



TOWN OF ERIE NEWS FLASH

Board of Trustees Action Items

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Erie Board of Trustees Action Items April 26, 2016

Wastewater Debt Refunding to Save Town \$1.9 Million – During Tuesday night’s meeting, the Board of Trustees approved an ordinance authorizing the issuance and sale of Town of Erie Wastewater Enterprise Revenue Refunding Bonds in the approximate amount of \$17,880,000. The Town is refunding the 2008A and 2009A Wastewater Revenue Bonds, issued to finance construction of the North Water Reclamation Facility, in order to reduce the interest costs of its revenue bonds. Based on recent market conditions, this refinancing is projected to save the Town approximately \$1,985,000 in interest costs over the life of the bonds, a savings of approximately 6%. Annual debt service savings are projected to range from \$119,000 to \$226,000.

RELATED: In October of 2015, the Town refunded a portion of the 2007A and 2007B Water Revenue Bonds issued primarily to finance construction of various waterlines and the Lynn R. Morgan Water Treatment Facility, in order to reduce the interest costs. This refinancing projected savings to the Town of \$1,262,000 in interest costs over the life of the bonds, a savings of 7.3%.

Board Approves Amendment to Oil & Gas Operator Agreement – The Board approved a resolution authorizing the Town to enter into an Amendment to the Operator Agreement with Encana Oil & Gas (USA) Inc. The Amendment adds clarifying language to Article I, Section 7 of the Agreement “Submittals to the COGCC” and Article III, Section 1 “Applicability.”

BACKGROUND: In August of 2015, the Board of Trustees approved a new Operator Agreement with Encana Oil and Gas. In January of this year, the Colorado Oil and Gas Conservation Commission (COGCC/Commission), notified the Town that the Commission had evaluated each of the 18 Best Management Practices (“BMPs”) presented in the Operator Agreement to determine which of the BMPs would be appropriate Conditions of Approval on the Morgan Hills well site Permits. Specifically, Conditions of Approval must address a matter that is within the Commission’s jurisdiction to remedy. The Commission’s jurisdiction and its enforcement authority is defined by statute. As such, the COGCC cannot regulate or enforce matters outside their statutory authority.

Ultimately, the COGCC determined that 8 of the BMPs would be included on the Permits but required modification and the surviving 11 BMPs would not be included on the Permits.



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Though the COGCC reviewed the BMPs only to determine if they are within the Commission's jurisdiction, their determination regarding the surviving 11 BMPs does alter the Town of Erie's rights to enforce them through the provisions of the Operator Agreement between the Town and Encana.

The Board discussed this topic in Study Session on February 16, 2016 and directed staff to work with Special Counsel on drafting amendments to the Operator Agreement for their consideration. During their March 8, 2016 meeting, the Board directed Staff to move forward with adding the proposed amendment to a future agenda for their determination.

Board Approves Special Review Use for "Kiddie Academy" – The Board approved a Special Review Use for a child care center (Kiddie Academy) at 641 Mitchell Way in the Coal Creek Center located at the southeast corner of County Line Road and Erie Parkway. According to the applicant, Kiddie Academy will offer "education-based childcare for children ages six weeks to five years in addition to after school care for school age children." The childcare facility will have hours from 6:30 am to 6:00 pm, Monday through Friday. It is anticipated that Kiddie Academy will have approximately 19 employees and a maximum number of 159 children.

Board Approves Lease of Agricultural Open Space Property for Alfalfa Farming – The Board approved an ordinance authorizing the Town to enter into an agreement for the lease of Town-owned Open Space for agricultural purposes.

BACKGROUND: On January 27, 2016 the Town completed the purchase of 78.85 acres, known as Allan Farms. This land was purchased with funds from Trails and Natural Areas Fund with the intent for it to remain agricultural open space. Staff recently completed negotiations with Rob and Sindy Lindow, to lease the farmable portion of the property with the intent to raise alfalfa for their horse farm. The negotiated lease is for five years, due to the type of crop the Lindows wish to plant, which requires several years to reach maturity.

View complete April 26, 2016 Board of Trustees Meeting Packet [here](#).

Upcoming Board of Trustees Meetings – The next regularly scheduled [Board of Trustees](#) meeting will be on Tuesday, May 10, 2016 at 6:30 p.m. All meetings are held in the [Town Hall boardroom](#) located at 645 Holbrook Street in Erie.

More Information – Board of Trustees Action Items are brief summaries of some, but not all, agenda items and do not serve as the official meeting minutes. Select this link to view archived Board of Trustees meeting online via the [On Demand Video](#) service. To request approved meeting minutes of Board of Trustees meetings, please contact the Town Clerk's Office at nparker@erieco.gov.