

**DRAFT AGENDA
TOWN OF LYONS
UTILITIES AND ENGINEERING BOARD (UEB)**

**HYBRID MEETING
LYONS TOWN HALL, 432 5TH AVENUE, LYONS, COLORADO**

January 7, 2026 4:30 - 6:00 pm

Optional Zoom Meeting - Please contact ueb_chair@townoflyons.com or ACaplan@townoflyons.com for Zoom meeting link.

PAGE DOWN - Note that detailed content, if available, such as draft minutes and presentations are provided in subsequent pages or through links directly below each agenda item.

- I. Roll Call
- II. Approve Agenda and Minutes from Past Meetings
 - a. Approve Agenda
 - b. Approve December 3, 2025 Minutes
- III. Audience Business
- IV. Staff Report
 - a. Staff – Aaron Caplan
 - b. Liaison – Mark Browning
 - c. UEB Chair – Jim Kerr
 - d. Member Updates
- V. Business
 - a. Annual Election of Officers
 - b. 2nd Avenue (North) Repair
 - c. Spirit Hound Distillers Requested Relief of BOD Surcharges
 - d. UEB Annual Report
- VI. Summary of Action Items
- VII. Next Meeting and Requested Agenda Items
 - a. January 21, 2025 meeting canceled due to conflict with MEAN quarterly board meeting.
 - b. February 4, 2025.
- VIII. Adjournment

Persons needing accommodations or special assistance should contact the Town at hr@townoflyons.com as soon as possible, but no later than 72 hours before the scheduled meeting

**DRAFT MINUTES
TOWN OF LYONS
UTILITIES AND ENGINEERING BOARD (UEB)
December 3, 2025, 4:30 - 6:00 pm
HYBRID MEETING**

ROLL CALL

Jane Allo, Chris Cope, Gina Hardin, Jim Kerr (chair), Chris Meline (vice-chair), Jimm Vosburgh
Staff: Aaron Caplan (arrived late)
BOT: Mark Browning

APPROVE AGENDA AND MINUTES FROM PAST MEETINGS

- Approve Agenda and Minutes from Past Meetings
 - **Agenda approved unanimously (6-0).**
 - **Minutes approved with changes unanimously (6-0)**

AUDIENCE BUSINESS

- None.

REPORTS

- **STAFF**
Aaron arrived late, so no Staff report
- **BOT**
 - Approved rate increases by CPI for stormwater and wastewater. Additional 5% catch-up increase discussed for stormwater, but BOT decided to wait and see if any box culvert grants come through.
 - Approved on first reading to set rates by resolution with public hearing.
 - Electric rates require more hoops due to state laws.
 - BOT requests that the UEB give rate recommendations by the second week of every September in time for budget decisions.
 - Construction hours for certain activities will be restricted. Current 7AM – 7PM. Construction won't be allowed on weekends or holidays and not until 8AM on weekdays. This is in response to constant jackhammering on Carter Ct.
 - Lyons Creative District requested \$25k to help pay a director. This was denied due to other priorities.

- **UEB CHAIR**

- Aaron and Jim attended MEAN meeting. MEAN said it is getting very difficult and expensive to start new energy projects. A large solar farm in Sydney, NE was just approved.
- MEAN is raising rates for peak capacity issues. They pay for the use of back-up generators.

- **MEMBER BUSINESS**

- None

BUSINESS

- **Time of Use and Net Metering**

- Legacy solar installations are grandfathered into 1 to 1 net-metering until 2030.
- Their surplus is reimbursed at retail rates. Final yearly positive balance is paid out at green rate.
- Tracking legacy solar net metering amounts between months is a time consuming manual process taking up utility clerk time that could end up taking longer with the implementation of Time of Use rates.
- Options for billing legacy solar with Time of Use:
 - Keep it as-is until 2030.
 - Eliminate it with Time of Use.
 - Continue, but settle monthly. Possibly less staff time and easier to manage.
 - Eliminate early but reimburse at higher rate until 2030.
 - Estimate staff time and approximate payout for the next 5 years and pay them out early so we can retire it.
 - Reduce reimbursement by staff time consumed.

