

RECORD OF PROCEEDINGS
MINUTES OF THE MEETING OF THE
LA PLATA ARCHULETA WATER DISTRICT
HELD
January 10, 2019

The regular meeting of the Board of Directors ("Board") of the La Plata Archuleta Water District ("District") was held on January 10, 2019, at 9:00 a.m. at 255 Ute Street, Ignacio, Colorado.

ATTENDANCE:

Directors in Attendance Were:

Dick Lunceford
Dan Lynn
Mark Williams
Ron Dent

Director Absent Was:

Gregg Johnson

Also in Attendance Were:

Ed Tolen, La Plata Archuleta Water District Manager
Yvonne Brunson, La Plata Archuleta Water District Customer Service Representative
Steve Harris, Harris Water Engineering
Dave Henry, Harris Water Engineering
Barb Prose, FredrickZink & Associates
Karmen King, Grayling
Cheryl Lynn, Secretary of the Board, La Plata Archuleta Water District

In Attendance by Telephone Were:

David Greher, Collins Cockrel and Cole
Micki Mills, Collins Cockrel and Cole

Public in Attendance Were:

Steve Swisher, El Rancho Florida Metropolitan District
Robert Ludwig, Water Operations, El Rancho Florida Metropolitan District
Mark Garcia, Interim Town Manager, Ignacio, Colorado

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 reported no conflicts of interest.

PUBLIC COMMENTS

Representatives of the El Rancho Florida Metropolitan District, Steve Swisher and Robert Ludwig, introduced themselves. Mark Garcia, Interim Town Manager for Ignacio, Colorado, also introduced himself.

Mr. Ludwig and Mr. Swisher discussed with the Board the possibility of an emergency connection between the El Rancho Florida Metropolitan District water system and the District's water system. As they embark on construction of a pump station this Spring they would like to have the ability to provide up to 300 gpm to the District's water system and to be able to receive water from the District's system in the event of an emergency for either system. Mr. Ludwig characterized this as

two districts working together to keep each other whole. Moving forward would result in an Intergovernmental Agreement to be developed after specific engineering details have been defined. Staff engineers will meet to discuss specifics and will report back to the Board.

APPROVAL OF MINUTES

Upon motion duly made by Director Dent, seconded by Director Lynn, and unanimously carried, the Minutes of the December 13, 2018 Regular Board Meeting were approved with a modification changing the person who seconded approval of the November 13, 2018, District Board Meeting Minutes from Director Lunceford to Director Dent. Minutes of the December 13, 2018, Regular Board meeting were reprinted with the correction and circulated for signatures.

FINANCIAL REPORT

Reports - Ms. Prose distributed the December, 2018, Accounts Payable Report and December, 2018, Accountant's Compilation Report to the Board. Upon motion duly made by Director Lynn, seconded by Director Dent, and unanimously carried, the Board approved payment of invoices as shown on the attached Accounts Payable statement dated January 9, 2019.

FINANCE COMMITTEE REPORT

Manager Tolen asked that the Board consider an Engagement Letter with FredrickZink & Associates for Calendar Year 2019. Upon motion duly made by Director Dent, seconded by Director Lynn, and unanimously carried the Board approved the Engagement Letter with FredrickZink & Associates and thanked Ms. Prose for her excellent contributions to District financial operations reporting and budget preparation.

PUBLIC RELATIONS/ COMMUNICATIONS COMMITTEE REPORT

Manager Tolen advised the Board that the upcoming newsletter awaits the opening of the County Road 225A water fill station.

LEGAL REPORT

Phase 1B and 1C Litigation - Counsel Greher advised Directors that there is no need for an Executive Session to discuss this pending litigation. He reported that Manager Tolen and Kyle Kreisler of Ciancio Ciancio and Brown continue to respond to litigation discovery requests for information.

