

RECORD OF PROCEEDINGS
MINUTES OF THE MEETING OF THE
LA PLATA ARCHULETA WATER DISTRICT
HELD
December 9, 2021

The regular meeting of the Board of Directors (“Board”) of the La Plata Archuleta Water District and Sundance/Farraday Subdistrict No. 1, La Plata County, Colorado, (“District”) was held on December 9, 2021, at 9:00 a.m.

ATTENDANCE: Directors in Attendance Were:

Dick Lunceford
Mark Williams
Ron Dent
Dan Lynn

Director Absent Was:
Gregg Johnson, whose absence was excused

In Attendance, Also, Were:
Ed Tolen, La Plata Archuleta Water District Manager
Yvonne Brunson, La Plata Archuleta Water District Customer Service Representative
Dave Henry, Harris Water Engineering
Barb Prose, FredrickZink & Associates
Cheryl Lynn, Secretary to the Board

In Attendance, Also, via Telephone, Were:
Micki Mills, Collins Cockrel and Cole
David Greher, Collins Cockrel and Cole
Karmen King, Grayling LLC

CALL TO ORDER Chairman Lunceford called the meeting to order at 9:00 a.m.

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 interests that may arise as new agenda items are introduced. District Directors who have disclosed potential conflicts of interest can vote as issues arise. Directors present reported no conflicts of interest.

PUBLIC COMMENTS No members of the public were present in person or by telephone.

APPROVAL OF
MINUTES

Upon motion duly made by Director Dent, seconded by Director Williams, and unanimously carried, the Minutes of the November 11, 2021 Regular Board Meeting were approved.

FINANCIAL REPORT

Approval and Payment of Invoices – Directors reviewed the November 2021 Accounts Payable Report and November 2021 Accountant’s Compilation Report. Directors clarified expenditures as necessary. Upon motion duly made by Director Williams, seconded by Director Dent, and unanimously carried the Board approved payment of invoices as shown on the attached Accounts Payable statement dated December 8, 2021.

FINANCE COMMITTEE

REPORT

Public Hearing on 2022 District Budget and Consider Adoption of Resolution to Adopt Budget, Certify Mill Levy, and Appropriate Sums of Money – Chairman Lunceford opened a public hearing to consider the proposed 2022 District Budget. The Notice Concerning Proposed Budget was published pursuant to statute. There was no public comment. Chairman Lunceford closed the public hearing. The final 2022 District budget was adjusted from the November draft budget to allow for an increase in salaries and to more closely detail 2022 budget numbers based on up to date expenditure information. The Board acknowledged that the 2022 District Budget is in compliance with Article X, Section 20 of the Colorado Constitution.

Upon motion duly made by Director Lynn, seconded by Director Dent, and unanimously carried the Board adopted the Resolution to Adopt Budget, Appropriate Sums of Money and Certify the Tax Levy for both the District and Subdistrict. Mr. Tolen will file the Certification of Tax Levy for the District and Subdistrict with the La Plata Board of County Commissioners. Ms. Mills will file the Certified Budget with the Division of Local Government.

PUBLIC RELATIONS /COMMUNICATIONS COMMITTEE REPORT

Mr. Tolen continues development of a District newsletter.

LEGAL REPORT

Approval of the 2022 Election Resolution – Ms. Mills provided a summary of the 2022 Election Resolution included in the Board packet of information. Directors Lynn and Williams are up for reelection on May 3, 2022. The District Office at 255 Ute Street, Ignacio, CO 81137 will serve as the polling place. The 2022 Election Resolution calls for Ms. Mills to be appointed the Designated Election Official. Notice of the election will be published in the Durango Herald and on the District website. If there are not more candidates than vacancies this Resolution allows the Designated Election Official to cancel the election per statutory requirements. Upon motion duly made by Director Lynn, seconded by Director Dent, and unanimously carried the Board approved the 2022 Election Resolution as presented. Mr. Tolen noted that Director Johnson expects to close on the sale of his property on Friday, December 10, 2021, and with that action and his relocation to another community he will no longer be eligible to serve on the La Plata Archuleta Water District Board of Directors. Upon ensuring that the property sale did indeed take place, a revised Election Resolution and appointment of a Director will take place in January 2022.