- **Renewable Energy Credits (RECs)**

- Presentation at MEAN quarterly reports.
- MEAN's first REC retirement report not planned until 2027.
- It is unclear if Lyons solar customers, or their installers, can or currently do sell their solar RECs on the open market.

- **Consort**

- Review report on water system Pressure Relief Valve (PRV) settings and pressure modeling.

SUMMARY OF ACTION ITEMS

- Aaron to research legacy net-metering customers' payout and approximate benefit compared to others and staff time.
- Aaron to follow up with MEAN to see if a REC report is available before 2027.

DECISIONS MADE

- Agenda and minutes approved unanimously. (6-0)

NEXT MEETING AND REQUESTED AGENDA ITEMS

- December 17 is the next meeting.
- Conflict with volunteer appreciation dinner at Oskars at 5pm. Time of next UEB meeting will be from 4-5.

**Town of Lyons, Colorado
Board of Trustees
BOT Agenda Cover Sheet
Agenda Item No:
Meeting Date: 5 Jan 2026**

TO: Mayor Rogin and Members of the Board of Trustees
FROM: Aaron Caplan, Engineering, Building & Utilities Director
DATE: 18 Dec 2025
ITEM: Staff Report

X ORDINANCE

MOTION / RESOLUTION
INFORMATION

Electric Utility

Undergrounding Grant - The Town was not awarded the 1 million dollar grant to underground the electric distribution lines from the intersection of Highways 36 and 66 to the Black Bear Hole. There were a number of strengths listed for our application. The primary weakness was that our outage frequency and duration are less than the state average. While this is a good thing, it means other communities are in greater need. They did also advise this was a very competitive round.

EV Chargers – The new level 3 EV charging stations have been commissioned. Jule is working out some issues with the credit card charging system. The old EV charging station should be removed in the next couple of weeks.

Longmont Backup for Entire Town Staff along with a MEAN representative met with Longmont Power and Communication to discuss the ability for Longmont Power to provide a backup power connection to the entire Town system. Longmont had previously transmitted WAPA power to the Town over its utility lines and some of the infrastructure is still in place.

There are concerns of the possibly high cost for standby power for the entire Town so Longmont will also look at an option for planned emergency power. While this option would only be useful if there was a need for a planned outage, staff felt it would be worthwhile seeing the different costs of these 2 possibilities for comparison. Any agreement would be between MEAN and Longmont Power and Communication.

During this time the option of transferring service territory was also discussed briefly. The main topic was that allowing for individual properties to transfer to Lyons would not be in Longmont Power's best interest. They will review additional options for the transfer of properties already in Lyons service territory as well as the more recent annexations East of the 36/66 intersection.

Water Utility –

Lead Service Line Inventory – Over the past 2 years the Town has completed the requirements for the new Lead and Copper Rule Revision (LCRR). This included initial verification on when a building was built, a review of building permit records, multiple surveys sent out to property owners and finally a couple of rounds of random sampling around town to expose the lines in the street. There have been no lead service lines identified in Town. The last round of sampling location results were submitted to the Colorado Dept. of Public Health & Environment and Lyons should be classified as a lead-free drinking water system by the state.

Ewald Water Line and Fire Hydrant Replacement - The new water line and fire hydrant are completely installed. The new hydrant tested well above the desired 1,000 gallons per minute at 20 psi of pressure.

Apple Valley Old Water Treatment Plant – With the sale of the property complete staff are working with the new owner to cut the old water line from the plant to our active water line. We are looking at installing a new fire hydrant at that location. Longmont Water has cut and capped the intake line that used to take water from the creek into the plant. That diversion and intake line were transferred to Longmont during the 2013 Water IGA amendments.