Public Hearing – Inclusion of Real Property – Chairman Lunceford opened a public hearing to consider a Petition for Inclusion filed by Wayne L. Johnson and Bruce R. Johnson for Parcel Number 5677-084-00-227, referred to as Tract A and Parcel Number 5677-171-00-228, referred to as Tract B of the McCaw Thompson Subdivision located in N/2NE/4, Section 17, Township 34, Range 7 and in SW/4SE/4, Section 8, Township 34, Range 7, in La Plata County, Colorado. Ms. Mills advised the Board that Notice had been published and the Board may legally proceed. 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 inclusion and adopted the Order by Board of Directors of the La Plata Archuleta Water District for Inclusion of Real Property, a copy of which is attached hereto and incorporated herein by this reference. Counsel Greher will process the inclusion with the La Plata District Court. These properties as included in the District will be part of the 2019 property taxes, collected in 2020.

Resolution Designating a Location to Post Notice – Upon motion duly made by Director Lynn, seconded by Director Dent, and unanimously carried, the Board adopted a Resolution Designating Location to Post Notice, a copy of which is attached.

ENGINEER REPORT

City of Durango – Mr. Harris advised the Board that an Assistant Utilities Director who works for Greg Boyson has been selected to work on the proposed Durango water treatment plant. Mr.

Harris suggested that he, Manager Tolen, and Mr. Henry meet with this person as soon as possible to begin discussion of specifics related to the project.

Phase 1 Pipeline – Mr. Henry advised the Board of refinements and contract edits being made to ensure that contracts and specifications are consistent. As Built Plans for Phase 1G and 1H will be modified to incorporate actual locations where Phase 1G ends and Phase 1H begins.

Sundance/Farraday Subdistrict No. 1 – Mr. Henry continues to develop specific plans related to isolation valves, bills of materials required, and has begun initial calculations to map rock locations through which the water line must be placed. In addition, he is developing a rock excavation estimate. Phase 1H drafting is nearly complete.

ENVIRONMENTAL
REPORT

Ms. King advised the Board of surveys and necessary environmental actions necessary to initiate a water pipeline to the La Plata County Airport. While impacts could be less than threshold limits, the sooner the exact alignment of the project is known the sooner she can begin her environmental work. The earliest the water pipeline could be placed at the airport is 2020.

GENERAL MANAGER
REPORT

Sundance/Farraday Subdistrict No. 1 – Manager Tolen reported that this project will be advertised in January with a March bid opening. Construction will begin the Spring of 2019.

Please refer to the January 2019, General Manager’s Report for additional detail regarding District Operations.

EXECUTIVE SESSION – No Executive Session was conducted.

ANY OTHER MATTER
WHICH MAY COME
BEFORE THE BOARD

The Board designated Director Williams as their Proxy for the Pine River Irrigation District annual meeting.


Manager Tolen notified the Board that when the Town of Bayfield reconciled its water use and related financial documents it resulted in a \$3,308.77 credit to the District, at least in part due to an increase in water use and resultant decrease in rate.

Mark Garcia, Interim Town Manager of the Town of Ignacio introduced himself to the Board, noting that he is interested in District business.

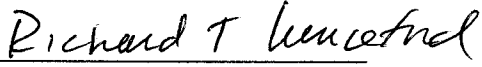
Director Dent advised the Board that La Plata County Airport is getting its own Doplar weather station which should result in better weather predictability for the Durango/La Plata County area.


ADJOURNMENT


The meeting was adjourned at 10:25 a.m. The next regular meeting of the District is scheduled for Thursday, February 14, 2019, at 9:00 a.m. at 255 Ute Street, Ignacio, Colorado.

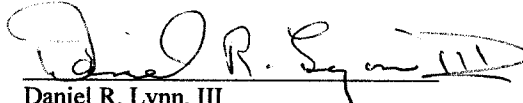

Secretary for the Meeting


APPROVED


Richard T. Lunceford


Gregg Johnson


Mark Williams


Daniel R. Lynn, III


Ron Dent