

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

HELD

April 9, 2009

The meeting of the Board of Directors ("Board") of the La Plata Archuleta Water District ("District") was held on April 9, 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

Director Absent Was:

Gregg Johnson, Board Member, whose absence was excused

Also in Attendance:

Amy Kraft, 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 one (1) day prior to the meeting at the designated location, Oxford Grange, 8018 Highway 172, Ignacio, Colorado.

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.

CONSIDER LETTER OF
RESIGNATION OF
ROBERT W. BEEBE FROM
BOARD OF
DIRECTORS

Chairman Lunceford read the letter of resignation of Director Robert W. Beebe. Following a brief discussion Director Lynn moved that the Board accept the resignation of Director Robert W. Beebe; Director Dressel seconded the motion. The Board unanimously approved the resignation. Per the Board's request, Ms. Wadhams will publish a Notice of Vacancy. This is not a legal requirement but is an effort of the Board to be open in their communication. A person wanting to be considered as a Board member must be an eligible elector and must be from Director District 2. Each interested party must submit a letter stating their qualifications. Copies of the letters of interest will be distributed to the Board of Directors. The plan is to fill the vacancy at the May, 2009, meeting.

APPROVAL OF
MINUTES

Upon motion made by Director Lynn and seconded by Director Dressel the minutes of the March 12, 2009, regular Board meeting were approved unanimously by the Board. Upon motion made by Director Dressel and seconded by Director Lynn the minutes of the March 26, 2009, special Board meeting were approved with the following changes. Amy Kraft and Ann McCoy will be removed from the list of those in attendance. The meeting was adjourned at 5:45 p.m.

FINANCIAL
REPORT

Approval and Payment of Invoices – Upon motion made by Director Lynn and seconded by Director Dressel the Board unanimously approved the April 9, 2009, La Plata Archuleta Water District Activity Report, and authorized payment of all invoices.

FINANCE
COMMITTEE
REPORT

Grant Applications – Mr. Jorgenson reported on new LAPLAWD activity in grant application processes. Ms. Kraft reported that she had sent detailed estimates of hours per person for technical and legal services to the Basin Roundtable per their request.

PUBLIC RELATIONS/
COMMUNICATIONS
COMMITTEE
REPORT

Communications with Media – Director Lynn will serve as the point of contact for the media. As the Board moves forward with the public education process, it will be important to answer questions thoroughly and succinctly.

Planning and Scheduling Public Meetings – Chairman Lunceford applauded Ms. McCoy's efforts for the March 26, 2009, public education meeting at Ignacio Elementary School. The PowerPoint introduction will be refined to include who pays for specific items related to the water distribution and how the valuation is calculated. The Board reviewed how the public education meetings coordinate with the Master Plan, particularly the pipeline and hydraulic analyses and the meetings with other agencies. The next public education meeting is scheduled for July 9, 2009, at Bayfield.

Improvements to Website – At least one comment form has been received. The Board discussed response times and protocol. FAQs are being revised. The PowerPoint presentation will be added to the website. Board pictures are still needed.

Mission Statement – Ms. McCoy reminded Board members that a mission statement is a statement of purpose. The purpose of LAPLAWD is to build a water system. A vision statement answers additional questions such as how you will know when you are finished, how many homes you will serve, and what the project will look like.

Master Plan – Ms. Kraft reviewed the original timeline (document A) and the extended timeline (document B). The dark line indicates percent complete.

LEGAL REPORT

Consider Adoption of Resolution Concerning Fees and Costs to R.S. Wells – R.S. Wells assisted in the preparation of the District's Service Plan. There are outstanding fees and costs due to R.S. Wells in the amount of \$22,614.12. On a motion made by Director Dressel and seconded, with reservation, by Director Lynn the Board approved unanimously the Resolution Concerning Fees and Costs to R.S. Wells.

Conduct Public Hearing and Consider Approval of Petitions for Exclusion - The Board of Directors conducted a Public Hearing to Consider Petitions for Exclusion of Real Property from La Plata Archuleta Water District for the following persons: David Fallace and Regina Fallace; Michael J. and Kathryn A. Stancampiano; Russell Schuetz and Kathy Schuetz; Thomas St. Ours; and Jack Dean Heiermann, Jr. On a motion made by Director Lynn and seconded by Director Dressel the Board unanimously approved the aforementioned Petitions for Exclusion and agreed to waive the exclusion fee for Thomas

St. Ours as his exclusion was not originally approved due to a County Clerk clerical error.

Review Proposals Received From Financial Consultants – Proposals were received from George K. Baum and Company, Stifel Nicolaus, RBC Capital Markets, and Piper Jaffray for financial consultant and underwriting services. After a lengthy discussion, Chairman Lunceford and Director Johnson were appointed as a committee to talk with all of the firms via conference calls. The committee will report to the Board of Directors.

Review Proposals Received from Public Relations Firms – Proposals from Webb PR and EIS Solutions for public relations services were briefly discussed. Further discussions regarding public relations firms will depend on the outcome of the conference calls with the Financial Consultants.

ENGINEER REPORT

Projected Future Water Requirements – Ms. Kraft reported that the Gantt chart has been revised to accommodate the actual timeline. The suggestion was made that a letter be written to the Director of the Animas La Plata Project asking if some type of cooperative agreement could be reached where they would provide LAPLAWD with a certain amount of water and LAPLAWD would provide them a certain amount of treated water. Ms. Kraft will consult with the Planning Department and the Denver Water Board in an effort to determine what the requirements will be for gallons per day per home on a year-round basis.

Potential Water Sources – Work continues to determine locations and associated costs.

Master Plan – See the Public Relations section for discussion information.

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

ANY OTHER MATTER WHICH MAY COME BEFORE THE BOARD – A change in meeting time was discussed. Future regular meeting times will be changed to 9 a.m. on the second Thursday of the month. Mr. Lynn updated the Board on the building remodel. The Board will plan to begin meeting there in July, 2009. Director Lynn will purchase eight chairs. The Board is looking for a donated file cabinet.

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 4:15 p.m.

Secretary for the Meeting

APPROVED

Richard T. Lunceford

Gregg Johnson

Patricia A. Dressel

Daniel R. Lynn, III