Wastewater Utility

Wastewater Facility Modifications - The contractor spent several days at the plant studying all the operations. They requested and received a number of documents and data and have organized years of SCADA data and begun analysis. They are estimating to have a 30% design by the end of February.

High Strength Waste – The averages of Biochemical Oxygen Demand (BOD) and Total Suspended Solids (TSS), two of the items that contribute to the costs of treating wastewater have continued to trend down. In 2023 the averages for both of these were in the mid 600 milligrams per liter, in 2024 500 mg/L and this year without December data they are down to the 400 mg/L.

Wastewater Facility Issues - On Dec 30th the centrifuge stopped working because of a bad sensor. The manufacturer was able to be reached even though the company was closed for the holidays, and we are waiting to see when the new sensor can be delivered. Until the centrifuge is back in operation, we will need to haul wet sludge rather than dewatered waste. This is probably \$10,000 a week, maybe more. We are also working on other possible options if the part cannot be delivered by the end of the week. I will have more information at the meeting Monday.

Stormwater Utility

Green Stormwater Infrastructure - Staff are working with WaterNow Alliance to finalize the project brief where WaterNow will provide up to 250 hours of technical and program support over a 6 to 12-month period, free of charge, to Lyons to support their effort to develop the Strengthening Community Resilience Through Green Stormwater Infrastructure Project. This is the project that the board was advised of last spring that Cassidy Davenport had applied for technical assistance for and was awarded.

2nd Ave Stormwater and Street Replacement Loan - We are working through the Project Needs Assessment. This has been a slower than expected process

Flagstone Culvert Between 4th and 5th – We have reached out to History Colorado as advised by or DOLA representative to discuss any historic concerns that might need to be resolved before an Energy and Mineral Impact Grant could be awarded.

2nd Avenue (North) Repair

Following are Mark Browning's questions and thoughts on fixing North 2nd Avenue.

1. Will the design and cost estimate process include separate elements — streets, stormwater components, sidewalks — that will have separate "price tags" in case there is not enough money to do everything we'd like and we need to prioritize. And as to those components, will they be broken out for 2nd Ave and 3rd Ave. separately?
2. As to 2nd Ave., will it be possible and cost-effective to use the stormwater infrastructure that's already in place on the upper part of that street (including Mountain View, which is really 2nd Ave extended)? From a point between Old Main & High St. on 2nd Ave, there's a concrete swale on the east side of the street that runs up to 1st Ave. There's also a short section of that on the west side of the street between High and 1st. Above 1st, on Mountain View, there is curb & gutter (and sidewalk). The concrete swale & curb/gutter is in reasonably good shape, having been done in the early 2000s — much later than the earlier-constructed lower portion of 2nd, unfortunately done without curb & gutter. In other words, to save money, can that existing infrastructure be left in place (meaning that part of the project could be streets only) and perhaps extended further down 2nd Ave., even if that swaled portion isn't what would be designed from scratch in 2025?
3. Are sidewalks essential? Those concrete swales are shallow enough that they can basically be used as sidewalks . I suspect that's what was intended when the swales were constructed. They can be (and are) used by pedestrians, bicycles and even baby strollers to navigate 2nd Ave. Related to item 1, how much would be saved by not including sidewalks in the project?
4. As I've made clear, I want to prioritize 2nd Ave. in this project — the street. Controlling stormwater is of course necessary to prevent erosion of the street, as has happened with the lower portion of 2nd between High St. and Main. But I view this as first and foremost as a streets project, so I bristle a bit every time I hear it referred to as a "stormwater" project. (It won't be paid for from the Stormwater Fund.) I think most residents who use 2nd a lot would consider it a "streets" problem. My priorities are also 2nd Ave over 3rd Ave. if there is not enough money for both. 3rd Ave between Main & Stickney is in relatively good shape (recently resurfaced), and will have further improvements as part of the SRTS/school sidewalk project. It will be mostly or completely curbed and guttered after the SRTS project. 3rd Ave from Stickney to the Cemetery is in nowhere near as bad a shape as 2nd Ave is, and carries much less traffic than 2nd Ave. I would like to see 2nd Ave. prioritized if it's too expensive to do everything. (The same would apply as to Kelling St., — much lower priority than 2nd. IMO we should not spend \$ on Kelling until we deal with the larger problem of 2nd Ave.)

