

RECORD OF PROCEEDINGS
MINUTES OF THE MEETING OF THE
LA PLATA ARCHULETA WATER DISTRICT

HELD

November 10, 2011

The regular meeting of the Board of Directors ("Board") of the La Plata Archuleta Water District ("District") was held on November 10, 2011, at 9:00 a.m. at 255 Ute Street, Ignacio, Colorado.

ATTENDANCE: Directors in Attendance Were:
Daniel R. Lynn, III
Marvin Conrad
Mark Williams

Director Absent Was:
Richard T. Lunceford, whose absence was excused

Also in Attendance Were:
Ed Tolen, General Manager
Steve Harris, Harris Water Engineering, Inc.
Brett Sherman, Harris Water Engineering, Inc.
Cheryl Lynn, Secretary of the Board
Barb Prose, FredrickZink & Associates
Karmen King, Grayling

In Attendance by Telephone Were:
Gregg Johnson, Director
Don Diones, George K. Baum and Associates
David Greher, Collins Cockrel & Cole
Micki Wadhams, Collins Cockrel & 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.

MINUTES

Upon motion duly made by Director Conrad, seconded by Director Williams, and unanimously carried, the Minutes of the October 13, 2011, regular Board meeting were approved.

FINANCIAL REPORT

Upon review and motion duly made by Director Williams, seconded by Director Conrad, and unanimously carried, the Board approved the payment of invoices as shown on the attached Accounts Payable statement.

EXECUTIVE SESSION

Upon motion made by Director Conrad, seconded by Director Williams, and unanimously carried, the Board convened in executive session 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.). The Board reconvened in regular session at 9:55 a.m.

Director Williams then left the meeting.

FINANCE COMMITTEE
REPORT

The Board reviewed the draft 2012 Budget, and made various revisions, including providing for proposed debt in the amount of \$10 million, as a result of the voter approval of the debt authorization at the November 1, 2011, election.

PUBLIC RELATIONS/
COMMUNICATIONS
COMMITTEE REPORT

No public relations report was presented.

LEGAL REPORT

Ms. Wadhams congratulated the Board on winning the debt authorization election. The bond issuance process was discussed. Mr. Diones will prepare possible debt scenarios for discussion at the December 8, 2011, Board meeting. The Board discussed the inclusion/exclusion of oil and gas wells that have come on line since August, 2008, in the assessed valuation. Mr. Greher will send documentation of the agreement to Mr. Tolen. This will be a discussion item at the December 8, 2011, Board meeting.

ENGINEER REPORT

Mr. Harris reminded Directors of the Rate Setting Work Session to be held on November 16, 2011, at the District office. The main topic of discussion will be the monthly water rates for various customers. Ms. Wadhams will prepare a Notice of Work Session to be posted by Mr. Tolen.

Mr. Sherman reported that the first set of pipeline plans have been submitted to La Plata County and the Colorado Department of Transportation for review.

ENVIRONMENTAL
REPORT

Ms. King reported that the wetlands have been mapped and posted for review on line. Ms. King will visit agency offices to demonstrate how to pull the data on line. Ms. King is reviewing the technical merit of the designation of the Pine River as critical habitat for the Southwest Willow Flycatcher. Comments can be provided through the first part of 2012. It may be possible for the designation to remain in place while construction takes place outside of the nesting timeframes.


GENERAL MANAGER
REPORT

The Board reviewed Mr. Tolen's General Manager report. In their meeting with the Southern Ute Indian Tribe, Mr. Harris and Mr. Tolen discussed matters of mutual interest.

The Board requested Mr. Harris to advise the CWCB Board at their meeting on November 15, 2011, that the District is interested in up to 2000 acre feet of water, depending on the terms of the water purchase. The Board discussed the potential of a joint treatment plant with Durango, similar to the agreement being currently pursued with Bayfield.

ADJOURNMENT

The meeting was adjourned at 11:20 a.m.


Secretary for the Meeting

Richard T. Lunceford
Richard T. Lunceford

Gregg Johnson by Cheryl Lynn
Gregg Johnson

Mark Williams
Mark Williams

Daniel R. Lynn, III
Daniel R. Lynn, III

Marvin Conrad
Marvin Conrad