

# **BOXELDER BASIN REGIONAL STORMWATER AUTHORITY**

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P.O. Box 1091  
Wellington, CO 80549  
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## **FINAL AGENDA**

### **Boxelder Basin Regional Stormwater Authority Board of Directors**

#### **Board of Directors Meeting**

August 25, 2011

Leeper Center  
3800 Wilson Avenue  
Wellington, CO

4:00 P.M.

1. Call to order
2. Review and approve minutes of Meeting of July 28, 2011
3. Public Comment
4. Coal Creek Flood Hazard Mitigation Project Progress Review
5. Eastside Projects Progress Review
6. Discussion concerning financial scenarios
7. Financial Report for July, 2011
8. Discussion concerning format for review of management services contract with Local Government Solutions, LLC
9. Manager's Report  
    Manager's Activity Report

Customer Contact Program  
Workman's Comp for Board

10. Executive Session for the purpose of discussing the acquisition of property under C.R.S. Section 24-6-402(4)(a) C.R.S. and discussing issues relative to matters that may be subject to negotiations, and/or instructing negotiators, under C.R.S. Section 24-6-402(4)(e) C.R.S. regarding the East Side Storage Project.
  
11. Adjournment

**BOXELDER BASIN REGIONAL STORMWATER AUTHORITY**  
**MEETING MINUTES**  
**JULY 28, 2011**

**DIRECTORS PRESENT:** Larry Lorentzen  
Lee Tucker  
Ken Sampley  
Vic Meline  
George Reed

**DIRECTORS ABSENT:** None

**PRESIDING:** Ken Sampley

**ALSO PRESENT:** Rex Burns, Authority Manager  
Lisa Work, Recording Secretary  
Greg White, Attorney  
Todd Juergens, Larimer County Construction Manager  
Andrea Faucett, Ayres Associates  
Mark Peterson, Larimer County Engineer  
Dave White  
Jim Fry

**1. Call to Order**

The meeting was called to order by Director Sampley at 4:05 p.m.

Director Sampley is acting President Pro-Tem until after elections later in the meeting.

**ADDITIONS OR DELETIONS FROM THE AGENDA**

None

**OLD BUSINESS**

None

**NEW BUSINESS**

**2. Review and approve minutes of June 23, 2011**

Director Lorentzen requested correction to the minutes item #4 correct date of meeting from July 27<sup>th</sup> to July 28<sup>th</sup>.

Director Lorentzen moved to approve the minutes as corrected and Director Sampley seconded the motion. Director Tucker opposed. The motion passed 2 to 1. Director Reed abstained as he was not on the Board for the June meeting. Director Meline was not present at the June meeting.

Director Sampley introduced the new board members. Director Vic Meline is a joint appointment between City of Fort Collins and Larimer County. And Director George Reed is a direct appointment of Larimer County.

### **3. Public comment**

Jim Fry of 6016 Trotwood Ct Fort Collins CO (unincorporated Larimer County) brought forward a document entitled Agreement for Professional Management Services entered into the 6<sup>th</sup> day of April 2009 between Boxelder Basin Regional Stormwater Authority and Local Government Solutions, LLC. On page 10 of the document, section 32, there is a provision for a Work Program Annual Review. Mr. Fry has reviewed the public information available but has not seen an annual review and hopes that plans are under way for that review to take place.

Director Sampley agreed that the review is due around April of each year. He stated that the review has been put on hold this year awaiting appointment of a full Board of Directors. Now that the full Board has been appointed, it is the intention of the Board to address that review.

Director Tucker wanted to know if an official resignation from taking the minutes was needed from Director Lorentzen. Director Sampley explained that the person serving as Secretary does not need to be the person taking the minutes but is the position responsible for keeping the records. Greg White Attorney clarified that the Secretary can delegate minute taking responsibility to another person. Mr. White mentioned that elections are the next agenda item and if the newly elected Secretary desires to delegate the minutes, the delegation and Board approval could happen at that time. Director Sampley and Director Lorentzen clarified that the minutes are posted to the website and that Director Lorentzen keeps the recordings of the minutes. Director Sampley further pointed out that a draft of the minutes is forwarded to each Board member to review for accuracy before the minutes are approved. Mr. White pointed out that once the physical minutes are approved they are the official record of the Board not the audio recording. Director Lorentzen noted that the Board has a resolution for the length of time recordings are kept.

### **4. Election of Authority Board of Director Officers**

Director Meline requested that item 10 of the agenda be moved to item 11 of the agenda. Director Lorentzen seconded the motion. The motion passed unanimously.

Director Sampley explained that there are 3 positions in the Board by-laws: President, Secretary, and Treasurer.

Director Lorentzen nominated Director Sampley for Board President. Director Meline seconded the nomination. Director Sampley noted that he is newest member to the area but that he has 30 years experience in this field. The nomination passed unanimously.

Director Tucker nominated Director Lorentzen for the Secretary position. Director Meline seconded the nomination. The nomination passed unanimously.

Director Lorentzen nominated Director Meline for Treasurer. Director Reed seconded the nomination. The nomination passed unanimously.

Director Lorentzen moved to appoint Lisa Work as recording secretary. Director Reed seconded the motion. Director Tucker opposed. Motion passed 4 to 1. Manager Burns pointed out that a draft of the minutes is sent to the Board Secretary for review before they are distributed to the Board for final review. Director Reed asked who is responsible for back-up if Lisa Work is not available or present. Director Lorentzen stated that he will bring his computer so he can record the meeting if needed.

Director Sampley mentioned that the appointments will go through April of next year.

## **5. Coal Creek Flood Hazard Mitigation Project**

Todd Juergens, Construction Manager with Larimer County Engineering Department presented the project update noting:

- Total reimbursement requests to date with FEMA for \$1,050,599.01. This is the total between both the CR 7 project and the dredging project.
- DOLA and FEMA are planning a site visit the 3<sup>rd</sup> of August at 11:00 am.
- The CR 7 Bridge project was issued a final completion today (7/28/11).
- The dredging project is moving forward and making good progress. The disposal area at Owl Canyon Road and I-25 is complete and in production. The dredge was set in water last Friday and is currently in testing mode. They have yet to have a full 24 hour day of production but they are getting closer.
- The discharge pipe is complete and being used. The drain pipe that returns decanted water is complete. No decanted water has been returned to the reservoir yet. Probably next week they will start returning water.
- The initial hydro survey is done and the first monthly progress survey will be completed next week. This will help generate the quantities for the month of July and also help to coordinate the computer software on the dredge with the survey to ensure accurate depths and elevations.
- The 2 easement agreements are yet to be completed. They are working with CDOT on the easement agreement. CDOT has started a construction project on a new maintenance facility that includes a paved access to their site. That paved access is on the alignment that the County intended to use to run the trucks in to begin the canal excavation. There is a meeting tomorrow with CDOT to work out an alternate easement. The alternative site will give the trucks a turn around on the south end of the property allowing access off CR 7 avoiding the new paved area. This plan is on CDOT's August agenda for approval. The railroad agreement has stalled a little bit with the attorney for North Poudre Irrigation. They still anticipate completion by the end of August.
- Clark reservoir dredging did begin the week of July 25<sup>th</sup>. They have moved about 2500 yards of material. The GPS system is installed on the dredge and is working accurately. By the middle of next week, they should be running 24 hours – 12 hour shifts 6 days a week. If needed a 7<sup>th</sup> day can be added to the schedule.
- The total project costs remains at \$5.2 million (including the \$650,000.00 contingency).

- All project costs are covered including the contingency.
- The current change order total is \$3,200 for washed rock bedding and \$169,900 for sheet piling.
- Key issues – need 3 – 4 days of productive dredging to determine how many yards a day / hour they are able to move with the dredge to project forward a completion date.

Director Reed asked about percentage complete of project. Mr. Juergens will add monthly percent complete based on time and percent complete based on dollars to the monthly item report. Director Sampley asked about retainage. He also requested if there is an item that appears to be considerably different than anticipated; it needs to be brought to the Board. Director Lorentzen asked about the State statute just passed regarding retainage. Mr. Juergens explained that the statute had not been adopted when the project was bid so it doesn't affect this project. Director Lorentzen asked how much of the project can be completed prior to getting the railroad easement. Mr. Juergens replied 99% of the inlet canal is outside of the railroad right of way so he doesn't believe there will be an issue. The excavation will begin at I-25 and work west starting at the downstream end and working uphill. That way the water will run away from the work and buy some time to get the railroad easement in place.

Director Meline asked if the contractor was aware of these easements when bidding the project. If so, there shouldn't be a change order for any extra cost of delaying until the fall. Mr. Juergens answered that the contractor was not aware but is now. The railroad easement is shown on the documents. The CDOT easement was intentionally not shown on the documents because they were so far from having something negotiated. The project can be built without the easement across the water district in the CDOT property. The easement is really a bonus to the project and gives the contractor the option to route trucks in a circular fashion and be more productive. The contractor did not bid with the assumption that they would have that easement available. The railroad easement is shown on the documents and when the contractor bid the project he did assume that easement would be in place. At this point Mr. Juergens assumes that easement will be in place before it holds up the project.

