

RECORD OF PROCEEDINGS
MINUTES OF THE MEETING OF THE
LA PLATA ARCHULETA WATER DISTRICT
HELD
June 14, 2018

The regular meeting of the Board of Directors ("Board") of the La Plata Archuleta Water District ("District") was held on June 14, 2018, 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
Brett Sherman, Harris Water Engineering
Barb Prose, FredrickZink& Associates
Karmen King, Grayling, LLC
Cheryl Lynn, Secretary of the Board

In Attendance by Telephone Were:
Micki Mills, 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 public comments were received.

APPROVAL OF
MINUTES

Upon motion duly made by Director Dent, seconded by Director Lynn, and unanimously carried, the Minutes of the May 10, 2018, regular Board Meeting were approved.

FINANCIAL REPORT

Reports - Ms. Prose distributed the May, 2018, Accounts Payable Report and May, 2018, Accountant's Compilation Report to the Board. After review and upon motion duly made by Director Lynn, seconded by Director Johnson, and unanimously carried, the Board approved payment of invoices as shown on the attached Accounts Payable statement dated June 13, 2018.

FINANCE COMMITTEE
REPORT

Acceptance of the 2017 La Plata Archuleta Water District Audit – The Board reviewed the 2017 District Audit prepared by Beckstead and Associates. Upon motion duly made by Director Lynn, seconded by Director Dent, and unanimously carried the Board accepted the 2017 La Plata Archuleta Water District Audit prepared by Beckstead and Associates.

PUBLIC RELATIONS/
COMMUNICATIONS

COMMITTEE REPORT Manager Tolen reported that people throughout the District have been calling and indicating that their wells have either gone dry or they are worried that they will. Most of them are interested in receiving water when it becomes available in their geographic area. He also reported that 350,000 gallons of water was used through the Oxford fill station and of that, 150,000 gallons of water was used for fire suppression for the slurry bombers fighting area wildfires. Director Williams advised the Board that the Fire Chief commended the District for its fill station. A suggestion was made that the District should let people know what we're doing for the public.

LEGAL REPORT

Public Hearing – Inclusion of Real Property – Chairman Lunceford opened a public hearing to consider Petition for Inclusion into the District and Sundance/Farraday Subdistrict No. 1 filed by Greg Betzing and Carol Clark for property located at 125 Cody Road, Durango, Colorado, and the Petition for Inclusion into the District filed by Terrance E. Wright and Verda Wright for property located at 42 Pleasant View Road, Ignacio, Colorado. No public comments were received or presented. The hearing was then closed.

Wright Property – District Inclusion - Upon motion duly made by Director Lynn, seconded by Director Dent, and unanimously carried the Board approved the inclusion of the Wright property into the District and adopted the Order for Inclusion of Real Property, a copy of which is attached hereto and incorporated herein by this reference.

Betzing/Clark Property – District Inclusion - Upon motion duly made by Director Lynn, seconded by Director Dent, and unanimously carried the Board approved the inclusion of the Betzing/Clark property into the District and adopted the Order for Inclusion of Real Property, a copy of which is attached hereto and incorporated herein by this reference.

Betzing/Clark Property – Subdistrict Inclusion - Upon motion duly made by Director Lynn, seconded by Director Johnson, and unanimously carried the Board adopted a Resolution including the Betzing/Clark property into the Sundance/Farraday Subdistrict No. 1, a copy of which is attached hereto and incorporated herein by this reference.

Counsel Greher will process the aforementioned inclusions with the La Plata District Court. These properties as included in the District and Subdistrict will be part of the 2020 property tax collection.

Phase 1B and 1C Litigation will be discussed in Executive Session in July when legal counsel, David Greher is present.

ENGINEER REPORT City of Durango – Having not received a response from Dirk Nelson, City Attorney for the City of Durango, Colorado, regarding the proposed contract between the District and the City of Durango for a common Lake Nighthorse water delivery structure, the Board requested that a letter be sent to Mr. Nelson with a copy to Ron LeBlanc, City Manager for the City of Durango, asking that action be taken to review the contract and respond to the District with suggested revisions.

Phase 1 Pipeline – Mr. Sherman advised the Board that work on Phase 1G-2 is projected to begin soon. He further stated that Manager Tolen will discuss Phase 1F-2. Mr. Sherman also noted that Phase 1-H is awaiting comments from the Colorado Department of Transportation (CDOT).

Mr. Sherman advised the Board that he will be moving to Denver in late September. Plans are now to assign his current duties to Carrie Lile, Engineer, Harris Water Engineering.

ENVIRONMENTAL REPORT

Ms. King advised the Board that she has been working closely with CDOT regarding threatened and endangered species. The Phase 1H wetlands delineation has changed since 2013/2014. TRC is meeting with CDOT the day of the Board meeting to ensure proper permits are obtained.

GENERAL MANAGER REPORT

TRC Change Order – Following discussion and upon motion duly made by Director Williams, seconded by Director Dent, and unanimously carried the Board approved a change order for TRC

in the amount of \$180,784.50 for an additional 2,770 feet of pipe on the north side of Hwy 160, just east of CR 225A.

Discuss Drought Contingencies – Manager Tolen will work with Town of Bayfield staff concerning water distribution and the anticipated low river water level in late summer. The concern is how much water people can get at the fill station and if limits should be placed on how much water can be purchased during this very dry season.

Phase 1G-2 Progress – Manager Tolen is meeting with CDOT the day of the Board meeting and is optimistic that a Notice to Proceed will be issued.

Sundance Hills/Farraday Subdistrict No. 1 Progress – Manager Tolen advised the Board that a loan request in the amount of \$1 million has been submitted to Water and Power Authority.

CR 225A Fill Station – Manager Tolen reported that he is still waiting to hear from CDOT. The property transfer has been approved by CDOT’s Transportation Commission. Once official word is received Manager Tolen will work with La Plata County to complete their processes such as Location and Extents, and then the fill station will be ready to build. If all goes as planned the fill station should be functioning sometime during the month of September.

Please refer to Manager Tolen’s General Manager’s Report for June, 2018, for additional detail regarding District operations.

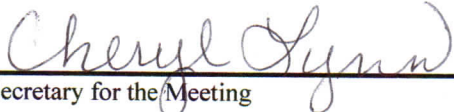
EXECUTIVE SESSION – No Executive Session was conducted.

ANY OTHER MATTER WHICH MAY COME BEFORE THE BOARD

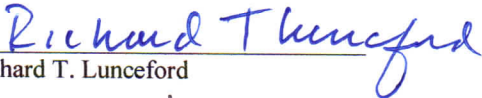
Director Williams asked the Board to consider how additional income could be generated to install more water lines more quickly. The Board will consider possibilities for additional revenues if they arise.


ADJOURNMENT

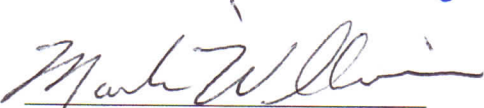
The meeting was adjourned at 9:58 a.m. The next regular meeting of LAPLAWD is scheduled for July 12, 2018, at 9:00 a.m. at 255 Ute Street, Ignacio, Colorado.


Secretary for the Meeting

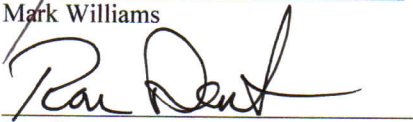
APPROVED


Richard T. Lunceford


Gregg Johnson


Mark Williams


Daniel R. Lynn, III


Ron Dent