

RECORD OF PROCEEDINGS
MINUTES OF THE MEETING OF THE
LA PLATA ARCHULETA WATER DISTRICT
HELD
November 10, 2016

The regular meeting of the Board of Directors ("Board") of the La Plata Archuleta Water District ("District") was held on November 10, 2016, at 9:00 a.m. at 255 Ute Street, Ignacio, Colorado.

ATTENDANCE: Directors in Attendance Were:

Dick Lunceford
Ron Dent
Dan Lynn
Gregg Johnson
Mark Williams

Also in Attendance Were:

Ed Tolen, Manager
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 Dent, and unanimously carried, the Minutes of the October 13, 2016, regular Board meeting and October 26, 2016, special Board meeting were approved.

FINANCIAL REPORT

Ms. Prose distributed the November, 2016, Accounts Payable Report and November 2016, Accountant's Compilation Report to the Board. After review and upon motion duly made by Director Lynn, seconded by Director Williams, and unanimously carried, the Board approved the payment of invoices as shown on the attached Accounts Payable statement dated November 9, 2016.

FINANCE COMMITTEE
REPORT

Manager Tolen advised the Board that he has adjusted the 2017 draft budget to reflect anticipated changes for fees and improvements. He and Ms. Prose also reminded the Board that the 2017 budget hearing will be conducted at the December 8, 2016 meeting.

PUBLIC RELATIONS/
COMMUNICATIONS

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COMMITTEE REPORT Newsletter - Manager Tolen advised the Board that the newsletter has been distributed. Upon her return, Ms. Miller will determine the exact distribution to ensure all on the distribution list have received the newsletter.

EXECUTIVE SESSION Upon motion duly made by Director Johnson, seconded by Director Lynn, and unanimously carried, the Board entered Executive Session at 9:08 a.m. for the purpose of receiving advice from legal counsel on specific legal questions related to the Phase 1C construction issues, mediation, and possible future related action as authorized by Section 24-6-402(4)(b), C.R.S. and pursuant to Section 24-6-402(4)(e), C.R.S. for the purpose of determining positions relative to matters that may be subject to negotiations, developing strategy for negotiations, and instructing negotiators concerning future actions relative to Phase 1C construction issues. The Board reconvened in regular session at 9:40 a.m.

ENGINEER REPORT Awarding a Contract for Phase 1E-2 Water Line Project – Mr. Sherman reported that two (2) bids had been received for the Phase 1E-2 Water Line Project. The Board reviewed and discussed the bid tabulations. Upon motion duly made by Director Lynn, seconded by Director Williams, and unanimously carried the Board approved the awarding of the bid to Williams Construction for construction of the Phase 1E-2 Water Line Project.

Awarding a Contract for the Bulk Water Fill Station Site Improvement Project – Mr. Sherman advised the Board that four (4) bids had been received for the Bulk Water Fill Station Site Improvement Project. Again, the Board reviewed and discussed the bid tabulations. Upon motion duly made by Director Lynn, seconded by Director Dent, and unanimously carried, the Board approved awarding of the bid to Bonds Construction for construction of the Bulk Water Fill Station Site Improvement Project.

Mr. Sherman announced that both above-referenced projects should be underway in December 2016.

Mr. Tolen reported that there is no progress report for Sundance Hills and possible water delivery.

ENVIRONMENTAL REPORT

Ms. King reported that she, Manager Tolen, and Mr. Harris participated in a Ridges Basin Pipeline meeting with representatives of the Southern Ute Indian Tribe, the Ute Mountain Ute Indian Tribe, Animas La Plata Water Conservancy District, the City of Durango, and Animas La Plata OM&R Association as an effort is made to quantify exact requirements necessary to plan and move the project forward while still meeting environmental requirements. Ms. King reported that she continues work on her project narrative. In addition, she is devoting time and attention to Phase 1E, Part 2, where the District crosses Bureau of Land Management land in order to ensure that the District adheres to environmental exclusion timeframes.

GENERAL MANAGER REPORT

Crossing SUIT Lands on County Road 510 – Manager Tolen reported that he awaits a decision from the Bureau of Indian Affairs. There is no progress to report.

Approval of the Purchase of a Plow Blade – Manager Tolen reminded the Board that a snow plowing device will be necessary to plow future water fill stations. He presented a list of possible plow brands, sizes, and associated costs. Following careful consideration of parts and service availability and upon motion duly made by Director Johnson, seconded by Director Dent, and unanimously carried, the Board approved the purchase and installation of an eight (8) foot Western Pro Plus plow blade, installed, from Durango Motor Company.

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

ANY OTHER MATTER
WHICH MAY COME
BEFORE THE BOARD

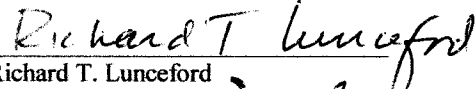
Manager Tolen reminded the Board that his performance evaluation is scheduled for the December 8, 2016 Board meeting. Board Secretary Lynn distributed performance evaluation forms as well as agendas and General Manager Reports for the time period August, 2015 through November, 2016 to Board members for their use in developing Manager Tolen's performance evaluation.


ADJOURNMENT

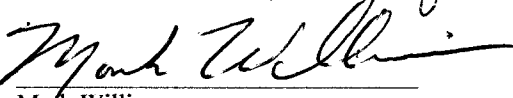
The meeting was adjourned at 10:27 a.m. The next regular meeting of LAPLAWD is scheduled for December 8, 2016, at 9:00 a.m. at 255 Ute Street, Ignacio, Colorado.

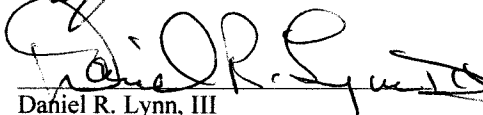

Secretary for the Meeting

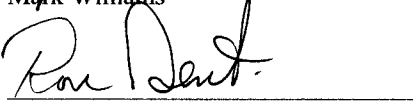
APPROVED


Richard T. Lunceford


Gregg Johnson


Mark Williams


Daniel R. Lynn, III


Ron Dent