Director Sampley asked for clarification that there is not monetary incentive to complete the project early and Mr. Juergens stated that there is not.

Director Tucker asked when Mr. Juergens anticipates starting the canal work. Mr. Juergens stated that they are scheduled to start moving trees after the 15<sup>th</sup> of August. He explained there is a requirement in the contract that they were not allowed to do any tree removal before the 15<sup>th</sup> of August. Once the trees are removed, right around the 1<sup>st</sup> of September, they can start excavating material outside of the existing ditch alignment. There is a lot of material that can be removed while the ditch company is moving water without affecting their operation. The mass excavation doesn't have to wait for the canal to be shut down. The finish work in the existing canal alignment would have to wait. Director Tucker mentioned that North Poudre runs water in September. Mr. Juergens explained that there is work that can be done outside the low flow channel without affecting North Poudre's ability to move water.

## **6. Eastside Projects Progress Review**

Manager Burns stated that Andrea Faucett with Ayres Associates will present an update of her work on these projects. Andrea distributed an update page on the Eastside Storage Facility and one on the Middle Basin Improvements project to the Board.

Director Sampley asked if this item needed to be renamed to reflect Eastside and Middle Basin improvements. Manager Burns explained that the 2 topics are starting to come together so the update will be on both at the same time. Director Sampley requested that the agenda item be combined and renamed Eastside and Middle Basin project report moving forward.

Andrea Faucett presented the project update noting:

- Starting with the Eastside storage facility progress. Since the last Board meeting there have been further discussions with ARDEC about the utilization of their site. Ayres did prepare a second option for them where the footprint of the dam is lower by deepening and excavating material from the center pivot. ARDEC still expressed concerns about moving the cattle over the lower dam as it is still 18 feet wide. They also have concerns about what to do with the cattle until the vegetation is re-established if that option is chosen. Manager Burns explained that this option would require the removal and replacement of top soil and the excavation of ARDEC's center pivot. This would create the problem of about a 3 year time frame of re-establishing grass and they are short on grass to graze their cattle. Ms Faucett stated the benefit of this plan is that the dam would be outside the footprint of their center pivot so it wouldn't require any adjustments to the operation of their pivot.
- Because of some of the concerns that ARDEC has expressed, Ayres has looked at the property to the South. This property is currently owned by the City of Thornton. Ayres has graded in a dam on that site as well. The benefit of this location is much more storage with minimal grading. The residual flows, 100 year discharge from the dam, whether on ARDEC or the Thornton property, is directly tied to the level of improvements needed in the Middle Basin. The larger the dam, the smaller the residual flows, and thus, the smaller the improvements needed for the Middle Basin. As Ayres has gotten into greater detail, the Middle Basin improvements are extensive and in some areas difficult to accomplish. The relationship of the dam size to the Middle Basin improvements is pushing Ayres to think that with the larger dam there will be less trouble accomplishing the goal in the Middle Basin to eliminate the westerly flow path. Manager Burns added that Ayres is discovering more about the hydrology everyday. And that in the extreme, we may be able to get enough storage to obviate the concerns that Timnath has and make it possible not open additional culverts. Ms Faucett distributed a map showing the improvements with the approximate sizes of the flood benches that are required. The original plan was to provide the flood bench on the westerly side where the current flood plain occurs. There are areas where, due to topography, it isn't physically possible to get a flood bench on the westerly side so they have had to be moved to the other side. On the exhibit is the approximate road crossing sizes that would be needed, not only to prevent overtopping of the road crossings, but to prevent the backwater that occurs from the undersized road crossing that exacerbates the spill with the westerly flow path. Another important discovery is the railroad crossing just south of County Road 58 and Mulberry Street needs to be improved in terms of its conveyance. These improvements are based on the ARDEC site and the highest residual flows. This exercise has not been done using the Thornton property.

- Progress has been made with the sizing of the Larimer Weld Canal Siphon. In a recent discussion with Mr. Sommermyer, the decreed flow is 1400 cfs and the normal flow is about 500 cfs but capacity is 900 to 950 cfs. They want the siphon designed for the 900 to 950 cfs. The sizing shown on the map for the siphon is 4 – 10X5 concrete boxes which is a very large structure. Director Sampley pointed out that when on the field trip the flow they saw was 450 cfs. And that they spill at 900 cfs.
- Ayres is moving forward to provide cost estimates to see an order of magnitude. This may push to other options such as not doing some of the upstream embankment improvements to the flood bench between County Roads 52 and 50 because there are not a lot of structures in that area and instead designing a channel that would convey that water downstream at County Road 52 back into Boxelder. This is a work in progress that is being fine tuned but the discussion regarding the size of the reservoir is critical to what is going on here.
- Director Sampley pointed out that on the map Ms Faucett handed out the scale is different for the different cross sections. Ms Faucett explained to look at the dimension given and not the scale. Director Sampley asked which cross section Ms Faucett said a bench couldn't be fit in. Ms Faucett pointed out the legend on the map to see Left Bank modification, Right Bank modification or Both and in some of those areas being modified in the Easterly bank the Authority doesn't have flood plain. In those areas additional easement would need to be purchased to make those modifications.
- Manager Burns discussed that alternatives exist to these improvements to achieve the same effect of moving water from the westerly flow path into the natural flow path of the creek. One possibility would be to move that water instead of trying to keep in the natural flow path for the whole distance but construct a facility parallel to the Larimer Weld Canal to move water from I-25 Easterly into the natural channel of Boxelder Creek. The result would be losing the mitigation of the flood flow on the westerly flow path between CR 54 and Larimer Weld Canal but gaining not having to do the channel improvements all through that distance. There are very few existing improvements in that area which would be damaged. The real improvements that would be subject to damage by the westerly flow path are south of the Larimer Weld Canal. Ms Faucett will be looking into that in more detail. Ms Faucett added that if this option is followed then road crossing improvements would not have to be done at CR 52 or CR 50 so first improvements would occur north of Larimer Weld Canal. Manager Burns acknowledged that there are a number of concerns that would need to be addressed in the process of looking at these new options.
- Director Meline asked where things stand with Timnath. Ms Faucett explained that Timnath's goal is to get the least amount of flow possible. If it can get to a point where it doesn't matter if the I-25 boxes are opened then it would be a great solution for everybody. Manager Burns explained that the Middle Basin improvements don't affect Timnath at all since the flow gets to them regardless of the way it is routed.
- Dave White brought up that most of the Middle Basin is in Timnath's future GMA so it would be in their best interest to have the flooding solved in this area. Mr. White mentioned that he thought Timnath has a proposal in to the County for a new GMA and Director Sampley added that proposal was complicated by Fort Collins/Timnath IGA. Mark Peterson confirmed that there is no formal agreement with Timnath and Larimer County.
- Ms Faucett stated that her intent is to come back in August with costs for two options. One is to not do the upper westerly flow path improvement and the other is to do what is seen on the map. Director Sampley clarified that what is in the plan is to do the improvements as shown on

the provided map and also requested a cost to not do the improvements north but do a channel that parallels the Larimer Weld Canal. These are based on the detention being at the ARDEC site with the lower sized dam. Ms Faucett agreed and said that in effect looking at worst case scenario in terms of cost for the Middle Basin. Director Sampley discussed that the costs will be needed for comparison when looking at other options. Director Lorentzen added that 4 cost options will be needed. Director Sampley stated that the options are: (1) the smaller dam on the ARDEC site with the facilities shown on today's map; (2) the smaller dam on the ARDEC site with the parallel channel along Larimer Weld Canal; (3) the larger dam on the Thornton property with the facilities shown on today's map; (4) the larger dam on the Thornton property with the parallel channel along the Larimer Weld Canal. It was further discussed that there may be more costs in the analysis phase but resulting in a better solution and better idea of which would be the least cost in the future.

## **7. Financial Report for June 2011**

Manager Burns explained the numbers on the report represent the cash balances as of the end of June 2011 and further explained that most of the cash is encumbered for any expenses in the contingency fund for the Coal Creek project. Balance at the end of the year, if the contingency is used, would be in the order of \$60,000 or somewhat less than that.

Manager Burns explained to Director Reed how the financial information is reviewed at each month's meeting and that these monthly reports are prepared by the accountants for the Authority. He also explained that previous Boards asked that the balances in any FDIC insured institution not exceed \$250K so money is transferred accordingly.

Director Tucker and Director Sampley requested that the Board Packets be printed out and distributed at the meeting by Manager Burns so all the members will be looking at the same information at the same time. Director Lorentzen also requested that the information be projected on the screen for all to follow if needed.

Manager Burns presented the claims for June 2011 for a total of \$18,027.62. Director Meline moved to pay bills as listed. Director Lorentzen seconded motion. Motion passed 4 to 1 with Director Tucker opposed.

