

RECORD OF PROCEEDINGS  
MINUTES OF THE MEETING OF THE  
LA PLATA ARCHULETA WATER DISTRICT  
HELD  
December 8, 2016

The regular meeting of the Board of Directors ("Board") of the La Plata Archuleta Water District ("District") was held on December 8, 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  
Steve Harris, Harris Water Engineering, Inc.  
Brett Sherman, Harris Water Engineering, Inc.  
Karmen King, Grayling LLC  
Barb Prose, Fredrick, Zink, and Associates  
Nora Miller, Customer Service Representative  
Cheryl Lynn, Secretary of the Board  
Nathan Zick, President, HOA, Farview Estates  
Ann McCoy, Regional Representative for Cory Gardner, United States Senator

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

Nathan Zick, President of the Farview Estates Home Owners Association (HOA), discussed with the Board the possibilities available to the HOA if they were to connect to the District water system and the specifics of the current Farview Estates self-contained water system established in approximately 1991/1992. This is in anticipation of the District's pipeline construction in proximity to their subdivision in 2017.

EXECUTIVE SESSION

Upon motion duly made by Director Lynn, seconded by Director Dent, and unanimously carried, the Board entered Executive Session at 9:20 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 9:30 a.m.

LEGAL ISSUES

Upon motion duly made by Director Dent, seconded by Director Lynn, and unanimously carried, the Board approved the filing of the Complaint in the La Plata County District Court against Rundle Construction, Inc. related to Phase 1C construction.

APPROVAL OF MINUTES

Upon motion duly made by Director Williams, seconded by Director Dent, and unanimously carried, the Minutes of the November 10, 2016, regular Board meeting were approved.

FINANCIAL REPORT

Ms. Prose distributed the December, 2016, Accounts Payable Report and December, 2016, 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 December 7, 2016. Ms. Prose advised the Board that she moved funds from CSAFE to the District checking account in order to be able to make the bond payment due December 11, 2016.

FINANCE COMMITTEE REPORT

2017 Budget – Public Hearing – Chairman Lunceford opened a public hearing to consider the proposed 2017 Budget. The Notice Concerning Proposed Budget was published pursuant to statute. With no public being present and no comments made, Chairman Lunceford closed the public hearing.

Following review and discussion the Board acknowledged that the 2017 Budget is in compliance with Article X, Section 20 of the Colorado Constitution.

Upon motion duly made by Director Lynn, seconded by Director Johnson, and unanimously carried the Board adopted the Resolution to Adopt Budget, Set Mill Levy, and Appropriate Sums of Money, and authorized the execution and filing of the Certification of the Tax Levy, and certified 2017 Budget.

PUBLIC RELATIONS/ COMMUNICATIONS COMMITTEE REPORT

Newsletter - Manager Tolen advised the Board that the newsletter has been fully distributed – hard copies and electronic transmissions – and that issues with Basin Reproduction have been resolved. Ms. Wadhams noted that the recent newsletter was informative and good reading for District members.

Senator Gardner's Office - Ann McCoy provided contact information as follows: Email address: [ann\\_mccoy-harold@gardner.senate.gov](mailto:ann_mccoy-harold@gardner.senate.gov) and telephone number: 970.415.7416. Senator Gardner's Durango office is located in the Centennial Center between Department of Motor Vehicles office and the Purgatory office. Please contact Ms. McCoy to make an appointment.

ENVIRONMENTAL REPORT

Ms. King reported to the Board regarding the details of the Chamber Outlet pipeline meeting and her related responsibilities. She will follow up with the involved agencies to ensure that the environmental requirements are clearly defined, anticipated, and followed in a way that will not unduly delay the project. Specific requirements will be dictated by the exact building site chosen.

ENGINEER REPORT

Chamber Outlet Pipeline – Mr. Harris added to Ms. King's report by confirming that progress had been made, that one more iteration of the agreement is anticipated, and that a proposal could be presented to the District Board as early as March, 2017. Mr. Sherman is defining related terminology and conducting preliminary engineering. Scott McElroy, attorney for the SUIT is preparing the agreement. Another meeting has been scheduled for January, 2017.

Bulk Water Fill Station Site Improvement Project – Mr. Sherman advised the Board that Bonds Construction had begun work on the Bulk Water Fill Station Site Improvement Project. The fill station equipment will be shipped soon. Cost savings may be possible on this project. Manager Tolen expects a December 31, 2016, completion date.

Pipeline Phase 1E/2 – Mr. Sherman advised the Board that the project is anticipated to begin January 9, 2017.

Phase 1F – Mr. Sherman will provide engineering plans to the Colorado Department of Transportation and is anticipating a construction start date in April, 2017.

La Plata County Master Plan Meeting – Mr. Harris updated the Board regarding the current Master Plan Meeting and its development over the next six months.

Colorado Water Conservation Board (CWCB) – The CWCB is regrouping following the recent national election in November, 2016.

GENERAL MANAGER  
REPORT

Master Meter Service to Subdivisions – Manager Tolen presented to the Board information he had gathered from area water districts regarding master meter service to subdivisions. No decision was made at this time pending the gathering of subdivision-specific information.

Phase 1E-2 Pipeline Project – Manager Tolen reported that the Bureau of Indian Affairs (BIA) should have notified him of their decision by November 5<sup>th</sup> based on the time the request was submitted and the regulations governing the 30 day response limit. Manager Tolen will continue to pursue issuance of the Grant of Easement in order that the project will not be delayed.

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


EXECUTIVE SESSION Upon motion duly made by Director Johnson, seconded by Director Lynn, and unanimously carried, the Board entered Executive Session at 10:15 a.m. for the purpose of receiving advice from legal counsel on specific legal questions related to personnel 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 personnel issues. The Board reconvened in regular session at 11:15 a.m.

ANY OTHER MATTER  
WHICH MAY COME  
BEFORE THE BOARD

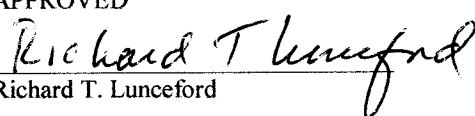
Ms. Wadhams called the Board's attention to the list of 2017 Regular Meeting Dates.

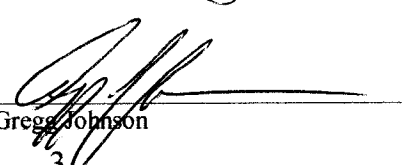
ADJOURNMENT

The meeting was adjourned at 11:15 a.m. The next regular meeting of the Board is scheduled for January 12, 2017, at 9:00 a.m. at 255 Ute Street, Ignacio, Colorado.

  
Secretary for the Meeting

APPROVED

  
Richard T. Lunceford  
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Gregg Johnson  
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*Mark Williams*

Mark Williams

*Daniel R. Lynn, III*

Daniel R. Lynn, III

*Ron Dent*

Ron Dent