

FINANCIAL
REPORT

Approval and Payment of Invoices. The Board reviewed the invoices to be paid and discussed future requirements for monthly operating expenses. Upon motion made by Director Williams, seconded by Director Johnson and unanimously carried, the invoices were approved for payment and those payments already processed by Barb Prose were ratified. Such invoices approved for payment included the 2010 membership dues for the Special District Association, the 2010 insurance premium, and \$125 to Timothy Pacheco for one-half of the 2009 grounds maintenance at 255 Ute Street.

The Board discussed the possibility of needing to pay additional invoices prior to the end of 2009. Thereupon, upon motion duly made by Director Johnson, seconded by Director Williams and unanimously carried, the Board authorized Chairman Lunceford and Director Lynn to sign checks required to pay invoices due from available funds prior to December 31st.

FINANCE COMMITTEE
REPORT

Grant Applications. Ms. Kraft reported that there were no pending grant applications. Mr. Harris reported that there was no problem with the District drawing on the \$400,000 CWCB grant over a three-year period. Mr. Harris reported on receiving information that the U.S. Bureau of Reclamation was providing a funding program for water conservation plans, and indicated he will check into funding availability for the District.

PUBLIC RELATIONS/
COMMUNICATIONS
COMMITTEE REPORT

Public Outreach and Education Program. Chairman Lunceford reported that BP had not yet responded to his request to pay for the printing of the cards for the District. He will attempt to contact them again. Upon motion duly made by Director Lynn, seconded by Director Johnson and unanimously carried, the Board authorized the expenditure of up to \$500 to print the cards if BP determined not to contribute.

Ditch, Canal and Irrigation District meetings. Ms. Kraft reported on the annual meetings for the various ditch, canal and irrigation districts and the possibility of attending such meetings. Upon lengthy discussion, the Board determined to only attend such meetings if invited to do so.

Ms. Kraft indicated that the Sundance Hills and Faraday Subdivision Homeowners Associations do want to meet with a representative from the Board to discuss potential service issues. Director Lynn indicated he would attend the Homeowners Association meeting in January.

Exclusion Mailings. The Board discussed the clarification to obtain the current property owners list in order to resend the exclusion letter to those property owners whose mailings were returned as undeliverable. Upon motion duly made by Director Lynn, seconded by Director Johnson and unanimously carried, the Board authorized Ms. Kraft to request the property owners list from La Plata County Assessor, which the District will pay the cost, and provide the list to Mr. Hanley for the additional mailing.

EXCLUSION HEARING

Chairman Lunceford then opened the public hearing to consider the Petitions for Exclusion filed with the Board. Upon discussion and motion duly made by Director Lynn, seconded by Director Johnson and unanimously carried, the Board approved such exclusions and approved the Order for Exclusion of Real Property, a copy of which is attached hereto and incorporated herein by this reference. The Board directed Mr. Jorgenson to process the exclusion with the La Plata County District Court. Thereupon, Chairman Lunceford closed the public hearing.

LEGAL REPORT

Landscape Maintenance Agreement. Mr. Jorgenson presented the Landscape Maintenance Agreement between the District and Timothy Pacheco for the landscape maintenance (mowing and watering only) at the meeting location property, in the contract amount of \$250 a year (\$125 to be paid in June and \$125 to be paid in December). Upon review and motion duly made by Director Johnson, seconded by Director Lynn and unanimously carried, the Board approved the Agreement and authorized Chairman Lunceford to execute. Director Lynn will provide the Agreement to Mr. Pacheco for execution.

May 4, 2010 Election. Mr. Jorgenson presented for review the Election Schedule of statutory deadlines for the May 4, 2010 regular special district election.

Statutory Compliance. Mr. Jorgenson further reviewed upcoming statutory compliance issues which will be handled by Collins Cockrel & Cole, including the Transparency Notice which must be provided to the District's electors, Division of Local Government and County Clerk and Recorder by January 15th. Such Notice can be posted on the District's website.

ENGINEER REPORT

Master Plan. Mr. Harris and Ms. Kraft presented the draft Master Plan for review, and discussion. Mr. Harris reported that after making the revisions discussed, copies will be provided to the La Plata County Attorney for the Board of County Commissioners, the La Plata County Planning Department, State Health Department, the Towns of Bayfield, Ignacio and Durango, the Southern Ute Tribe, and the local Fire Protection Districts for comment.

PUBLIC COMMENTS

None.

ADJOURNMENT

Thereupon, the meeting was adjourned.

Secretary for the Meeting

APPROVED

Richard T. Lunceford

Gregg Johnson

Mark Williams

Daniel R. Lynn, III

Marvin Conrad