## **8. Final Audit Approval**

Manager Burns distributed the bound audit report to the Board. Director Lorentzen pointed out that the expenditures during 2010 were under represented in the area of the work done by Ayres Associates for the boundary adjustment reflected on page 9 of the audit report. It appears that the \$67,000 doesn't show in the General Fund expenditures and must have gone to the Capital Fund. If it is in the wrong fund it needs to be corrected.

Director Sampley asked if the Board would like to approve the audit subject to the requested changes. Director Lorentzen would prefer to have the audit changed before approval. Director Sampley asked if there is a timing issue with approval. Manager Burns explained that the Board is required to produce an audit which has been done. Gregory White explained that the audit has

probably been filed with the State as the deadline is Sunday. Director Sampley asked if a filing can be amended but that answer was not known by Mr. White. Manager Burns is to talk with the auditor about correcting the report and amending the filing with the State.

Director Tucker asked why the use of the term District Management instead of Authority. Director Sampley requested the use of Authority instead of District when the corrections are made.

Director Reed had questions regarding the fees actual and budgeted. Director Sampley and Manager Burns explained those numbers and Director Lorentzen pointed out the cover letter on the audit for more explanation.

## **9. Managers Report**

Manager Burns distributed his monthly Manager's Activity report to the Board outlining time spent on public relations activities noting that a monthly newsletter is sent out on the first day of each month. This month's newsletter has a story with pictures of the tour the Board took last week. The Authority Fee Structure Development has been pretty much finished up. The project samples have been placed in 3 ring binders. A final report will be presented at the August meeting and will be rolled into the financial information the Board has requested. The Board will need to make a decision regarding the final structure of the Authority fees. A recommendation of a tiered structure will be presented to the Board in that report.

Director Sampley requested a further work session on the fee structure. Manager Burns scheduled a work session August 11, 2011 at 2pm to address the fee matter and the financial models. Director Sampley requested that the work session be held at the Leeper Center.

Manager Burns discussed the Authority billing preparation and the work being done to compile the database. Toward the end of the year a notice will be sent to customers introducing the Authority as the billing agent and asking for any corrections needed in the database.

Manager Burns has been working with Ayres Associates on the East Side Storage and Middle Basin projects. He has also been working with ARDEC and the CSU real estate office on reviewing possibilities for storage construction on their properties and is beginning to investigate the property to the South owned by the City of Thornton.

The Board has requested that LGS prepare 8 financial models taking into account different project financial scenarios. LGS is preparing the models looking at pay as you go alternatives and debt financing alternatives.

Manager Burns continues to work with Timnath and supply them with information as it is developed on the East Side projects.

Manager Burns was contacted by a contractor to the Soil Conservation Service or NRCS. NRCS has been working on a project to delineate the floods that would result from a breach of each of the SCS dam structures North of Wellington. The project has been defunded but the data acquisition portion of the project has been funded. They have approached the Authority as they have \$200,000

to use to buy LIDAR flights which are done to produce topographic contours over a large area. Manager Burns asked Andrea Faucett to discuss the benefit to the Authority from these flights. Ms Faucett explained that the Authority will need FEMA level contour data for the Middle Basin and East Side Storage facility. Ayres Associates has a photogrammetry group and has asked to bid on the project. The price to fly the entire Boxelder Basin including Larimer County zone A flood plain was \$75,000 to obtain the LIDAR data. To do the processing to get the 2 foot contour data is \$5,000. Ms Faucett contacted the Town of Timnath and they are interested in obtaining the data. Ayres can also get orthorectified photographic data which is helpful in doing mapping and construction plans for \$15,000. This cost is for the entire basin of which the Authority would need a portion. Ms Faucett believes that NRCS would be paying for the actual LIDAR flights has requested an email from Steve Yokum starting negotiations with the other entities and explaining their expectations. Ms Faucett will keep the Manager Burns and the Board informed and explained that this is something the Authority would need to make a decision on as NRCS is moving forward. Director Lorentzen asked if a decision would need to be made before the next Board meeting as action could be taken at the August 11<sup>th</sup> work session.

Manager Burns concluded his activity report stating that he feels the Board field trip organized by LGS was a success with people learning a lot about the projects.

**10. Executive Session for the purpose of discussing the acquisition of property under C.R.S Section 24-6-402(4)(a) C.R.S. and discussing issues relative to matters that may be subject to negotiations, and /or instructing negotiators, under C.R.S. Section 24-6-402(4)(e) C.R.S. regarding the East Side Storage Project.**

Director Sampley asked Gregory White if a Board majority is needed to move into executive session. Mr. White explained that 2/3 of the Board present is needed so will need 4 members to agree to move forward. Director Sampley polled the Board and all have agreed to move into Executive session at this time.

**10. Adjournment**

Meeting was adjourned after Executive Session at 7:05pm.

Approved this \_\_\_\_\_ day of \_\_\_\_\_, 2011

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# Coal Creek Flood Mitigation Project Project Status Report

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August 25, 2011

## Contracts

### FEMA / State (DOLA)

- Most recent quarterly report accepted and reimbursement request received. Total reimbursement to date is \$ 1,050,599.01.
- DOLA and FEMA staff visited the job site and toured the facility. They are pleased and satisfied with the project submittals, information, accounting, and project progress on the ground.

## Significant Work Tasks

### Completed

- Dredge assembled, tested, and in production.

### Ongoing

- Dredging
- Tree removal on inlet canal
- CDOT agreement to be signed week of August 22<sup>nd</sup>.

### Upcoming

- Excavation on inlet canal will begin in late August.

## Budget / Schedule

- Total project cost remains at \$ 5.2 million (includes contingency). All costs are funded.
- Project progress as of July 31, 2011
  - Coal Creek construction contract:
    - 22% complete by dollars and
    - 14% complete exclusive of mobilization.
  - Dredging: 11,990 cubic yards or 7% of required removal.
- Unofficial dredging amount as of the week of August 15<sup>th</sup> is ~50,000 cubic yards.

## Key Issues

- Ability of dewatering site to keep up with preferred dredging production.

A horizontal banner with a green background. On the left side, there is a stylized graphic of a blue river or stream flowing from left to right, with a green area above it representing a floodplain or land. To the right of the graphic, the text "BOXELDER STORMWATER AUTHORITY" is written in a white, serif font, with "BOXELDER" and "STORMWATER" on the top line and "AUTHORITY" on the bottom line.

BOXELDER STORMWATER  
AUTHORITY

## MIDDLE BASIN IMPROVEMENTS And EAST SIDE STORAGE PROJECT UPDATE

August 25, 2011

### On-going work:

- After our presentation last month Ayres was asked to change direction and investigate four different alternatives between the East Side Storage Site and the Middle Basin Improvements. Those alternatives were:
  1. Dam on ARDEC site combined with Middle Basin Improvements from CR 54 to the C&S Railroad crossing which is south of CR 48. The Middle Basin Improvements would include a flood bench along Boxelder Creek which would be sized to contain the residual flows from the ARDEC site in the Boxelder Creek floodplain or easterly flow path. In addition, the Middle Basin improvements would include any upgrades to the road crossings which are required to contain the residual flows in the Boxelder Creek floodplain or easterly flow path.
  2. Dam on ARDEC site combined with Middle Basin Improvements that do not begin until CR 50, a channel would be constructed on the north side of the L & W which would convey the flows back into Boxelder Creek and improvements constructed from that point downstream to contain the flows within the Boxelder floodplain or easterly flow path.
  3. Dam on Thornton site combined with Middle Basin Improvements from CR 54 to the C&S Railroad crossing which is south of CR 48. The Middle Basin Improvements would include a flood bench along Boxelder Creek which would be sized to contain the residual flows from the ARDEC site in the Boxelder Creek floodplain or easterly flow path. In addition, the Middle Basin improvements would include any upgrades to the road crossings which are required to contain the residual flows in the Boxelder Creek floodplain or easterly flow path.
  4. Dam on Thornton site combined with Middle Basin Improvements that do not begin until CR 50, a channel would be constructed on the north side of the L & W which would convey the flows back into Boxelder Creek and improvements constructed from that point downstream to contain the flows within the Boxelder floodplain or easterly flow path.

- Ayres has completed the sizing and modeling of the four (4) options the board asked us to investigate. We are waiting on pricing information from Kurt Sommermeyer with ARS construction.

With Timnath at \$4,000,000 and with larger East side storage facility

This scenario assumes current revenue from fees plus inflation due to growth. Borrowing for full amount of projects at 4.5% interest and 20 years.

Projects Completed by 2015 with debt paid off in 2030. Full Authority Management Costs until 2015.

