

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

HELD

February 5, 2009

The meeting of the Board of Directors ("Board") of the La Plata Archuleta Water District ("District") was held on February 5, 2009, at 2:05 p.m. at the Oxford Grange, 8018 Highway 172, Ignacio, Colorado.

ATTENDANCE: Directors in Attendance Were:

Richard T. Lunceford, Chairman
Daniel R. Lynn, III, Vice Chairman
Patricia A. Dressel, Treasurer
Robert W. Beebe, Assistant Secretary/Treasurer, by telephone
Gregg Johnson, Board Member

Also in Attendance:

Amy Kraft, Harris Water Engineering, Inc.
Carrie Lile, Harris Water Engineering, Inc.
Cheryl Lynn, Secretary of the Board
Ann McCoy, Public Relations

In Attendance by Telephone:

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 three (3) days prior to the meeting at the designated location, Oxford Grange, 8018 Highway 172, Ignacio, and at the Ignacio Shur Valu Grocery Store and the Ignacio Library. Ms. Wadhams arranged for posting at the offices of the La Plata County Clerk at least three (3) days prior to the meeting.

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 present reported no conflicts of interest.

APPROVAL OF
MINUTES

Upon motion made by Director Johnson and seconded by Director Lynn the minutes of the January 8, 2009, regular Board meeting were approved unanimously by the Board.

FINANCE
COMMITTEE
REPORT

Grant Applications – There are no new grant applications; the grant applications previously submitted remain pending. The Board should be notified soon regarding the DOLA grant application. Mr. Jorgenson reported that the Economic Stimulus Package under review by Congress may contain funding for drinking water projects. The Water Quality Control Commission is scheduled to meet March 9, 2009; written comments are being accepted through March 3, 2009. As Mr. Jorgenson is apprised of additional information he will notify the Board.

Consider adoption of Banking Resolution with Alpine Bank, and execution of any required documents – On a motion made by Director Lynn and seconded by Director Dressel the Board unanimously adopted the Banking Resolution with Pine River Valley Bank, and authorized opening an account at Pine River Valley Bank, obtaining signature cards for the five (5) Directors, requiring one (1) Director signature for check amounts less than \$500.00, requiring two (2) Director signatures for check amounts of \$500.00 and greater, and making disbursements of \$15,000 to Collins Cockrel & Cole and \$15,000 to Harris Water Engineering. Checks will be kept with the bookkeeper who will not have signature authority on the bank account.

Ratify appointment of District bookkeeper and C.P.A. – On a motion made by Director Dressel and seconded by Director Lynn the Board unanimously approved the appointment of Barbara Prose as bookkeeper and Clark/White as the C.P.A. firm who will conduct the District audits. Collins Cockrel & Cole will draft engagement letters for both entities and will request a new insurance proposal for the District.

B.P. Donations - B.P. has committed to funding public meeting venues and printing/education costs as the Board moves forward with its public education process. B.P. wants to pay the costs directly rather than reimbursing the Board. The bookkeeper will submit bills to B.P.

PUBLIC RELATIONS/
COMMUNICATIONS
COMMITTEE
REPORT

Improvements to Website – Ms. Lile reviewed potential changes to the website. Chairman Lunceford suggested that a “Frequently Asked Questions” section be included.
Preparation and planning public meetings – Chairman Lunceford stressed the importance of the participation of all Directors as the public education process begins. A Work Session is planned for Thursday, February 26, 2009, at 6:00 p.m. at the Oxford Grange to discuss the format and content of the initial public education process. Continuity will be important. The hope is that the public will attend the meetings to provide their input.
Mission Statement – Director Johnson reviewed his draft of a Mission Statement with the Board. Ms. McCoy will send information to the Directors regarding content of Vision Statements, Mission Statements, and Policies. Directors will bring their suggested revisions to Director Johnson’s Mission Statement to the Work Session.

ENGINEER
REPORT

Projected future water requirements – Ms. Kraft reviewed a draft document with the Directors. Chairman Lunceford asked that an estimate of the amount of water required at buildout in 20 years be prepared. The Master Plan will incorporate provisions of the Service Plan.

Potential water sources – On a motion made by Director Lynn and seconded by Director Johnson the Board unanimously approved the final written matrix outlining potential water sources as well as the map showing the locations of those potential water sources. Before the documents are made public Ms. Kraft will add information noting Cubic Feet per Second at each diversion point on the matrix.

LEGAL REPORT

Consider adoption of Resolution Concerning Attorney Fees and Costs – On a motion made by Director Johnson and seconded by Director Lynn the Board approved three to 1 (3/1) the adoption of two (2) Resolutions Concerning Attorney Fees and Costs. The first Resolution is for Costs Incurred and Fees Advanced; the second Resolution is for Phase III Post-Organization Fees and Costs. Chairman Lunceford was the dissenting vote. Mr. Jorgenson will draft a similar Resolution for Harris Engineering for the March, 2009, Board meeting.

Water Rights Legal Counsel – On a motion made by Director Johnson and seconded by Director Dressel, the Board unanimously approved the withdrawal of Mr. Anesi as legal counsel for water rights and the assumption of those duties by Collins Cockrel & Cole. A form will be sent to Mr. Anesi for change of legal counsel.

Exclusion and Inclusion Procedures/Policies – Mr. Jorgenson reviewed the Exclusion Procedures and Policies with the Board. On a motion made by Chairman Lunceford and seconded by Director Dressel the Board unanimously adopted the Exclusion Policy and set the fee/deposit that accompanies the Petition for Exclusion at \$200. Mr. Jorgenson then reviewed the Inclusion Procedures and Policies with the Board. On a motion made by Chairman Lunceford and seconded by Director Dressel the Board unanimously adopted the Inclusion Policies and set the fee/deposit that accompanies the Petition for Inclusion at \$1,000. Copies of such policies are attached hereto.

CONSIDER ENTERING INTO INDEPENDENT CONTRACTOR AGREEMENT WITH ANNSWORD, LLC, FOR PUBLIC RELATION SERVICES –

On a motion made by Chairman Lunceford and seconded by Director Lynn the Board unanimously approved the Independent Contractor Agreement with Annsword, LLC for public relations services.

PUBLIC COMMENTS (3 MINUTES PER PERSON). – None.

ANY OTHER MATTER WHICH MAY COME BEFORE THE BOARD – None.

EXECUTIVE SESSION CONCERNING NEGOTIATIONS (SECTION 24-6-402 (4)(B), C.R.S.) AND CONSULTATION WITH ATTORNEY (SECTION 24-6-402(4)(E), C.R.S.). – No Executive Session.

ADJOURNMENT – The meeting was adjourned at 4:55 p.m.

Secretary for the Meeting

APPROVED

Robert W. Beebe

Richard T. Lunceford

Patricia A. Dressel

Daniel R. Lynn, III

Gregg Johnson