5. Clarification that funding 2nd Ave project won't be paid for from the Stormwater Fund.

What I mean by that is that there won't be any money in the Stormwater Fund to pay for 2nd Ave. (Or 3rd Ave.) What available balance remains in the SW fund will be used up in fixing the culvert. (Whether or not we get the \$250K state grant for that.)

But Cassey Eyestone advised the Board that the State loan fund from which we hope to get the \$ for 2nd/3rd improvements can only be used for "utilities" (including stormwater infrastructure), not "streets". So far that reason it needs to be characterized as a "stormwater" project, though the local \$ to repay the loan will have to come from the General Fund (where the 0.5 cent ST \$ is).

I'm not sure exactly how the street-paving portion of the project will be funded, but that should be doable. Money is fungible. The 0.5 cent sales tax \$, over time, should be enough to cover the streets portion. That's similar to what was done with the Summit project. The Town directed \$300,000 of federal ARP (or was it ARC, I forget) \$ to the Summit project. That federal \$ could only be used for utilities infrastructure, not building construction. But as long as utility infrastructure costs were > \$300,000, I think we were covered. I would think the same would be true as to the streets portion of 2nd or 3rd Ave.: as long as our ST \$ is enough to cover that cost, we should be able to say "We used the State loan \$ for utilities. We used local \$ for streets."

Illustrated Guide to Upper 2nd Ave.

Physical Condition

Photo 1 – Eroded asphalt has reduced street width to 21 feet near intersection with High Street

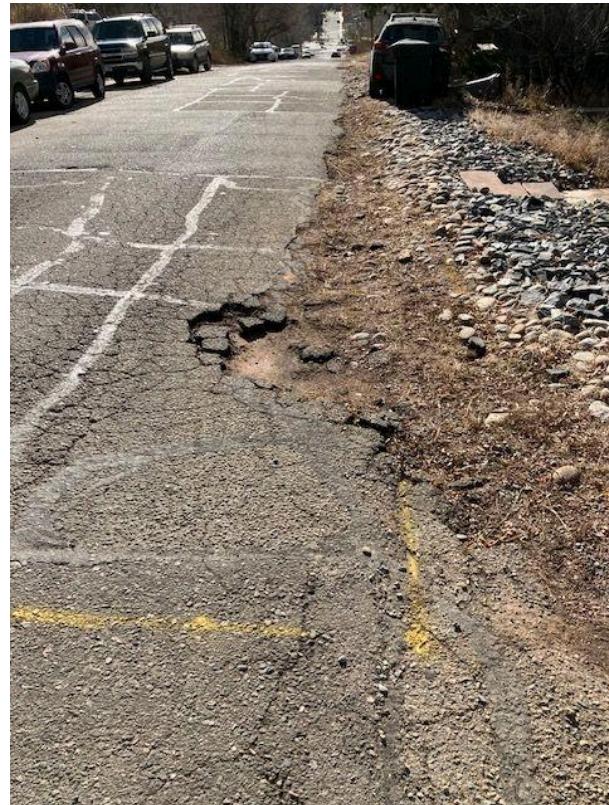


Photo 2 – 8-in. deep washout on west edge between Old Main & High



Photo 3 – Another area
(between High & Old
Main) narrowed to 21 feet
by washed-out asphalt