Repayment of loan from IGA governments

<b>Bond Principal</b>	\$ 9,300,000	<b>Interest on inv</b>	1.00%	<b>Bond Principal</b>
<b>Debt Interest Rate</b>	4.50%	<b>ESS Cost PV</b>	\$ 8,000,000	<b>Note: ROW, Design and Cons Mgmt are accounted for separately from construction costs below</b>
<b>Beginning Annual Service Fee Revenue</b>	810	<b>Mid Bas Cost PV</b>	\$ 4,000,000	
<b>Annual Increase in Revenue</b>	3.00%	<b>App cons cost</b>	3.18%	
<b>Initial Annual Debt Service</b>	<b>(\$865,958)</b>			

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
<b>Beginning Balance</b>		\$60	\$826	\$418	\$47	\$0	\$14	\$57	\$130	\$233	\$369	\$538	\$741	\$930	\$1,156	\$1,420	\$1,724
<b>Revenue</b>																	
<b>Bond Proceeds</b>			9,300			-											
<b>PDM Grant</b>			3,000														
<b>Timnath</b>		3,000	1,000														
<b>Interest revenue</b>		1	8	4	0	(0)	0	1	1	2	4	5	7	9	12	14	17
<b>Service Fee Revenue</b>		810	834	859	885	912	939	967	996	1,026	1,057	1,089	1,121	1,155	1,190	1,225	1,262
<b>Impact Fee Revenue</b>		30	31	32	33	34	35	36	37	38	39	40	42	43	44	45	47
<b>Total Revenue</b>		<b>3,841</b>	<b>14,173</b>	<b>895</b>	<b>918</b>	<b>945</b>	<b>974</b>	<b>1,004</b>	<b>1,034</b>	<b>1,066</b>	<b>1,100</b>	<b>1,134</b>	<b>1,170</b>	<b>1,207</b>	<b>1,245</b>	<b>1,285</b>	<b>1,326</b>
<b>Expense</b>																	
<b>Authority Management</b>		100	100	100	100	15	15	15	15	15	15	15	15	15	15	\$15	\$15
<b>Finish Refine Master Plan</b>	100																
<b>Coal Creek LOMR</b>		40															
<b>Purchase ROW for East Side Storage</b>		2,000															
<b>Hydraulic Studies of Lower Basin</b>			85														
<b>B/C Studies for PDM II</b>			50														
<b>PDM II Application</b>			30														
<b>Purchase Right of Way for Middle Basin Imps</b>			400														
<b>Final Design of Imps</b>			650														
<b>Permitting</b>		300	400	300													
<b>CLOMR East Side Storage</b>		185															
<b>Transfer to Operation, Maintenance &amp; Replacement Reserve</b>						50	50	50	50	50	50	50	100	100	100	100	100
<b>Construct East Side Storage</b>			8,000														
<b>Final Design of MBI</b>		450															
<b>Bond Debt Service</b>			866	866	866	866	866	866	866	866	866	866	866	866	866	866	866
<b>Construct Middle Basin</b>			4,000														
<b>Repay Loan to IGA Entities</b>																	1000
<b>Total Expenditures</b>		<b>3,075</b>	<b>14,581</b>	<b>1,266</b>	<b>966</b>	<b>931</b>	<b>931</b>	<b>931</b>	<b>931</b>	<b>931</b>	<b>931</b>	<b>931</b>	<b>981</b>	<b>981</b>	<b>981</b>	<b>981</b>	<b>1,981</b>
<b>Ending Balance</b>		826	418	47	(0)	14	57	130	233	369	538	741	930	1,156	1,420	1,724	1,069
<b>Maintenance and Replacement Fund</b>																	
<b>Beginning Balance</b>		-	(1)	(2)	(7)	(12)	33	78	123	168	213	258	303	398	493	588	683
<b>Revenue</b>		-	-	-	-	50	50	50	50	50	50	50	100	100	100	100	100
<b>Expenses</b>		1	1	5	5	5	5	5	5	5	5	5	5	5	5	5	\$5
<b>Ending Balance</b>		-\$1	-\$2	-\$7	-\$12	\$33	\$78	\$123	\$168	\$213	\$258	\$303	\$398	\$493	\$588	\$683	\$783

This scenario assumes current revenue from fees plus inflation due to growth. Borrowing for full amount of projects at 4.5% interest and 20 years.

Projects Completed by 2015 with debt paid off in 2030. Full Authority Management Costs until 2015.

Repayment of loan from IGA governments

Bond Principal	\$ 9,500,000	Interest on inv	1.00%	Bond Principal
Debt Interest Rate	4.50%	ESS Cost PV	\$ 5,000,000	Note: ROW, Design and Cons Mgmt are accounted for separately from construction costs below
Beginning Annual Service Fee Revenue	665	Mid Bas Cost PV	\$ 4,000,000	
Annual Increase in Revenue	3.00%	App cons cost	3.18%	

Initial Annual Debt Service (\$730,323) Initial Annual Debt Service \$0

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
<b>Beginning Balance</b>		\$60	\$7,381	\$9,375	\$76	\$6	\$43	\$53	\$88	\$149	\$235	\$349	\$491	\$613	\$765	\$948	\$1,163	\$1,412	\$1,327	\$1,274	\$1,254	\$1,421		
<b>Revenue</b>																								
Bond Proceeds		9,500																						
PDM Grant			3,000																					
Timnath																								
Interest Revenue		1	74	94	1	0	0	1	1	1	2	3	5	6	8	9	12	14	13	13	13			
Service Fee Revenue		665	685	705	727	748	771	794	818	842	868	894	921	948	977	1,006	1,036	1,067	1,099	1,132	1,166			
Impact Fee Revenue		30	31	32	33	34	35	36	37	38	39	40	42	43	44	45	47	48	50	51	53			
<b>Total Revenue</b>		<b>10,196</b>	<b>3,790</b>	<b>831</b>	<b>760</b>	<b>782</b>	<b>806</b>	<b>830</b>	<b>856</b>	<b>882</b>	<b>909</b>	<b>938</b>	<b>967</b>	<b>997</b>	<b>1,028</b>	<b>1,061</b>	<b>1,094</b>	<b>1,129</b>	<b>1,162</b>	<b>1,196</b>	<b>1,231</b>			
<b>Expense</b>																								
Authority Management		100	100	100	100	15	15	15	15	15	15	15	15	15	15	\$15	\$15	\$15	\$15	\$15	\$15			
Finish Refine Master Plan	100																							
Coal Creek LOMR		40																						
Purchase ROW for East Side Storage		1,200																						
Hydraulic Studies of Lower Basin			85																					
B/C Studies for PDM II			50																					
PDM II Application			30																					
Purchase Right of Way for Middle Basin Imps		400																						
Final Design of Imps		650																						
Permitting		300	400	300																				
CLOMR East Side Storage		185																						
Design MBI			400																					
Transfer to Operation, Maintenance & Replacement Reserve							50	50	50	50	50	50	100	100	100	100	100	100	100	100	100	50		
Construct East Side Storage				5,000																				
Bond Debt Service			730	730	730	730	730	730	730	730	730	730	730	730	730	730	730	1,100	1,100	1,100	-			
Construct Middle Basin				4,000																				
Repay Loan to IGA Entities																						1000		
<b>Total Expenditures</b>		<b>2,875</b>	<b>1,795</b>	<b>10,130</b>	<b>830</b>	<b>745</b>	<b>795</b>	<b>795</b>	<b>795</b>	<b>795</b>	<b>795</b>	<b>795</b>	<b>845</b>	<b>845</b>	<b>845</b>	<b>845</b>	<b>845</b>	<b>1,215</b>	<b>1,215</b>	<b>1,215</b>	<b>1,065</b>	-	-	-
<b>Ending Balance</b>		<b>7,381</b>	<b>9,375</b>	<b>76</b>	<b>6</b>	<b>43</b>	<b>53</b>	<b>88</b>	<b>149</b>	<b>235</b>	<b>349</b>	<b>491</b>	<b>613</b>	<b>765</b>	<b>948</b>	<b>1,163</b>	<b>1,412</b>	<b>1,327</b>	<b>1,274</b>	<b>1,254</b>	<b>1,421</b>	<b>1,421</b>	-	-
<b>Maintenance and Replacement Fund</b>																								
<b>Beginning Balance</b>		-	(1)	(2)	(7)	38	63	128	173	218	263	358	453	548	643	738	833	928	1,023	1,068	1,063	1,058	1,053	1,053
<b>Revenue</b>		-	-	-	50	50	50	50	50	50	100	100	100	100	100	100	100	100	50	-	-	-	-	-
<b>Expenses</b>		1	1	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5
<b>Ending Balance</b>		<b>-\$1</b>	<b>-\$2</b>	<b>-\$7</b>	<b>\$38</b>	<b>\$83</b>	<b>\$128</b>	<b>\$173</b>	<b>\$218</b>	<b>\$263</b>	<b>\$358</b>	<b>\$453</b>	<b>\$548</b>	<b>\$643</b>	<b>\$738</b>	<b>\$833</b>	<b>\$928</b>	<b>\$1,023</b>	<b>\$1,068</b>	<b>\$1,063</b>	<b>\$1,058</b>	<b>\$1,053</b>	<b>\$1,053</b>	<b>\$1,053</b>

<i>Expense</i>						
<i>Authority Management</i>		100	100	100	100	15
<i>Finish Refine Master Plan</i>	100					
<i>Coal Creek LOMR</i>		40				
<i>Purchase ROW for East Side Storage</i>		2,000				
<i>Hydraulic Studies of Lower Basin</i>		85				
<i>B/C Studies for PDM II</i>			50			
<i>PDM II Application</i>			30			
<i>Purchase Right of Way for Middle Basin Imps</i>			400			
<i>Final Design of ESS</i>			650			
<i>Permitting</i>		300	400	300		
<i>CLOMR East Side</i>		185				
<i>Final Design of MBI</i>			450			
<i>Transfer to Operation, Maintenance &amp; Replacement Reserve</i>						
<i>Construct East Side Storage</i>				5,000		
<i>Bond Debt Service</i>				630	630	945
<i>Construct Middle Basin</i>						4,000
<i>Repay Loan to IGA Entities</i>						

With Timnath at \$4,000,000 and with larger East side storage facility

This scenario assumes current revenue from fees plus inflation due to growth. No Grants. Borrowing for full amount of projects at 4.5% interest and 20 years.

