

**RECORD OF PROCEEDINGS**  
**MINUTES OF THE MEETING OF**  
**LA PLATA ARCHULETA WATER DISTRICT**  
**HELD**  
**OCTOBER 9, 2008**

The meeting of the Board of Directors ("Board") of the La Plata Archuleta Water District ("District") was held on October 9, 2008, at 2:05 p.m. at the Oxford Grange, 8018 Highway 172, Ignacio, Colorado.

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ATTENDANCE

Directors in Attendance Were:

Richard T. Lunceford, President/Chairman

Daniel R. Lynn, III, Vice Chairman

Patricia A. Dressel, Treasurer

Robert W. Beebe, Assistant Secretary/Treasurer

Gregg Johnson, Board Member

Also in Attendance

Amy Kraft of Harris Water Engineering, Inc.

Ann McCoy, public relations

Cheryl Lynn, Secretary of the Board

In Attendance by Telephone

David A. Greher of Collins Cockrel & Cole

Eric C. Jorgenson of Collins Cockrel & Cole

Micki L. Wadhams of Collins Cockrel & Cole

NOTICE Ms. Lynn stated that Notice had been properly posted at least twenty-four (24) hours prior to the meeting at the meeting location, Oxford Grange, 8018 Highway 172, Ignacio.

DISCLOSURE OF

POTENTIAL CONFLICT

OF INTEREST

Disclosure of potential conflict 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 Board of Directors members Robert Beebe and Gregg Johnson were advised that as shareholders in Pine River Irrigation District (PRID) they may have potential conflicts of interest. Mr. Johnson is also on the Board of Directors of the ditch company that gets water from PRID, a further potential conflict of interest. District Directors who have disclosed potential conflicts of interest can vote as issues arise.

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APPROVAL OF

MINUTES

Mr. Lynn moved that the minutes of the September 11, 2008, regular Board meeting be approved; this was seconded by Mr. Beebe and approved unanimously by the Board.

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FINANCE COMMITTEE

REPORT

Mr. Lunceford reported that the District intends to request \$40,000 from the Southwest Water Conservancy District on December 1, 2008. If approved funding would be available in early calendar year 2009. Mr. Lunceford and Ms. Kraft will pursue this effort.

The District Board meeting will be rescheduled from December 11, 2008, to a different date to accommodate Mr. Lunceford's anticipated trip to Denver to pursue funding. This will be an agenda item for the November Board meeting.

The District is eligible for Department of Local Affairs (DOLA) funding. Ms. Kraft will confer with Ken Charles, local DOLA Director, and District Directors to set up a work session date and time. The plan is to approve the application at the November 13<sup>th</sup> meeting and file the application by December 1, 2008.

Ms. Kraft reviewed the draft 2009 budget with Board members. Mr. Beebe reported that BP will assist with funding for supplies, public education, and meeting places. Mr. Beebe and Mr. Lunceford will request funding for specific items as the needs arise.

Mr. Lunceford reported that hiring a bookkeeper to track and well document any expenditures of the District will be necessary. The \$5,000 in funding for the 2009 Audit will be changed to reflect the hiring of a bookkeeper and purchase of software.

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PUBLIC RELATIONS

COMMITTEE

REPORT

Mr. Lynn reported that he has received a response from one person regarding proposed responses to letters to the editor and he needs specific responses from everyone to prepare a final document. He noted that it is important to respond to the letters to the editor or they somehow become the truth, even though the information is inaccurate.

Mr. Lynn also reported that he had received two calls from people wanting to exclude their properties from the District boundaries. Potential exclusions are to be referred to Collins Cockrel & Cole; their toll free telephone number is 1-800-354-5941.

Mr. Lunceford commented that we need a visionary plan to promote the District. Included would be an updated web page, public information, and attendance at area meetings to provide information.

Ms. McCoy suggested a series of public meetings in a “road show” type of environment. A room would be set up with stations relating to specific topics – estate planning, conservation easement, paying taxes for a new district, etc. Representatives would be available from such entities as the La Plata County Planning Department to answer questions. Every meeting would begin and end the same with the same topics covered. Meetings could be scheduled one per month for 3-4 months or one per week for 4 weeks. Citizen input and people’s concerns would be solicited. “We’re here to hear.” Mr. Beebe agreed that the meeting concept is a good idea and suggested that when we get to that point we need to be sure we are well prepared for the meetings. Mr. Johnson asked what the vision of the District is. Ms. Dressel suggested that the Public Relations Committee needs to outline its goals and objectives. Ms. Kraft noted that the phone number for the District, 970-759-0104, is not listed on the website; Mr. Lunceford monitors the telephone voice mail every two weeks. Ms. Dressel volunteered to answer the telephone for the District.

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PUBLIC COMMENT No members of the public were present to comment.

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LEGAL REPORT Open Records Policy - Collins Cockrel & Cole recommended that the District approve a policy regarding open records. The District’s Custodian of Records is the Secretary of the Board. The policy would be effective January 1, 2009. The

proposed policy was approved unanimously on a motion made by Mr. Johnson and seconded by Mr. Beebe.

Inclusion Policy – Draft Inclusion Policy prepared by Collins Cockrel & Cole was presented and discussed.

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Credit for Matching Grants – A request for a matching funds credit prepared by Collins Cockrel & Cole was presented and discussed. The suggestion was made to change the language to reflect that approximately 1600 property owners waived their rights to a refund. Mr. Johnson suggested that funding not be comingled and that Task Force funding not be used for this purpose. Mr. Lynn suggested that Task Force funding could be used for local matching funds. Mr. Johnson suggested that, since the District cannot be built with grants only that the approximately \$120,000 that has been spent be attributed to Task Force decisions, not to what the District is doing. Mr. Jorgenson will revise the letter and circulate a second draft. This was unanimously approved by the Board on a motion made by Mr. Johnson and seconded by Mr. Lynn.

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#### NEW BUSINESS

Mr. Johnson suggested that the Board needs to adopt a Mission Statement for how the District is to be run and answering questions that have been posed. This Mission Statement should be followed with a Business and Operations Plan and a Master Plan outlining the technical aspects of the system. Mr. Johnson volunteered to draft a Mission Statement for the District for the November Board meeting. Board members should respond to Mr. Johnson one on one. Mr. Jorgenson will provide information to the Board members that other district water companies have used, such as the Morgan County Water Quality District.

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#### EXECUTIVE

#### SESSION

Upon motion duly made by Mr. Beebe and seconded by Mr. Lynn, and unanimously approved, the Board adjourned to Executive Session concerning negotiations and consultation with attorney.

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#### ADJOURNMENT

The Board reconvened following the Executive Session. There being no further business to come before the Board at this time the meeting was adjourned at 4:45 p.m.

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Secretary for the Meeting

APPROVED

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Robert W. Beebe

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Patricia A. Dressel

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Gregg Johnson

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Richard T. Lunceford

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Daniel R. Lynn, III