD's response to metro Denver's water acquisition plans in Northern Colorado, in-stream flows through Fort Collins, integration of Windy Gap and CBT operations, NCWCD and the Bureau of Reclamation, and an update on the Poudre Project.

Water Board Commendations to Water and Wastewater Utility Employees

1) Resolution for Water Production Employees

Because the summer of 1987 was drier and hotter than average, a highest ever peak day of 54.9 mgd was recorded in July. This was close to the current capacity of 57 mgd. The people in the Water Production Division brought the City successfully through the critical period with long hours and hard work and the Water Board wanted to recognize them for their efforts.

2) Water Board Gives Employees Recognition For EPA Award

The Employees of the Wastewater Treatment Division earned a seldom given EPA Award for Operation and Maintenance Excellence in Region VIII. The Water Board recognized them for this very noteworthy achievement.

Cash In-Lieu-of Water Rights

At their May meeting, the Water Board unanimously recommended that the in-lieu-of rate be adjusted from the current \$1,000 AF to \$800 AF to reflect a rate that is close to the going market price.

Bylaws Approved

At their September meeting the Water Board approved and accepted their revised bylaws.

Water Board/Staff Workshop

In October, the Water Board and staff participated in a workshop to review and discuss staff/Water Board relationships and determine goals, objectives and priorities for the coming year.

Elected Officers and Appointed Standing Committee Members and Chairmen

Discussed Conflicts of Interest with Assistant City Attorney

Rental Rates

Each year, after the irrigation companies have established the annual assessment rates for their water, the Water Board recommends to the City Council, the rental rates for the City's surplus water. At their February meeting, the Water Board unanimously recommended the rental rates proposed by the staff.

Informational Updates and Documents Reviewed
(No action taken)

Boxelder Sanitation District Proposal

Northern Colorado Water Conservancy District Boundaries

Water Treatment Plant Expansion

Wastewater Treatment Plant Expansion

Anheuser-Busch

Rockwell Reservoir

Poudre Project

Response to Excalibur Filing

Regional Cooperation for Joint Treatment Facilities

Composting Project

History and Status of Colorado State University Pretreatment Involvement