Photo 4 – Holes in asphalt next to Mojo's lot
at bottom of hill

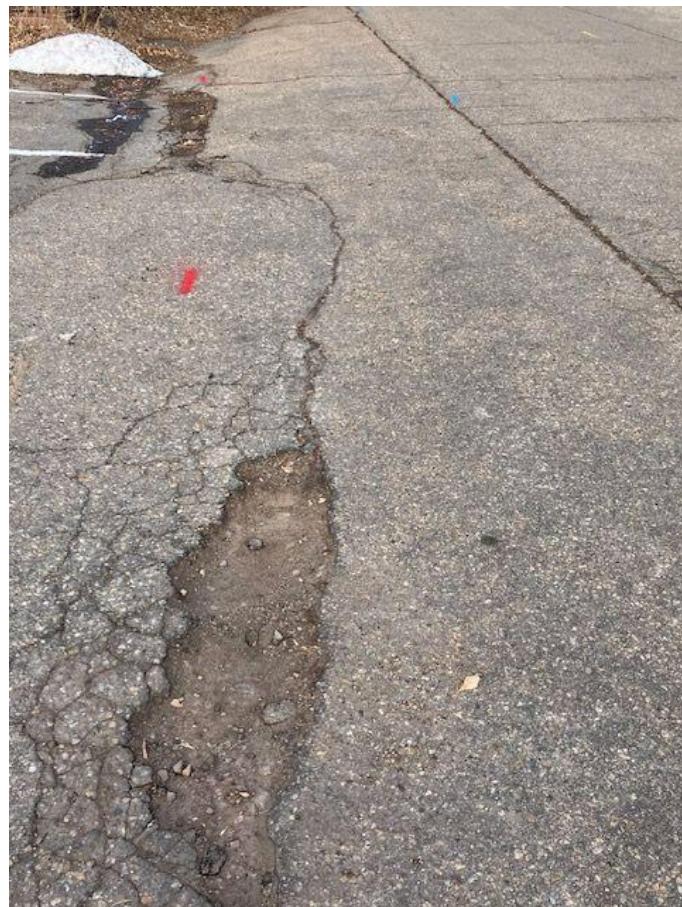


Photo 5 – Mostly-buried 1 ft. stormwater culvert on lower west side

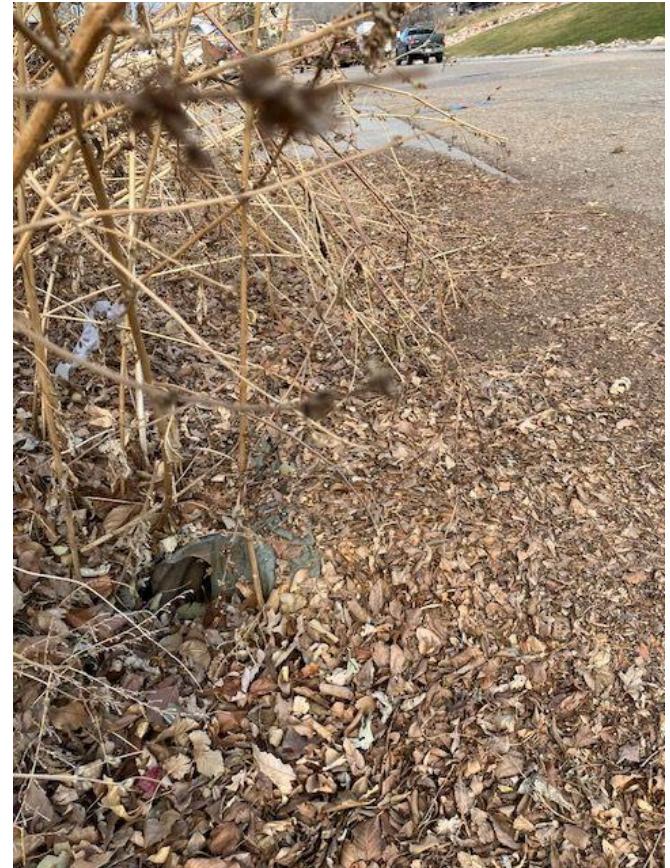


Photo 6 – No culverts under several driveways on east side

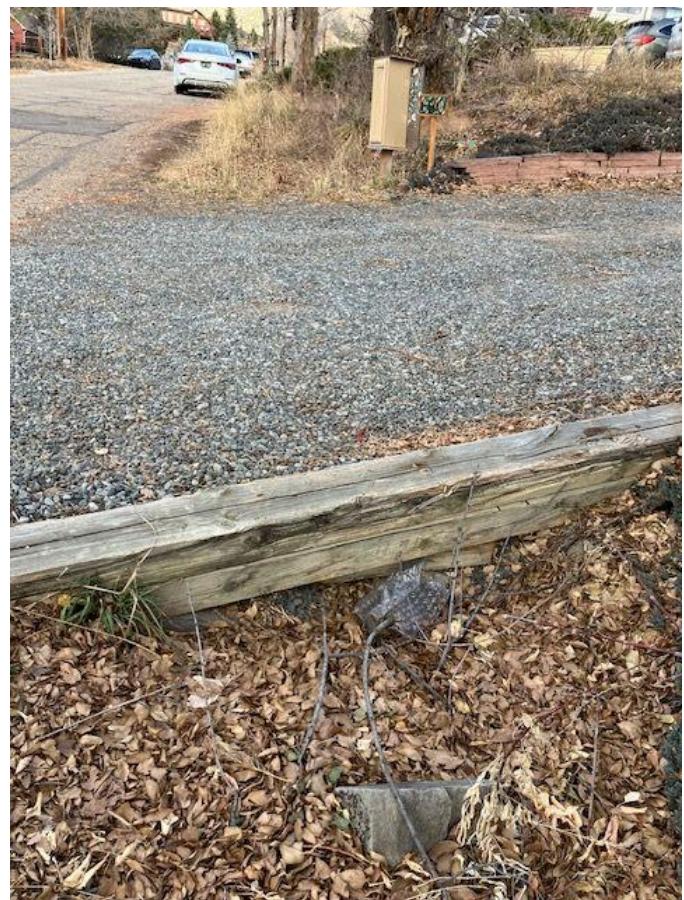


Photo 7 – Stormwater catchment basin at lower west end is < 3 feet deep. (Note washed-down asphalt piece on cover.)



Existing Characteristics

Photo 8 – 6' concrete swale on east side extends from between Old Main & High to above 1st Ave. Concrete is in decent shape.



Photo 9 – Portions of west street edge are concrete-swaled.



Photo 10 – Same, on part of both edges between Old Main & Hwy 36/Main St.



Photo 11 – Temporary (?) curb & gutter on west edge just above Kelling Dr. to address prior deep erosion.



Photo 12 – Curb & gutter at Old Main & west side of 2nd



Note: Mountain View (2nd Ave. extended) and 1st Ave. at the upper end of 2nd Ave. both have adequate curbs and gutters (and sidewalks), efficiently conveying rainfall/snowmelt down to earlier-built lower 2nd Ave. which has almost no curbs, gutters or sidewalks. There is no catchment basin or detention pond for stormwater runoff from the upper streets (Mountain View/1st).



12/21/2025

Dear Administrator Simonsen, Mayor Rogin, Board of Trustees, and Utilities Board,

On behalf of Spirit Hound Distillers, we are writing to request relief of current BOD surcharges due to our cease in spirits production over the past 6 months in 2025. As you may know, our business, by the type of business we are, is classified as a high BOD contributor. In fact, during normal production of spirits, independent testing (Ramey Engineering) has confirmed that we do exceed the normal limits set by the Town of Lyons and thus pay a surcharge.

However largely due to the downturn in our industry this year coupled with significant consumer economic uncertainty, our business has halted production (with one exception) as of June 2025. This one exception was outside of our normal business offerings and more of a production facility favor to a women's distilling group exploring the industry. The fact that we are not producing spirits, means that we are not putting anything production related into the outflow system, however we are still paying unsustainably high charges related to BOD. Essentially our only water use (as seen in our Town of Lyons water bills) is for cutting product to proof, irrigating the backyard, and for flushing of toilets and washing cocktail glasses, etc.