Projects Completed by 2015 with debt paid off in 2032. Full Authority Management Costs until 2015.

Repayment of loan from IGA governments

Bond Principal	\$ 8,000,000	Interest on inv	1.00%	Bond Principa	\$ 3,000,000
Debt Interest Rate	4.50%	ESS Cost PV	\$ 8,000,000	Note: ROW, Design and Cons Mgmt are accounted for separately from construction costs below	
Beginning Annual Service Fee Revenue	800	Mid Bas Cost PV	\$ 4,000,000	Starting Debt Payment:	1,025
Annual Increase in Revenue Due to Buildout	3.00%	App cons cost	3.18%		

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
<b>Initial Annual Debt Service (\$615,009)</b>																						
<b>Initial Annual Debt Service (\$245,218)</b>																						
<b>Beginning Balance</b>		\$60	\$285	\$996	\$867	\$1,062	\$42	\$79	\$146	\$243	\$372	\$533	\$729	\$910	\$1,127	\$1,382	\$1,676	\$2,011	\$2,148	\$2,326	\$2,547	\$2,938
<b>Revenue</b>																						
Bond Issue No. 1 Proceeds				8,000																		
Bond Issue No. 2 Proceeds						3,000																
Timnath		3,000	1,000																			
Interest revenue		1	3	10	9	11	0	1	1	2	4	5	7	9	11	14	17	20	21	23	25	
Service Fee Revenue		800	824	849	874	900	927	955	984	1,013	1,044	1,075	1,107	1,141	1,175	1,210	1,246	1,284	1,322	1,362	1,403	
Impact Fee Revenue		30	31	32	33	34	35	36	37	38	39	40	42	43	44	45	47	48	50	51	53	
<b>Total Revenue</b>		<b>3,831</b>	<b>1,858</b>	<b>8,891</b>	<b>916</b>	<b>3,945</b>	<b>963</b>	<b>992</b>	<b>1,022</b>	<b>1,054</b>	<b>1,087</b>	<b>1,121</b>	<b>1,156</b>	<b>1,192</b>	<b>1,230</b>	<b>1,269</b>	<b>1,310</b>	<b>1,352</b>	<b>1,393</b>	<b>1,436</b>	<b>1,481</b>	
<b>Expense</b>																						
Authority Management		100	100	100	100	100	15	15	15	15	15	15	15	15	15	\$15	\$15	\$15	\$15	\$15	\$15	\$15
Finish Refine Master Plan	100																					
Coal Creek LOMR		40																				
Purchase ROW for East Side Storage		2,000																				
Hydraulic Studies of Lower Basin		85																				
B/C Studies for PDM II		50																				
PDM II Application		30																				
Purchase Right of Way for MBI			400																			
Final Design of ESS		650																				
Permitting		300	400	300																		
CLOMR East Side Storage			185																			
Benefit information for PDM Grant			60																			
Transfer to Operation, Maintenance & Replacement Reserve	1	1	1	5	5	5	50	50	50	50	50	50	100	100	100	100	100	100	100	100	100	50
Construct East Side Storage				8,000																		
Final Design of MBI		350																				
Bond Debt Service				615	615	860	860	860	860	860	860	860	860	860	860	860	860	1,100	1,100	1,100	1,025	
Construct Middle Basin						4,000																
Repay Loan to IGA Entities																						1000
<b>Total Expenditures</b>		<b>3,606</b>	<b>1,146</b>	<b>9,020</b>	<b>720</b>	<b>4,965</b>	<b>925</b>	<b>925</b>	<b>925</b>	<b>925</b>	<b>925</b>	<b>925</b>	<b>975</b>	<b>975</b>	<b>975</b>	<b>975</b>	<b>975</b>	<b>1,215</b>	<b>1,215</b>	<b>1,215</b>	<b>1,090</b>	<b>1,000</b>
<b>Ending Balance</b>		<b>285</b>	<b>996</b>	<b>867</b>	<b>1,062</b>	<b>42</b>	<b>79</b>	<b>146</b>	<b>243</b>	<b>372</b>	<b>533</b>	<b>729</b>	<b>910</b>	<b>1,127</b>	<b>1,382</b>	<b>1,676</b>	<b>2,011</b>	<b>2,148</b>	<b>2,326</b>	<b>2,547</b>	<b>2,938</b>	<b>1,938</b>
<b>Maintenance and Replacement Fund</b>																						
<b>Beginning Balance</b>		-	-	-	-	-	-	45	90	135	180	225	270	365	460	555	650	750	850	950	1,050	1,100
Revenue		1	1	5	5	5	50	50	50	50	50	50	100	100	100	100	100	100	100	100	50	-
Expenses		1	1	5	5	5	5	5	5	5	5	5	5	5	5	\$5						
<b>Ending Balance</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$45</b>	<b>\$90</b>	<b>\$135</b>	<b>\$180</b>	<b>\$225</b>	<b>\$270</b>	<b>\$365</b>	<b>\$460</b>	<b>\$555</b>	<b>\$650</b>	<b>\$750</b>	<b>\$850</b>	<b>\$950</b>	<b>\$1,050</b>	<b>\$1,100</b>	<b>\$1,100</b>

**20 Year Without Timnath  
Without Bonds  
With PDM Grant**

This scenario assumes current revenue from fees plus inflation due to growth. No Grants. Borrowing for full amount of projects at 4.5% interest and 20 years.

Projects Completed by 2015 with debt paid off in 2030. Full Authority Management Costs until 2015.

Repayment of loan from IGA governments

		<i>Interest on inv</i>	1.0%
<i>Debt Interest Rate</i>	0.045	<i>ESS Cost PV</i>	\$ 6,000,000
<i>Beginning Annual Service Fee Revenue</i>	790	<i>Mid Bas Cost PV</i>	\$ 4,000,000
<i>Annual Increase in Revenue</i>	1.03	<i>App cons cost</i>	3.20%
<i>Annual Debt Service</i>	\$0.00		

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
<b>Beginning Balance</b>		\$60	\$781	\$1,533	\$2,418	\$1,338	\$1,825	\$2,729	\$3,670	\$4,650	\$5,721	\$6,708	\$7,347	\$7,715	\$11,472	\$3,005	\$4,261	\$5,566	\$112	\$1,454
<b>Revenue</b>																				
<b>PDM Grant</b>														3,000						
<b>Timnath</b>																				
<b>Interest on Invested Funds</b>		1	8	15	24	13	18	27	37	47	57	67	73	77	115	30	43	56	1	15
<b>Service Fee Revenue</b>		790	814	838	863	889	916	943	972	1,001	1,031	1,062	1,094	1,126	1,160	1,195	1,231	1,268	1,306	1,345
<b>Impact Fee Revenue</b>		30	31	32	33	34	35	36	37	38	39	40	42	43	44	45	47	48	50	51
<b>Total Revenue</b>		<b>821</b>	<b>852</b>	<b>885</b>	<b>920</b>	<b>936</b>	<b>969</b>	<b>1,006</b>	<b>1,045</b>	<b>1,085</b>	<b>1,127</b>	<b>1,169</b>	<b>1,209</b>	<b>4,246</b>	<b>1,319</b>	<b>1,270</b>	<b>1,320</b>	<b>1,372</b>	<b>1,356</b>	<b>1,411</b>
<b>Expense</b>																				
<b>Authority Management</b>		100	100				15	15	15	15	140	140	140	140	140	\$15	15	15	15	15
<b>Finish Refine Master Plan</b>	100																			
<b>Coal Creek LOMR</b>												40								
<b>Purchase ROW for East Side Storage</b>					2000															
<b>Hydraulic Studies of Lower Basin</b>													85							
<b>B/C Studies for PDM II</b>													50							
<b>PDM II Application</b>													30							
<b>Purchase Right of Way for Middle Basin Imps</b>						400														
<b>Final Design of Imps</b>																				
<b>Permitting</b>												300	400	300						
<b>CLOMR East Side Storage</b>													85							
<b>Purchase ROW for Middle Basin Transfer to Operation, Maintenance &amp; Replacement Reserve</b>						50	50	50	50			50	50	50	50					50
<b>Construct East Side Storage</b>															9,595					
<b>Construct Middle Basin</b>																				6,810
<b>Repay Loan to IGA Entities</b>																				1,000
<b>Total Expenditures</b>		<b>100</b>	<b>100</b>	<b>-</b>	<b>2,000</b>	<b>450</b>	<b>65</b>	<b>65</b>	<b>65</b>	<b>15</b>	<b>140</b>	<b>530</b>	<b>840</b>	<b>490</b>	<b>9,785</b>	<b>15</b>	<b>15</b>	<b>6,825</b>	<b>15</b>	<b>1,065</b>
<b>Ending Balance</b>		781	1,533	2,418	1,338	1,825	2,729	3,670	4,650	5,721	6,708	7,347	7,715	11,472	3,005	4,261	5,566	112	1,454	1,799
<b>Maintenance and Replacement Fund</b>																				
<b>Beginning Balance</b>		-	(1)	(2)	(7)	(12)	33	78	123	168	213	258	303	348	343	338	333	328	373	368
<b>Revenue</b>		-	-	-	-	50	50	50	50	50	50	50	50	-	-	-	-	50	-	-
<b>Expenses</b>		1	1	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5
<b>Ending Balance</b>		-\$1	-\$2	-\$7	-\$12	\$33	\$78	\$123	\$168	\$213	\$258	\$303	\$348	\$343	\$338	\$333	\$328	\$373	\$368	\$363

