

RECORD OF PROCEEDINGS
MINUTES OF THE MEETING OF THE
LA PLATA ARCHULETA WATER DISTRICT
HELD
June 9, 2016

The regular meeting of the Board of Directors ("Board") of the La Plata Archuleta Water District ("District") was held on June 9, 2016, at 9:00 a.m. at 255 Ute Street, Ignacio, Colorado.

ATTENDANCE: Directors in Attendance Were:

Dick Lunceford
Dan Lynn
Ron Dent
Mark Williams

Director in Attendance by Telephone Was:
Gregg Johnson

Also in Attendance Were:

Ed Tolen, Manager
Steve Harris, Harris Water Engineering, Inc.
Brett Sherman, Harris Water Engineering, Inc.
Karmen King, Grayling LLC
Barb Prose, Fredrick, Zink, and Associates
Cheryl Lynn, Secretary of the Board

In Attendance by Telephone Were:

Eric Jorgenson, Collins Cockrel and Cole
Joe Norris, Collins Cockrel and Cole
Micki Wadhams, Collins Cockrel and Cole

DISCLOSURE OF
POTENTIAL CONFLICTS
OF INTEREST

Disclosure of potential conflicts of interest will be a topic of discussion at every Board meeting to address potential conflicts of interest that may arise as new agenda items are introduced. District Directors who have disclosed potential conflicts of interest can vote as issues arise. Directors in attendance and in attendance by telephone reported no conflicts of interest.

PUBLIC COMMENTS No members of the public were present.

APPROVAL OF
MINUTES

Upon motion duly made by Director Dent, seconded by Director Williams, and unanimously carried, the Minutes of the May 13, 2016, regular Board meeting were approved.

EXECUTIVE SESSION

Upon motion duly made by Director Dent, seconded by Director Williams, and unanimously carried, the Board entered Executive Session at 9:03 a.m. pursuant to Section 24-6-402(4)(e), C.R.S., for the purpose of determining positions relative to matters that may be subject to negotiations, developing strategies for negotiations, and instructing negotiators concerning an Agreement with the City of Durango, an Agreement with the Animas La Plata Water Conservancy District, Crossing Southern Ute Indian Tribe Lands on County Road 510, and an Agreement with Los Pinos Ditch Company. The Board reconvened in regular session at 9:46 a.m.

TAPS FOR TRIBAL

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PROPERTY Crossing of Southern Ute Indian Tribe Lands on County Road 510 - Upon motion duly made by Director Dent, seconded by Director Lynn, and unanimously carried the Board authorized the District provide two taps to serve the two Tribal members residing on the Tribal parcel that is crossed by County Road 510 upon receipt of Applications for Service, including a waiver of the District's tap fees for such services, in consideration for the Tribe waiving its right-of-way fees for the right-of-way necessary to cross the Tribal land along this portion of County Road 510, in recognition of the fact that the District's costs to construct a bypass of the Tribal parcel are estimated to be substantially higher than the value of the two taps.

FINANCIAL REPORT Ms. Prose distributed the Accounts Payable Report and Accountant's Compilation Report to the Board. After a thorough review and upon motion duly made by Director Williams, seconded by Director Dent, and unanimously carried, the Board approved the payment of invoices as shown on the attached Accounts Payable statement dated June 8, 2016.

FINANCE COMMITTEE REPORT Ms. Prose distributed bound copies of the 2015 District Audit to Board members. Mr. Jorgenson suggested that Manager Tolen review the Audit with respect to Colorado Water Conservation District terminology to ensure that it accurately reflects transactions completed to date. Upon motion duly made by Director Williams, seconded by Director Dent, and unanimously carried, the Board approved the 2015 District Audit, subject to Manager Tolen's review, and authorized the filing of the final Audit with the State Auditor prior to the statutory deadline.

PUBLIC RELATIONS/ COMMUNICATIONS COMMITTEE REPORT Manager Tolen advised the Board that he is gathering information and composing articles for the upcoming newsletter.

LEGAL REPORT Petitions for Inclusion of Real Property into the District for the Shields and Nabors Properties – Chairman Lunceford opened a public hearing to consider Petitions for Inclusion filed by Paul D. Shields, 2944 County Road 510, Durango, CO. 81303 and Nabors Properties, LLC, 182 Etta Place, Durango, CO. 81303. No public comments were received or presented. The hearing was then closed. Upon discussion and motion duly made by Director Lynn, seconded by Director Dent, and unanimously carried the Board approved the inclusions and adopted the Order for Inclusion of Real Property, a copy of which is attached hereto and incorporated herein by this reference. Legal counsel will process the inclusions with the La Plata District Court.

