

RECORD OF PROCEEDINGS
MINUTES OF THE MEETING OF THE
LA PLATA ARCHULETA WATER DISTRICT
HELD
July 13, 2017

The regular meeting of the Board of Directors (“Board”) of the La Plata Archuleta Water District (“District”) was held on July 13, 2017, at 9:00 a.m. at 255 Ute Street, Ignacio, Colorado.

ATTENDANCE:

Directors in Attendance Were:

Dick Lunceford
Ron Dent
Mark Williams
Dan Lynn
Gregg Johnson

Also in Attendance Were:

Ed Tolen, Manager
Yvonne Brunson, Customer Service Representative
Barb Prose, FredrickZink& Associates
Karmen King, Grayling LLC
Brett Sherman, Harris Water Engineering
Cheryl Lynn, Secretary of the Board

In Attendance by Telephone Were:

David Greher, Collins Cockrel and Cole
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

There were no public comments.

APPROVAL OF
MINUTES

Upon motion duly made by Director Williams, seconded by Director Johnson, and unanimously carried, the Minutes of the June 8, 2017, Regular Board Meeting were approved.

FINANCIAL REPORT

Reports - Ms. Prose distributed the June, 2017, Accounts Payable Report and June, 2017, Accountant’s Compilation Report to the Board. After review and upon motion duly made by Director Lynn, seconded by Director Dent, and unanimously carried, the Board approved payment of invoices as shown on the attached Accounts Payable statement dated July 12, 2017.

PUBLIC RELATIONS/
COMMUNICATIONS
COMMITTEE REPORT

Manager Tolen advised the Board there is nothing to report in the public relations area.

LEGAL REPORT

Phase 1B and 1C Litigation – Counsel Greher reported that the wheels of justice continue to turn slowly and there is no new information to report.

ENGINEER REPORT

Phase 1 Pipeline – TRC Construction is ready to begin construction on Phase 1F as soon as the Colorado Department of Transportation provides approval related specifically to bores under the highway. The Phase 1G alignment has been finalized. Preliminary work has begun on Phase 1H. Manager Tolen reported that it will be necessary to install a parallel 4 inch line for a distance of about 3,500 feet as well as a pump station to increase water pressure to adequately serve customers in the area near the future Highway 160 storage tank site.

City of Durango and LAPLAWD Water Treatment Plant – Mr. Sherman reported that the unanticipated departure of Steve Salka, Utilities Manager, may stall negotiations for a time as someone new is hired and becomes acquainted with the many aspects of the job.

ENVIRONMENTAL
REPORT

Ms. King reported that she will continue environmental work related to the Southwest Willow Flycatcher, counting nests and animals. As a matter of courtesy and protocol, Ms. King continues to inform the Army Corps of Engineers as to the District's activities, even though their thresholds for permits are not being met.

GENERAL MANAGER
REPORT

Consider Approval of Grant Agreement for Design of the Sundance Hills/Farraday Subdistrict Distribution System – Upon motion duly made by Director Dent, seconded by Director Johnson, and unanimously carried, the Board approved the \$25,000 Grant Agreement with the Department of Local Affairs for design of the Sundance Hills/Farraday distribution system.

Fill Station – Manager Tolen reported that 55 customers have signed up to use the fill station which became operational on June 7, 2017. Consumption appears to range between 150,000 to 200,000 gallons per month and has resulted in a substantial decrease in the number of gallons flushed through the water system.

Sundance Hills/Farraday Subdistrict No. 1 – Manager Tolen reported that potential purchasers of properties in the subdivisions have expressed enthusiasm about the availability of a water system, even though they understand it will result in an increase in property taxes.

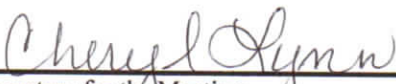
Purchase of ALP Water – Upon motion duly made by Director Johnson, seconded by Director Dent, and unanimously carried, the Board approved the purchase of 30 acre-feet of depletion of ALP water at an approximate cost of \$208,000.

Letter to County Commissioners re: Martinez v. COGCC – Upon motion duly made by Director Lynn, seconded by Director Johnson, and unanimously carried, the Board ratified approval of the letter dated June 26, 2017, sent to the La Plata County Commissioners requesting that they not file an amicus brief in support of the plaintiffs in this case, the concern being the potential negative message this action might send to the energy sector.


General Manager's Report - Please refer to the General Manager's July, 2017, Report for additional detail.

ADJOURNMENT

The meeting was adjourned at 9:25 a.m. The next regular meeting of the District is scheduled for August 10, 2017, at 9:00 a.m. at 255 Ute Street, Ignacio, Colorado.

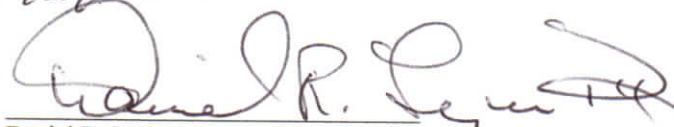

Secretary for the Meeting

APPROVED


Richard T. Lunceford


Gregg Johnson


Mark Williams


Daniel R. Lynn, III


Ron Dent