This scenario assumes current revenue from fees plus inflation due to growth. No Grants. Borrowing for full amount of projects at 4.5% interest and 20 years.

Projects Completed by 2015 with debt paid off in 2030. Full Authority Management Costs until 2015.

Repayment of loan from IGA governments

		<i>Interest on inv</i>	1.0%
<i>Debt Interest Rate</i>	0.045	<i>ESS Cost PV</i>	\$ 6,000,000
<i>Beginning Annual Service Fee Revenue</i>	790	<i>Mid Bas Cost PV</i>	\$ 4,000,000
<i>Annual Increase in Revenue</i>	1.03	<i>App cons cost</i>	3.20%
<i>Annual Debt Service</i>	\$0.00		

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	
<b>Beginning Balance</b>		\$60	\$781	\$1,533	\$2,418	\$1,338	\$1,825	\$2,729	\$3,670	\$4,650	\$5,721	\$6,708	\$7,347	\$7,715	\$11,472	\$3,005	\$4,261	\$5,566	\$112	\$1,454	
<b>Revenue</b>																					
<b>PDM Grant</b>														3,000							
<b>Timnath</b>																					
<b>Interest on Invested Funds</b>		1	8	15	24	13	18	27	37	47	57	67	73	77	115	30	43	56	1	15	
<b>Service Fee Revenue</b>		790	814	838	863	889	916	943	972	1,001	1,031	1,062	1,094	1,126	1,160	1,195	1,231	1,268	1,306	1,345	
<b>Impact Fee Revenue</b>		30	31	32	33	34	35	36	37	38	39	40	42	43	44	45	47	48	50	51	
<b>Total Revenue</b>		<b>821</b>	<b>852</b>	<b>885</b>	<b>920</b>	<b>936</b>	<b>969</b>	<b>1,006</b>	<b>1,045</b>	<b>1,085</b>	<b>1,127</b>	<b>1,169</b>	<b>1,209</b>	<b>4,246</b>	<b>1,319</b>	<b>1,270</b>	<b>1,320</b>	<b>1,372</b>	<b>1,356</b>	<b>1,411</b>	
<b>Expense</b>																					
<b>Authority Management</b>		100	100				15	15	15	15	140	140	140	140	140	\$15	15	15	15	15	
<b>Finish Refine Master Plan</b>	100																				
<b>Coal Creek LOMR</b>												40									
<b>Purchase ROW for East Side Storage</b>					2000																
<b>Hydraulic Studies of Lower Basin</b>													85								
<b>B/C Studies for PDM II</b>													50								
<b>PDM II Application</b>													30								
<b>Purchase Right of Way for Middle Basin Imps</b>						400															
<b>Final Design of Imps</b>																					
<b>Permitting</b>												300	400	300							
<b>CLOMR East Side Storage</b>													85								
<b>Purchase ROW for Middle Basin</b>																					
<b>Transfer to Operation, Maintenance &amp; Replacement Reserve</b>						50	50	50	50			50	50	50	50					50	
<b>Construct East Side Storage</b>															9,595						
<b>Construct Middle Basin</b>																				6,810	
<b>Repay Loan to IGA Entities</b>																					1,000
<b>Total Expenditures</b>		<b>100</b>	<b>100</b>	<b>-</b>	<b>2,000</b>	<b>450</b>	<b>65</b>	<b>65</b>	<b>65</b>	<b>15</b>	<b>140</b>	<b>530</b>	<b>840</b>	<b>490</b>	<b>9,785</b>	<b>15</b>	<b>15</b>	<b>6,825</b>	<b>15</b>	<b>1,065</b>	
<b>Ending Balance</b>		781	1,533	2,418	1,338	1,825	2,729	3,670	4,650	5,721	6,708	7,347	7,715	11,472	3,005	4,261	5,566	112	1,454	1,799	
<b>Maintenance and Replacement Fund</b>																					
<b>Beginning Balance</b>		-	(1)	(2)	(7)	(12)	33	78	123	168	213	258	303	348	343	338	333	328	373	368	
<b>Revenue</b>		-	-	-	-	50	50	50	50	50	50	50	50	-	-	-	-	50	-	-	
<b>Expenses</b>		1	1	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	
<b>Ending Balance</b>		-\$1	-\$2	-\$7	-\$12	\$33	\$78	\$123	\$168	\$213	\$258	\$303	\$348	\$343	\$338	\$333	\$328	\$373	\$368	\$363	

This scenario assumes current revenue from fees plus inflation due to growth. No Grants. Borrowing for full amount of projects at 4.5% interest and 20 years.

Projects Completed by 2015 with debt paid off in 2030. Full Authority Management Costs until 2015.

Repayment of loan from IGA governments

		<i>Interest on inv</i>	1.00%
<i>Debt Interest Rate</i>	0.045	<i>ESS Cost PV</i>	\$ 5,000,000
<i>Beginning Annual Service Fee Revenue</i>	840	<i>Mid Bas Cost PV</i>	\$ 4,000,000
<i>Annual Increase in Revenue</i>	3.00%	<i>App cons cost</i>	3.2%
<i>Annual Debt Service</i>	\$0.00		

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
<b>Beginning Balance</b>		\$60	\$791	\$1,565	\$371	\$793	\$1,596	\$2,521	\$3,484	\$4,487	\$5,531	\$6,668	\$7,848	\$9,074	\$10,348	\$11,670	\$12,577	\$12,532	\$13,525	\$5,082	\$6,498	\$161
<b>Revenue</b>																						
<b>Interest on Invested Funds</b>		1	8	16	4	8	16	25	35	45	55	67	78	91	103	117	126	125	135	51	65	
<b>Service Fee Revenue</b>		840	865	891	918	945	974	1,003	1,033	1,064	1,096	1,129	1,163	1,198	1,234	1,271	1,309	1,348	1,388	1,430	1,473	
<b>Impact Fee Revenue</b>		30	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total Revenue</b>		871	874	907	922	953	990	1,028	1,068	1,109	1,151	1,196	1,241	1,288	1,337	1,387	1,434	1,473	1,524	1,481	1,538	
<b>Expense</b>																						
<b>Authority Management</b>		100	100	100	100	100	15	15	15	15	15	15	15	15	15	\$130	130	130	15	15	15	
<b>Finish Refine Master Plan</b>	100																					
<b>Coal Creek LOMR</b>		40																				
<b>Purchase ROW for East Side Storage</b>				2000																		
<b>Hydraulic Studies of Lower Basin</b>																						85
<b>B/C Studies for PDM II</b>																						50
<b>PDM II Application</b>																						30
<b>Purchase Right of Way for Middle Basin Imps</b>					400																	
<b>Final Design of Imps</b>																						650
<b>Permitting</b>																300	400	300				
<b>CLOMR East Side Storage</b>																						85
<b>Transfer to Operation, Maintenance &amp; Replacement Reserve</b>						50	50	50	50	50						50	50	50	50	50	50	50
<b>Construct East Side Storage</b>																						9,901
<b>Construct Middle Basin</b>																						6,810
<b>Repay Loan to IGA Entities</b>																						1,000
<b>Total Expenditures</b>		140	100	2,100	500	150	65	65	65	65	15	15	15	15	15	480	1,480	480	9,966	65	7,875	
<b>Ending Balance</b>		791	1,565	371	793	1,596	2,521	3,484	4,487	5,531	6,668	7,848	9,074	10,348	11,670	12,577	12,532	13,525	5,082	6,498	161	
<b>Maintenance and Replacement Fund</b>																						
<b>Beginning Balance</b>		-	(1)	(2)	(7)	(12)	33	78	123	168	213	208	203	198	193	188	233	278	323	368	413	
<b>Revenue</b>		-	-	-	-	50	50	50	50	50	-	-	-	-	-	50	50	50	50	50	50	50
<b>Expenses</b>		1	1	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5
<b>Ending Balance</b>		-\$1	-\$2	-\$7	-\$12	\$33	\$78	\$123	\$168	\$213	\$208	\$203	\$198	\$193	\$188	\$233	\$278	\$323	\$368	\$413	\$458	

This scenario assumes current revenue from fees plus inflation due to growth. No Grants. Borrowing for full amount of projects at 4.5% interest and 20 years.