Revised Policy Concerning Extension of Mainlines into Existing Subdivisions, Cost Sharing, and the Use of Subdistricts to Finance Subdivision Improvements – Upon motion duly made by Director Lynn, seconded by Director Johnson, and unanimously carried, the Board approved a Revised Policy Concerning Main Line Extensions Into Subdivisions, Cost Sharing, and the Use of Subdistricts, adopted on August 13, 2009, and first amended June 1, 2016.

Phase 1B and Phase 1C Pipeline – Mr. Jorgenson reported that he had attended a meeting related to the Phase 1 pipeline. They are currently waiting for a report from Higgins Consulting. Manager Tolen advised the Board that he has not had an update from Kyle Kreischer. SBSA was going to contact the pipe manufacturer to see if they have any data concerning the potential damage that can be caused by over-insertion of the pipe into the bell.

Consider Approving a Resolution Concerning a Backflow Prevention and Cross-Connection Control Policy – Mr. Jorgenson introduced Joe Norris, an attorney with Collins Cockrel and Cole, who discussed with the Board the importance of adopting this policy which applies to

June

nonresidential facilities and requires annual reporting and compliance with testing procedures paid for by the property owners. Upon motion duly made by Director Dent, seconded by Director Lynn, and unanimously carried the Board approved Resolution No. 2016-04, Resolution Approving a Backflow Prevention and Cross-Connection Control Policy, a copy of which is attached hereto and incorporated herein by this reference.

ENGINEER REPORT

Mr. Sherman advised the Board that TRC Construction will soon begin construction of Phase 1E part 1 and that part 2 plans are ready to go to bid pending finalizing of the County Road 510 agreement between the Southern Ute Indian Tribe and the District. The plans for the water haul station by the office are just about ready to go to bid pending final review of specifications and determination of work to be performed by the contractor and the District.

ENVIRONMENTAL REPORT

Ms. King reported that she completed Phase 2B monitoring inventory this morning. She circulated the Phase 2A monitoring report for Directors to review. She will continue her inventory and follow up reporting for Phases 2C and 2D.

GENERAL MANAGER REPORT

Commercial Properties and Commercial Water Rates – Manager Tolen reported to the Board that he has learned that most water providers have a modified residential rate for their commercial users. The City of Farmington has an ordinance that allows them to negotiate commercial water rates with large commercial users.

Consider Approving Change Order #9 to the Contract for the Water Treatment Plant Expansion Project – Upon motion duly made by Director Dent, seconded by Director Lynn, and unanimously carried, the Board approved Change Order #9 in the amount of \$6,836.00 as submitted.

Consider the Request for Funding from the Colorado Water Stewardship Project – Upon motion duly made by Director Williams, seconded by Director Lynn, and unanimously carried, the Board approved a payment of \$500 to the Colorado Water Stewardship Project in their efforts to monitor Colorado and local efforts related to water legislation, policy, strategy, and projects.

Please refer to Manager Tolen’s June, 2016, General Manager’s Report for detail of the District’s overall work progress.

ANY OTHER MATTER WHICH MAY COME BEFORE THE BOARD

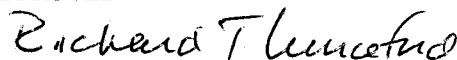
No other matters were introduced for discussion.

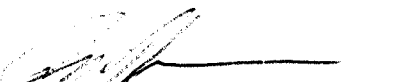
ADJOURNMENT

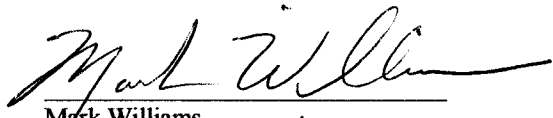
The meeting was adjourned at 10:31 a.m. The next regular meeting of LAPLAWD is scheduled for July 14, 2016, at 9:00 a.m. at 255 Ute Street, Ignacio, Colorado.

Secretary for the Meeting

APPROVED

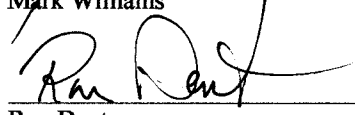

Richard T. Lunceford


Gregg Johnson



Mark Williams

Daniel R. Lynn, III



Ron Dent