

RECORD OF PROCEEDINGS  
MINUTES OF THE MEETING OF THE  
LA PLATA ARCHULETA WATER DISTRICT  
HELD  
August 11, 2016

The regular meeting of the Board of Directors ("Board") of the La Plata Archuleta Water District ("District") was held on August 11, 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  
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, FredrickZink & Associates  
Cheryl Lynn, Secretary of the Board

In Attendance by Telephone Were:

Eric Jorgenson, 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 reported no conflicts of interest.

PUBLIC COMMENTS    No members of the public were present.

APPROVAL OF  
MINUTES

Upon motion duly made by Director Williams, seconded by Director Johnson, and unanimously carried, the Minutes of the July 14, 2016, regular Board meeting were approved.

FINANCIAL REPORT

Ms. Prose distributed the August, 2016, Accounts Payable Report and August, 2016, Accountant's Compilation Report to the Board. After a thorough review and upon motion duly made by Director Williams, seconded by Director Lynn, and unanimously carried, the Board approved the payment of invoices as shown on the attached Accounts Payable statement dated August 10, 2016.

FINANCE COMMITTEE  
REPORT

Manager Tolen reminded the Board that he will soon begin working on the District's 2017 Budget, involving staff and consultants as their expertise becomes necessary.

PUBLIC RELATIONS/  
COMMUNICATIONS  
COMMITTEE REPORT

Manager Tolen advised the Board that he has been gathering information and is waiting for certain events to finalize prior to distribution of the Fall newsletter. The suggestion was made that the newsletter include a story regarding the number of properties that have included into the District.

LEGAL REPORT

Petition for Inclusion of Real Property into the District for the Pankowski Property – Chairman Lunceford opened a public hearing to consider a Petition for Inclusion filed by Timothy Jon Pankowski, 600 County Road 514, Ignacio, Colorado, 81137. No public comments were received or presented. The hearing was then closed. Upon discussion and motion duly made by Director Lynn, seconded by Director Johnson, and unanimously carried the Board approved the inclusion 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. Payment of a tap fee is expected when the inclusion is finalized.

EXECUTIVE SESSION

Upon motion duly made by Director Dent, seconded by Director Lynn, and unanimously carried, the Board entered Executive Session at 9:10 a.m. pursuant to Section 24-6-402(4)(b), C.R.S. for purposes of conferring with an attorney for the public entity for the purposes of receiving legal advice on specific legal questions, and Section 24-6-402(4)(e) to determine positions relative to matters that may be subject to negotiations, developing strategy for negotiations, and instructing negotiators concerning an Agreement with Los Pinos Ditch Company and Phase 1C Tolling Agreement. The Board reconvened in regular session at 10:00 a.m.

LEGAL REPORT (cont.)

Tolling Agreement Extension – Upon motion duly made by Director Dent, seconded by Director Lynn, and unanimously carried the Board approved the Tolling Agreement Extension dated August 11, 2016, between the District and Rundle Construction to extend the tolling period for an additional one (1) month, or up to and including September 11, 2016.

ENGINEER REPORT

Project Phase Updates - Mr. Sherman advised the Board that Phase 1E is almost completed, that the next part of the project is ready to go to bid pending approval from Bureau of Indian Affairs of the County Road 510 rights-of-way across the Southern Ute Indian Tribe lands, that Phase 1H is ready to submit to the Colorado Department of Transportation for their input and approval, and that the infrastructure plans for the water haul station by the office are ready to go to bid.

ENVIRONMENTAL  
REPORT

Ms. King reported that she has submitted the last of the annual monitoring reports for Phases B, C, and D noting that they have achieved their restoration goals. She is preparing to submit photographs of the Pine River crossing for review.

GENERAL MANAGER  
REPORT

Resolution 2016-5 Amending the District's Bulk Water Rates and Charges – Following a thorough discussion and upon motion duly made by Director Dent, seconded by Director Johnson, and unanimously carried the Board adopted Resolution 2016-5, setting bulk water rates and charges, a copy of which is attached hereto.

Approval of the Purchase of a Bulk Water Fill Station – Following a thorough review of and discussion and clarification related to several available bulk water systems, and upon motion duly made by Director Johnson, seconded by Director Dent, and unanimously carried the Board authorized Manager Tolen to purchase a bulk water fill station in an amount not to exceed \$50,000.

Approval of Change Orders 10 and 11 for the Bayfield Water Treatment Plant Expansion Project – Manager Tolen explained that Change Order 10 provides a better way to isolate the filter to the waste line with an increased cost of \$4,953.72 while Change Order 11 removes the existing wooden shed pad from the concrete scope, thereby reducing the cost by \$937.25. Upon motion duly made by Director Lynn, seconded by Director Dent, and unanimously carried, the Board approved Change Orders 10 and 11 for the Bayfield Water Treatment Plant Expansion Project.

Letter of Support for Steve Harris – Manager Tolen will write a letter of support endorsing Mr. Harris' application to serve on the Colorado Water Conservation Board.

Change in Regular Meeting Date - The regular September meeting date will be moved from September 8, 2016, to September 15, 2016, to accommodate Manager Tolen's need to fulfill his civic responsibility to be present for jury duty on September 8, 2016. Notices will be posted accordingly.

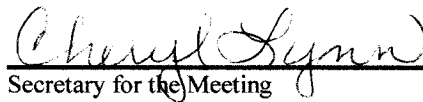
General Manager's Report - Please refer to Manager Tolen's August, 2016, General Manager's Report for detail of the District's overall work progress.

ANY OTHER MATTER  
WHICH MAY COME  
BEFORE THE BOARD

No other matters were introduced for discussion.

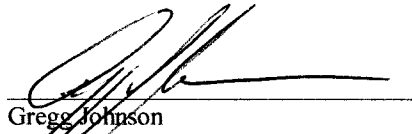
ADJOURNMENT

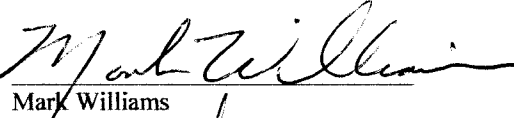
The meeting was adjourned at 10:30 a.m. The next regular meeting is scheduled for September 15, 2016, at 9:00 a.m. at 255 Ute Street, Ignacio, Colorado.

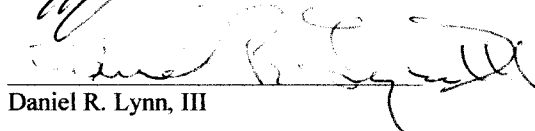
  
Secretary for the Meeting

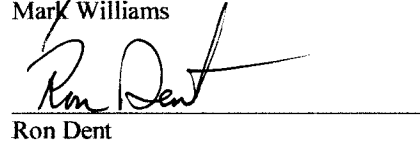
APPROVED

  
Richard T. Lunceford

  
Gregg Johnson

  
Mark Williams

  
Daniel R. Lynn, III

  
Ron Dent