

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

The regular meeting of the Board of Directors ("Board") of the La Plata Archuleta Water District ("District") was held on February 11, 2016, at 9:00 a.m. at 255 Ute Street, Ignacio, Colorado.

ATTENDANCE:

Directors in Attendance Were:

Dan Lynn
Ron Dent
Mark Williams

Directors Present by Telephone Were:

Dick Lunceford
Gregg Johnson

Also in Attendance Were:

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

In Attendance by Telephone Were:

Eric Jorgenson, Collins Cockrel and Cole
Micki Wadhams, Collins Cockrel and Cole
Kyle K C. Kreischer, Ciancio, Ciancio, Brown, PC
Evan Ela, Collins, Cockrel and Cole
Don Diones, George K. Baum and Associates

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 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 January 14, 2016, regular Board meeting were approved.

EXECUTIVE
SESSION

Upon motion duly made by Director Dent and seconded by Director Williams the Board moved that the regular meeting of the Board be temporarily adjourned and that the Board reconvene in Executive Session to confer with an attorney for purposes of receiving legal advice on specific legal questions (Section 24-6-402(4)(b), C.R.S.) and to determine positions relative to matters that may be subject to negotiations, developing strategies for negotiations, and instructing negotiators (Section 24-6-402(4)(c), C.R.S.). The motion carried unanimously. The Board reconvened in regular session at 9:45 a.m.

FINANCIAL REPORT Ms. Prose distributed the Accounts Payable Report and Accountant's Compilation Report to the Board. After a thorough review and clarifying questions and answers 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 February 10, 2016. Ms. Prose advised the Board that the 2015 District audit is scheduled to begin on February 29, 2016.

FINANCE COMMITTEE REPORT Current Banking Arrangements – The Board reviewed the spreadsheet delineating services and costs offered at Durango banks. Based on information presented and upon motion duly made by Director Dent, seconded by Director Williams, and unanimously carried, the Board approved First National Bank of Durango as the bank LAPLAWD will use for official business. A resolution incorporating that information will be drafted for signature at the March, 2016, District meeting.

PUBLIC RELATIONS/COMMUNICATIONS COMMITTEE REPORT There is no report. Manager Tolen and Customer Service Representative Miller will explore available software that will allow them to prepare and send periodic newsletters from the District office.

LEGAL REPORT Petitions for Inclusion of Real Property into the District for the Craig Property – Vice-Chairman Lynn opened a public hearing to consider Petitions for Inclusion filed by W. Travis Craig and Brittany Craig for property located at 715 Sundance Hills Road, Durango, Colorado, 81303. No public comments were received or presented. The hearing was then closed. Upon discussion and motion duly made by Director Dent, seconded by Director Williams, 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. These properties as included in the District will be part of the 2017 property tax collection.

ENGINEER REPORT Phase 1 Pipeline – Mr. Sherman reported that he, Ms. King, and Manager Tolen are meeting with representatives of the Colorado Department of Transportation to confirm the Phase 1H pipeline alignment. Funding for the project will be available following receipt of signed documents from Colorado Water Resources and Power Development Authority. Mr. Jorgenson advised the Board that there may be a requirement by Bond Counsel for a reaffirmation of the loan agreement documents.

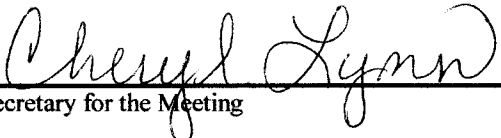
ENVIRONMENTAL REPORT Ms. King reiterated that Phase 1H is pending. In addition she has been prospectively researching environmental issues that may require mitigation for future project phases. Phases 1A, Phase 1B, and Phase 1C are currently set to sunset in 2017.

GENERAL MANAGER REPORT Pine River Irrigation Additional Water – The Board discussed the immediate need versus standby need for an additional 280 acre feet of Pine River Irrigation District water. The need for water was considered in juxtaposition to the need to build pipeline, the priority order, and the amount of funding required to do both. Please refer to Manager Tolen's February, 2016, General Manager Report for detail of the District's overall work progress.

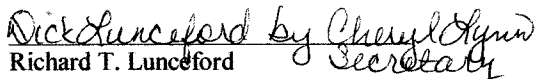
ANY OTHER MATTER WHICH MAY COME BEFORE THE BOARD No other matters were presented.

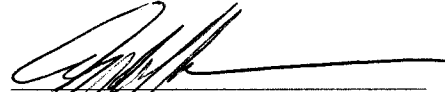
ADJOURNMENT

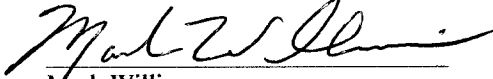
The meeting was adjourned at 10:08 a.m. The next regular meeting of LAPLAWD is scheduled for March 10, 2016, at 9:00 a.m. at 255 Ute Street, Ignacio, Colorado.

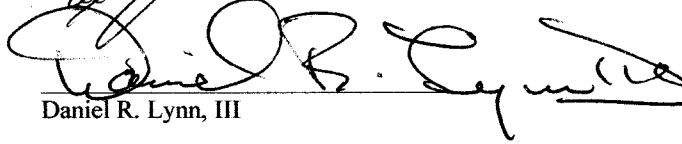

Secretary for the Meeting

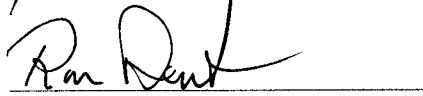
APPROVED


Richard T. Luncford


Gregg Johnson


Mark Williams


Daniel R. Lynn, III


Ron Dent