

RECORD OF PROCEEDINGS
MINUTES OF THE MEETING OF THE
LA PLATA ARCHULETA WATER DISTRICT
HELD
July 12, 2018

The regular meeting of the Board of Directors ("Board") of the La Plata Archuleta Water District ("District") was held on July 12, 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, La Plata Archuleta Water District Manager
Yvonne Brunson, La Plata Archuleta Water District Customer Service Representative
Steve Harris, Harris Water Engineering
Brett Sherman, Harris Water Engineering
Barb Prose, FredrickZink & Associates
Karmen King, Grayling, LLC
Cheryl Lynn, Secretary of the Board, La Plata Archuleta Water District
David Miller, Durango-La Plata County Airport

In Attendance by Telephone Were:

Micki Mills, Collins Cockrel and Cole
David Greher, 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

David Miller, Durango-LaPlata County Airport, (Airport), advised the Board he was present to express an interest in having the District provide water service to the Airport and also to ask what actions had taken place by the District to move in that direction since he last met with them. He further asked what steps the Airport could take to move District water service to the Airport along at a more rapid pace. Manager Tolen advised him that, with a grant, it is possible that the District could begin serving the Airport in eighteen (18) to twenty-four (24) months. In the absence of a grant the estimated time of providing service is three (3) to four (4) years. Mr. Harris asked if, with fire suppression efforts so prominent this year, an air tanker base stationed at the Airport, and the use of 200,000 gallons of District water in fire suppression efforts, all of which had to be hauled to the Airport, it might be an ideal time for the Airport and the District to jointly request grant funding for water lines to serve the Airport. Manager Tolen estimated the cost of the project at between \$800,000 and \$1 Million. The suggestion was made to also contact the Department of Local Affairs to see if funding was available from the Energy Impact Assistance Fund and to also ask the Colorado Department of Transportation (CDOT) if funding via their Aeronautics Division was available to assist this type of effort. Mr. Miller will initiate potential grant application possibilities.

APPROVAL OF MINUTES

Upon motion duly made by Director Dent, seconded by Director Johnson, and unanimously carried, the Minutes of the June 14, 2018, Regular Board Meeting were approved.

FINANCIAL REPORT

Reports - Ms. Prose distributed the June, 2018, Accounts Payable Report and June, 2018, Accountant's Compilation Report to the Board. After review and upon motion duly made by Director Johnson, seconded by Director Lynn, and unanimously carried, the Board approved payment of invoices as shown on the attached Accounts Payable statement dated July 11, 2018.

FINANCE COMMITTEE REPORT

No Finance Committee Report was presented.

PUBLIC RELATIONS/COMMUNICATIONS

COMMITTEE REPORT

No Public Relations/Communications Committee Report was presented.

LEGAL REPORT

Phase 1B and 1C Litigation will be discussed in Executive Session.

ENGINEER REPORT

City of Durango – Consideration of personal circumstances delayed the sending of a letter to Ron LeBlanc, Durango City Manager, asking that the proposed contract between the District and the City of Durango for a common Lake Nighthorse water delivery structure be reviewed and a response made in writing to the District. The letter will be held and sent within two months.

Phase 1 Pipeline – Mr. Sherman advised the Board that the booster pump station is being installed and that the vault should be placed on July 12, 2018. The water tank will be placed when the water in the tank can be used by customers. Project Phase 1G-2 is beginning with bores under the highway and the ditch. CDOT has requested additional work for which the District will be compensated.

ENVIRONMENTAL REPORT

Ms. King advised the Board that, despite submission of paperwork to agencies so work could progress while she was away on another job, progress has been slow. However, TRC did receive their permit to build. When the design is absolutely defined and complete Phase 1H environmental applications will be submitted.

GENERAL MANAGER REPORT

Lead and Copper Sampling Incentives – A necessary requirement of a water delivery system is to sample ten residences twice a year for lead and copper content of their water. Manager Tolen advised the Board that all ten samples were delivered to the laboratory on June 27, 2018, for testing. However, the samples were not tested by the laboratory due to equipment malfunction. He advised the Board that a violation may be issued, though no fine is anticipated. Manager Tolen would like to provide a monetary incentive to customers for their assistance in collecting samples as some effort and paperwork is required. Upon motion duly made by Director Lynn, seconded by Director Johnson, and unanimously carried, the Board approved a \$25.00 credit to water bills for those customers who provide these timely test samples to the District.

Phase 1G-1 Progress – This topic was thoroughly reported by Mr. Sherman.

CR 225A Fill Station – Manager Tolen reported that he received a Quit Claim Deed from CDOT. However, there was an error in the description of the property that is currently being corrected, hopefully in time that the Location and Extents request can be heard at the August 9, 2018 meeting of the La Plata County Planning Commission.

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

EXECUTIVE SESSION – Upon motion duly made by Director Dent, seconded by Director Lynn, and unanimously carried, the Board entered into Executive Session at 9:42 a.m. to confer with an attorney for purpose of receiving legal advice on specific legal questions (Section 24-6-402(4)(b), C.R.S.); and for determining positions relative to matters that may be subject to negotiations, developing strategies for negotiations, and instructing negotiators (Section 24-6-402(4)(e), C.R.S.). Sole issue discussed was Phase 1B and Phase 1C Litigation. The Board adjourned to its regular meeting at 10:26 a.m.

ANY OTHER MATTER
WHICH MAY COME
BEFORE THE BOARD

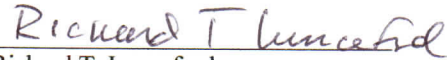
No other matters were discussed.


ADJOURNMENT


The meeting was adjourned at 10:27 a.m. The next regular meeting of the District is scheduled for August 9, 2018, at 9:00 a.m. at 255 Ute Street, Ignacio, Colorado.

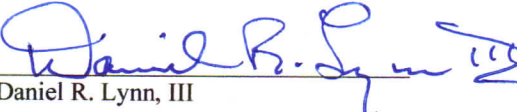

Secretary for the Meeting

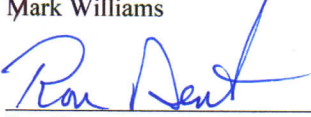
APPROVED


Richard T. Lunceford


Gregg Johnson


Mark Williams


Daniel R. Lynn, III


Ron Dent

Pursuant to Section 24-6-402(2)(d.5)(I)(B), C.R.S., I hereby attest that I am the attorney of the District, that I was in attendance during the Executive Session of the Board convened on July 12, 2018, and that the discussion during the Executive Session constituted a privileged attorney-client communication for which no record is required to be kept by law.

David A. Greher, General Counsel