Petition for Inclusion of the Lloyd Property – Chairman Lunceford opened a Public Hearing for the purpose of receiving public comment related to the Petition for Inclusion of the Lloyd Property. No comments were received. The hearing was closed. Upon motion duly made by Director Lynn, seconded by Director Dent, and unanimously carried, the Board approved the petition for Inclusion of the Robert and Kimberly Lloyd Property located at 588 County Road 513, Ignacio, Colorado 81137, into the District and thereupon issued the Order of Inclusion.

Approval of an Engagement Letter for Legal Services with Cockrel Ela Glesne Greher & Ruhland Counsel Greher advised the Board that, with the change in legal counsel, the immediate changes the Board will notice are changes to email addresses and the name of the law firm. He further stated that Billing Rates will be as stated in the Engagement Letter and remain unchanged from the 2021 rates. Upon motion duly made by Director Lynn, seconded by Director Dent, and unanimously carried the Board unanimously approved the Engagement Letter for Legal Services with Cockrel Ela Glesne Greher & Ruhland.

Adoption of a Resolution Approving an Application to Water Court – Legal Counsel and Board members determined that a thorough discussion of the subject matter related to the Resolution Approving an Application to Water Court was conducted during the November 11, 2021, Board meeting, that the prepared documents accurately represented the discussion, and that there was no need to seek further counsel from Legal Counsel Ela. Upon motion duly made by Director Lynn,

seconded by Director Dent, and unanimously carried the Board approved the Resolution Approving an Application to Water Court.

ENGINEER REPORT Phase 2C - Mr. Henry reported that easement surveys have been corrected that resulted in minor alignment changes. Final design is pending with specifications to match alignments. Mr. Tolen will begin the process of obtaining signed and executed easement agreements from property owners. Changes in water pipe location may become necessary should the easement agreements remain unexecuted and unsigned.

ENVIRONMENTAL REPORT – Ms. King is staying abreast of changes to state and federal standards as they relate to District projects.
Nationwide Permits – Ms. King reported that the Army Corps of Engineers is conducting trainings to help people understand the current Nationwide Permitting process.

GENERAL MANAGER REPORT

Request for Access Easement to 189 Big View Lane – Mr. Tolen noted that Director Lynn had requested that the cost of maintenance paid by Marxes be specified as one third of the cost of maintenance. Chairman Lunceford spoke to what he considers advantages to granting the easement which are a gain in money to the District and contented neighbors as well as the rare opportunity to define the property use by the District's neighbor. Upon motion duly made by Director Williams and seconded by Director Dent, the Board approved the access easement to 189 Big View Lane with Directors Williams, Dent, and Lunceford voting to grant the easement and Director Lynn voting against the granting the easement.

Approval of 2021 Addendum to General Manager Employment Agreement
Upon motion duly made by Director Lynn, seconded by Director Dent, and unanimously carried the Board approved the 2021 Addendum to the General Manager Employment Agreement.

Approval of 2022 Schedule of Board Meetings
Of note is that the September, 2022 meeting is scheduled for Tuesday, September 13, 2022 to allow for collection of monthly invoices due to a holiday the first week of September.

Please refer to the November General Manager's Report for additional detail regarding District operations.

EXECUTIVE SESSION – An Executive Session was not conducted.

ANY OTHER MATTER WHICH MAY COME

BEFORE THE BOARD – Board members and Mr. Tolen introduced names of possible Board members to fill the vacancy created by Director Johnson's relocation out of the district. When the sale of Director Johnson's property is confirmed, Mr. Tolen will contact these people to see if they have an interest in serving on the Board of Directors of LAPLAWD.

ADJOURNMENT

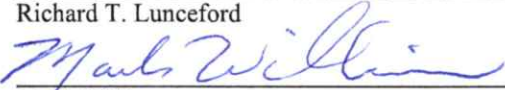
The meeting adjourned at 9:27 a.m. The next regular meeting of LAPLAWD is scheduled for Thursday, January 13, at 9:00 a.m. at 255 Ute Street, Ignacio, Colorado, unless it is necessary to meet in another matter to satisfy governmental requirements.


Secretary for the Meeting

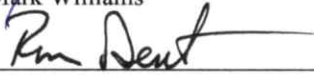
APPROVED



Richard T. Lunceford

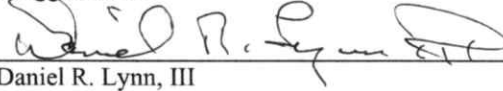


Mark Williams



Ron Dent

Gregg Johnson



Daniel R. Lynn, III