Projects Completed by 2015 with debt paid off in 2030. Full Authority Management Costs until 2015.

Repayment of loan from IGA governments

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
<b>Interest on inv</b>																					
<b>Debt Interest Rate</b>	0.045																				
<b>Beginning Annual Service Fee Revenue</b>	850																				
<b>Annual Increase in Revenue</b>	3.00%																				
<b>Annual Debt Service</b>	\$0.00																				
<b>ESS Cost PV</b>	\$ 5,000,000																				
<b>Mid Bas Cost PV</b>	\$ 4,000,000																				
<b>App cons cost</b>	3.2%																				
<b>Beginning Balance</b>		\$60	\$841	\$1,655	\$2,506	\$3,392	\$4,267	\$5,264	\$6,303	\$7,383	\$8,507	\$9,640	\$10,819	\$12,045	\$13,320	\$14,646	\$15,719	\$17,382	\$18,603	\$4,796	\$6,277
<b>Revenue</b>																					
<b>Timnath</b>																2,000	2,000				
<b>Interest on Invested Funds</b>		1	8	17	25	34	43	53	63	74	85	96	108	120	133	146	157	174	186	48	63
<b>Service Fee Revenue</b>		850	876	902	929	957	985	1,015	1,045	1,077	1,109	1,142	1,177	1,212	1,248	1,286	1,324	1,364	1,405	1,447	1,490
<b>Impact Fee Revenue</b>		30	31	32	33	34	35	36	37	38	39	40	42	43	44	45	47	48	50	51	53
<b>Total Revenue</b>		<b>881</b>	<b>915</b>	<b>950</b>	<b>987</b>	<b>1,024</b>	<b>1,063</b>	<b>1,103</b>	<b>1,145</b>	<b>1,189</b>	<b>1,233</b>	<b>1,279</b>	<b>1,326</b>	<b>1,375</b>	<b>1,426</b>	<b>3,478</b>	<b>3,528</b>	<b>1,586</b>	<b>1,641</b>	<b>1,546</b>	<b>1,606</b>
<b>Expense</b>																					
<b>Authority Management</b>		100	100	100	100	100	15	15	15	15	100	100	100	100	100	\$15	15	15	15	15	15
<b>Finish Refine Master Plan</b>	100																				
<b>Coal Creek LOMR</b>																40					
<b>Purchase ROW for East Side Storage</b>																2,000					
<b>Hydraulic Studies of Lower Basin</b>																	85				
<b>B/C Studies for PDM II</b>																		50			
<b>PDM II Application</b>																			30		
<b>Purchase Right of Way for Middle Basin Imps</b>																				400	
<b>Final Design of Imps</b>																				650	
<b>Permitting</b>																300	400	300			
<b>CLOMR East Side Storage</b>																		185			
<b>Transfer to Operation, Maintenance &amp; Replacement Reserve</b>						50	50	50	50	50						50	50	50	50	50	50
<b>Construct East Side Storage</b>																				15,382	
<b>Construct Middle Basin</b>																					6,810
<b>Repay Loan to IGA Entities</b>																					1,000
<b>Total Expenditures</b>		<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>150</b>	<b>65</b>	<b>65</b>	<b>65</b>	<b>65</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>2,405</b>	<b>1,865</b>	<b>365</b>	<b>15,447</b>	<b>65</b>	<b>7,875</b>
<b>Ending Balance</b>		841	1,655	2,506	3,392	4,267	5,264	6,303	7,383	8,507	9,640	10,819	12,045	13,320	14,646	15,719	17,382	18,603	4,796	6,277	8
<b>Maintenance and Replacement Fund</b>																					
<b>Beginning Balance</b>		-	(1)	(2)	(7)	(12)	33	78	123	168	213	208	203	198	193	188	233	278	323	368	413
<b>Revenue</b>		-	-	-	-	50	50	50	50	50	-	-	-	-	-	50	50	50	50	50	50
<b>Expenses</b>		1	1	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5
<b>Ending Balance</b>		-\$1	-\$2	-\$7	-\$12	\$33	\$78	\$123	\$168	\$213	\$208	\$203	\$198	\$193	\$188	\$233	\$278	\$323	\$368	\$413	\$458



## ACCOUNTANT'S COMPILATION REPORT

To the Board of Directors  
Boxelder Basin Regional Stormwater Authority  
Wellington, CO

We have compiled the accompanying governmental fund balance sheet of Boxelder Basin Regional Stormwater Authority (the Authority) as of July 31, 2011 and the related statement of governmental fund revenues, expenditures and changes in fund balance for the year then ended. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

The management of the Authority is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist the management of the Authority, in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

Management has not presented a statement of net assets or statement of activities, which are required to present a complete set of financial statements in accordance with generally accepted accounting principles as promulgated by the Governmental Accounting Standards Board.

Management has elected to omit substantially all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Authority's financial position and results of operations. Accordingly, these financial statements are not designed for those who are not informed about such matters.

Management has not presented the management's discussion and analysis information that the governmental Accounting Standards Board has determined is required to supplement, although not required to be a part of, the basic financial statements. Management does not require complete financial statements to manage the affairs of the Authority on a monthly basis and has determined not to include the above statements, footnote disclosures and management's discussion and analysis. Consequently, as presented, the financial statements are not in conformity with accounting principles generally accepted in the United States of America.

The budgetary comparison information, on pages 3 through 4, is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have compiled the supplementary information from information that is the representation of management, without audit or review. Accordingly, we do not express an opinion or any other form of assurance on the supplementary information.

The supplementary schedule of changes in cash position information, on page 5, is not a required part of the basic financial statements. We have compiled the supplementary information from information that is the representation of management, without audit or review. Accordingly, we do not express an opinion or any other form of assurance on the supplementary information.

We are not independent with respect to the Boxelder Basin Regional Stormwater Authority.

*Rickards & Company, LLP*

Rickards & Company, LLP

August 19, 2011

Boxelder Basin Regional Stormwater Authority  
 Governmental Fund Balance Sheet  
 As of July 31, 2011

	<u>General Fund</u>	<u>Capital Improvements Fund</u>	<u>Total Governmental Funds</u>
<u>Assets</u>			
Deposits and Investments			
First National Bank	\$ 192,303	\$ -	\$ 192,303
Points West Community Bank	242,015	-	242,015
COLO Trust	527,557	-	527,557
Due from other Governments	540	-	540
Interfund receivable	-	571,996	571,996
Prepaid items	2,312	-	2,312
	<hr/>	<hr/>	<hr/>
Total Assets	<u>\$ 964,727</u>	<u>\$ 571,996</u>	<u>\$ 1,536,723</u>
 <u>Liabilities and Fund Balance</u>			
Liabilities			
Accounts payable	\$ 11,200	\$ 21,642	\$ 32,842
Interfund payable	571,996	-	571,996
	<hr/>	<hr/>	<hr/>
Total Liabilities	<u>583,196</u>	<u>21,642</u>	<u>604,838</u>
 Fund Balances			
Assigned	-	550,354	550,354
Unassigned	381,531	-	381,531
	<hr/>	<hr/>	<hr/>
Total Fund Balances	<u>381,531</u>	<u>550,354</u>	<u>931,885</u>
	<hr/>	<hr/>	<hr/>
Total Liabilities and Fund Balances	<u>\$ 964,727</u>	<u>\$ 571,996</u>	<u>\$ 1,536,723</u>

See accountant's compilation report

Boxelder Basin Regional Stormwater Authority  
Statement of Governmental Fund Revenues, Expenditures and Changes in Fund Balance  
For the Seven Months Ended July 31, 2011

	General Fund	Capital Improvements Fund	Total Governmental Funds
<u>Revenues</u>			
Fees			
Service	\$ 457,626	\$ -	\$ 457,626
System development	-	58,207	58,207
Miscellaneous Revenue	40	-	40
Interest income	804	-	804
 Total revenues	458,470	58,207	516,677
 <u>Expenditures/Expenses</u>			
Current			
District management and administration	47,951	1,864	49,815
Insurance	1,389	-	1,389
Office Expense	949	-	949
District accounting	9,192	-	9,192
Professional fees	3,780	-	3,780
Mapping	270	-	270
Website	610	-	610
Advertising	1,536	-	1,536
Travel	194	-	194
Capital outlay			
Engineering	13,516	44,711	58,227
 Total expenditures/expenses	79,387	46,575	125,962
 Excess of revenues over expenditures	379,083	11,632	390,715
 Fund balance, January 1, 2011	2,448	538,722	541,170
 Fund balance, July 31, 2011	\$ 381,531	\$ 550,354	\$ 931,885