The current BOD classification and billing structure does not have the sensitivity in place to measure, acknowledge, and adjust billing according to the current 6 month halt in our production. Thus we are proposing a more reasonable approach to billing that will be based on actual use rather than gross anticipated use of water and BOD. We are strongly requesting that you allow for the following reasonable and retroactive billing approach in these very difficult business times.

1. Adjust Spirit Hound Distillers BOD classification into the "normal" classification, back dated to the first full month of halted production.
2. Spirit Hound will pay for monthly independent testing to confirm no production use
3. Spirit Hound will provide ToL summary logs used to track daily production (or lack thereof) on any requested frequency
4. Spirit Hound will proactively communicate any plans for commencing production.

We appreciate your immediate consideration of these logical and appropriate approaches to both our classification and our actual use of water and BOD related utilities.

Neil Sullivan / Co-Founder / Spirit Hound Distillers

DRAFT

Utilities and Engineering Board Annual Report for 2025

The Lyons Utilities and Engineering Board (UEB) is an advisory committee to the Board of Trustees and works with the Utilities and Engineering Director to review and make recommendations to the Town regarding utility rates, capital projects and other matters related to the Town utilities and engineering projects. See Municipal Code Sec. 2-8-190 for details.

2025 Activities/Accomplishments/Issues

Notable activities of the UEB in 2025 were:

- Monitored the financials of the Town's utility funds to ensure they are solvent.
- Recommended an electric rate increase to cover a wholesale rate increase. Also to make non-residential electric rates the same as residential rates.
- Obtained Board of Trustees consensus to transition to time-of-use (TOU) electric rates in 2026.
- Provided recommended changes to an LED street light study that was completed reaffirming the desire to use Dark sky standards and not replacing and turning on any street lights that had previously been turned off.
- Reviewed and recommended Wastewater Treatment Facility (WWTF) improvements that were incorporated in a contract to complete an engineering design, permitting, and bid package in 2026.
- Recommended that the BOT be allowed to accept lake McIntosh water shares for conditional uses.
- Reviewed the Steamboat Valley stormwater "box culvert" study that was completed in 2025.
- Supported the replacement of the water line and undergrounding of electric along the southern most section of Ewald Avenue.
- Recommended that the Lyons Fire Protection District be charged for water at the regular non-residential rate.
- Recommended that utilities rates be changed by resolution and public hearing instead of by ordinance.

Plans for 2026

- Continue to review on utility financials and fund balances and make recommendations on rate increases if required.
- Continue promoting the transition to time-of-use electric rates.
- Review and make recommendations on the Wastewater Treatment Plant Design Engineering Design Study.
- Review and make recommendations on wastewater BOD and TSS testing.
- Review and make recommendations on updating water rates.
- Continue to review the adequacy and monitoring of grease traps in local businesses.

- Review and make recommendations on the town GIS for improved planning and project execution.
- Help develop strategic plan for electric undergrounding that will prioritize reductions of wildfire risks.
- Support the upgrade to LED street lights as proposed in recently completed LED street lighting study.
- Review stormwater system master planning and budget for high priority projects.
- Monitor progress on the Steamboat Valley stormwater box culvert.

Meeting dates

The UEB generally meets on the first and third Wednesday of each month from 4:30 - 6:00 in person in the Town board room and virtually using Zoom. Note that the second meeting of month is generally canceled when it conflicts with the MEAN quarterly board meetings in January, May, August, and November. Meeting agenda is posted on the Town's website at least 24 hours prior to each meeting. The public are always welcome and encouraged to attend.

Members:

Jim Kerr - Chair
Chris Meline - Vice Chair
Chris Cope – Vice Vice Chair
Jane Allo
Gina Hardin
Jimm Vosburgh
One Vacancy

BOT liaison: Mark Browning
Staff liaison: Aaron Caplan