See accountant's compilation report

# Supplementary Information

Boxelder Basin Regional Stormwater Authority  
 Budgetary Comparison Information  
 January 1 through July 31, 2011

General Fund	2010 Audited Actual	2011 Adopted Budget	2011 Revised Budget	Actual Through 7/31/2011	Budget through 7/31/2011	Variance through 7/31/2011	% Budget through 7/31/2011	2012 Adopted Budget
Revenues								
Fee revenue	\$ 491,380	\$ 800,000	\$ 800,000	\$ 457,626	\$ 466,667	\$ (9,041)	98.06%	\$ -
Interest and other Income	1,579	5,000	5,000	844	2,917	(2,073)	28.94%	-
Total Revenue	492,959	805,000	805,000	458,470	469,583	(11,113)	97.63%	-
Expenditures								
Accounting	6,911	8,000	8,000	4,151	4,667	(516)	88.95%	-
Audit	5,375	6,000	6,000	5,041	3,500	1,541	144.03%	-
Board Meeting Costs	-	1,000	1,000	-	583	(583)	0.00%	-
Insurance	2,576	2,000	2,000	1,389	1,167	222	119.06%	-
Legal	4,830	10,000	10,000	3,780	5,833	(2,053)	64.80%	-
Management	68,779	70,000	70,000	47,951	40,833	7,118	117.43%	-
Office and Other	2,306	2,500	2,500	1,413	1,458	(45)	96.89%	-
Web Site and Public outreach	3,450	6,000	6,000	2,146	3,500	(1,354)	61.31%	-
Engineering	14,651	-	-	13,516	-	13,516	100.00%	-
Service Area Rate Study	-	-	-	-	-	-	0.00%	-
Transfer to capital projects fund	384,000	691,500	691,500	-	403,375	(403,375)	0.00%	-
Contingency	-	8,000	8,000	-	4,667	(4,667)	0.00%	-
Total Operating Expenditures	492,878	805,000	805,000	79,387	469,583	(390,197)	16.91%	-
Revenues over (Under) exp	81	0	0	379,083	-	379,083	100.00%	-
Beginning Fund Balance	2,367	2,448	2,448	2,448	2,448	-	100.00%	-
Ending Fund Balance	\$ 2,448	\$ 2,448	\$ 2,448	\$ 381,531	\$ 2,448	\$ 379,083	15585.43%	\$ -

See accountant's compilaton report

Boxelder Basin Regional Stormwater Authority  
 Budgetary Comparison Information  
 January 1 through July 31, 2011

Capital Projects Fund	2010 Audited Actual	2011 Adopted Budget	2011 Revised Budget	Actual Through 7/31/2011	Budget through 7/31/2011	Variance through 7/31/2011	% Budget through 7/31/2011	2012 Adopted Budget
Revenues								
System Development Fees	\$ 14,510	\$ 25,000	\$ 25,000	\$ 58,207	\$ 14,583	\$ 43,624	399.13%	\$ -
Transfers in from General Fund	384,000	691,250	691,250	-	403,229	(403,229)	0.00%	-
Loan Proceeds	-	50,000	50,000	-	29,167	(29,167)	0.00%	-
Total Revenues	398,510	766,250	766,250	58,207	446,979	(388,772)	13.02%	-
Expenditures								
Coal Creek Project								
Non grant reimbursable expenses - CLOMR	65,908	500,000	500,000	1,864	291,667	(289,803)	0.64%	-
Project Management	1,716	2,000	2,000	-	1,167	(1,167)	0.00%	-
Intergovernmental	289,742	-	-	-	-	-	0.00%	-
Indian Creek Floodwater Facility								
Engineering	97,012	150,000	150,000	44,711	87,500	(42,789)	51.10%	-
Legal and Right of Way	-	50,000	50,000	-	29,167	(29,167)	0.00%	-
Project Management	1,864	10,000	10,000	-	5,833	(5,833)	0.00%	-
Contingency	-	-	-	-	-	-	0.00%	-
Total Expenditures	456,242	712,000	712,000	46,575	415,333	(368,758)	11.21%	-
Revenues over (under) Exp	(57,732)	54,250	54,250	11,632	31,646	(198,000)	36.76%	-
Beginning Fund Balance	596,454	682,294	682,294	538,722	682,294	-	78.96%	-
Ending Fund Balance	\$ 538,722	\$ 736,544	\$ 736,544	\$ 550,354	\$ 713,940	\$ (198,000)	77.09%	\$ -

See accountant's compilaton report

## Boxelder Basin Regional Stormwater Authority

### Supplementary Schedule of Changes in Cash Position for the period June 30, 2011 to July 31, 2011

<u>First National Bank</u>	
Balance as of June 30, 2011	\$ 207,427.20
Service Fees	2,863.81
Miscellaneous Revenue	40.00
Gregory A. White, Attorney	(90.00)
Rickards & Company, LLP	(511.00)
Jason Polly	(60.00)
Ayres Associates	(9,293.73)
Local Government Solutions	(8,072.89)
Balance as of July 31, 2011	<u>\$ 192,303.39</u>
<u>Points West Community Bank</u>	
Balance as of June 30, 2011	\$ 242,015.17
Interest Earned	-
Balance as of July 31, 2011	<u>\$ 242,015.17</u>
<u>COLO Trust</u>	
Balance as of June 30, 2011	\$ 527,518.32
Interest Earned	38.88
Balance as of July 31, 2011	<u>\$ 527,557.20</u>
<i>Total Cash Balance as of July 31, 2011</i>	<u><u>\$ 961,875.76</u></u>

See accountant's compilation report

Boxelder Basin Regional Stormwater Authority

P.O. Box 1091  
Wellington, CO 80549

Date: August 25, 2011

Claims made for July 31, 2011, goods and services

<u>Check #</u>	<u>Name</u>	<u>Amount</u>
113	Gregory A White	\$ 765.00
114	Rickards & Company, LLP	511.00
115	Ayres Associates	21,641.61
116	Glatfelter Insurance	2,381.00
117	Local Government Solutions	7,543.18
		<u>\$ 32,841.79</u>

Approved for payment:

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# BOXELDER BASIN REGIONAL STORMWATER AUTHORITY

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P.O. Box 1091  
Wellington, CO 80549

## Manager's Activity Report

### Board of Directors Meeting – August 25, 2011

#### **1. Public Relations Activities**

LGS continues to produce a monthly newsletter going out to individuals who have subscribed through the Authority website. The newsletter is sent by a subcontractor on the first day of each month. We have also begun sending agendas for all Board meetings and work sessions to the subscriber list. The monthly packet of materials relating to Board of Director's meetings is being placed on the website.

#### **2. Authority Fee Structure Development**

LGS has completed a database for a revised Authority fee structure. The database contains impervious area determinations for about 553 properties randomly sampled from all over the revised Service Area. This work has resulted in recommendations for a revised Authority fee Structure. LGS prepared materials and held a work session with the Board of Directors to discuss the revised fee structure. We quite recently conducted a review of "density", that is impervious area divided by total area for all lots in the sampled database, which has led to a slightly different proposal for single family residential tiers. Recently, we have obtained a listing of all properties in the Service Area in a form which allows segregation of the information by jurisdiction, so that when a revised Authority Fee structure has been adopted, the database can be used to compute the revenue which would result from various base rate levels and invoice the amounts owing from each of the three jurisdictions.

#### **3. Authority Billing Preparation**

LGS has begun development of a database for billing properties in the unincorporated parts of the Service Area. Previous activities included downloading a list of all properties in the unincorporated area of the revised Service Area, and meeting with the Larimer County Engineering Department. This work is necessary and needed to prepare for the actual billing to be done in January.

#### **3. East Side Floodwater Storage Project Development**

LGS continues to work with Ayres Associates to further investigate the costs associated with an Eastside Storage Facility. This includes continuing development of a possible project on a property one mile further south which is owned by the City of Thornton. The additional storage which would be possible at that site could be valuable to further reduce downstream residual flows.

#### **5. Financial Management Scenarios**

At the request of the Board of Directors, LGS has developed financial models representing eight scenarios for financing and constructing the remaining projects. This required development of a sequencing plan for tasks leading to and including construction of the projects, and the construction of the eight models. The sequencing plan was developed in consultation with Ayres Engineers who gave recommendations on grant strategy, cost and timing of construction. The models are now complete, and are being reviewed for accuracy and consistency before further modeling is done to vary length of financing, the effect of varying assumptions, and more detailed project cost information.

**6. Negotiations with Timnath**

LGS continues to keep Timnath's contract engineer up to date regarding our work on a financial plan/timeline.