

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

HELD

July 23, 2009

A special meeting of the Board of Directors ("Board") of the La Plata Archuleta Water District ("District") was held on July 23, 2009, at 9:12 a.m. at the Pine River Soil Conservation District, 255 Ute Street, Ignacio, Colorado.

ATTENDANCE

Directors in Attendance Were:

Richard T. Lunceford, Chairman  
Daniel R. Lynn, III, Vice Chairman  
Patricia A. Dressel, Treasurer  
Gregg Johnson, Board Member  
Mark Williams, Board Member

Also in Attendance:

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

In Attendance by Telephone:

Eric C. Jorgenson of Collins Cockrel & Cole  
David A. Greher of Collins Cockrel & Cole  
Micki Wadhams of Collins Cockrel & Cole  
Don Diones of George K. Baum & Company

NOTICE

Ms. Lynn stated that Notice had been properly posted at least three (3) days prior to the meeting in three (3) public locations within the District, include the designated posting location, Oxford Grange, 8018 Highway 172, Ignacio, Colorado. The Notice was also posted in the office of the County Clerk and Recorder 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. Mr. Jorgenson explained this in more detail to the prospective new Director. He will send the Conflict of Interest questionnaire to Mr. Williams. Directors present reported no conflicts of interest.

BOARD  
APPOINTMENT

The Board briefly interviewed Mark Williams regarding his interest and experience in serving on the Board. Following the discussion, upon motion made by Director Johnson and seconded by Director Lynn, the Board unanimously appointed Mark Williams to serve on the Board for Director District No. 2. Thereupon, Chairman Lunceford administered the Oath of Office to Director Williams.

LEGAL REPORT

Policy Granting a Credit Against the Capital Investment Fee. Mr. Jorgenson reviewed the revised Policy with the Board. Upon discussion and motion made by Director Lynn and seconded by Director Johnson, the Board unanimously adopted the Policy Granting a Credit Against the Capital Investment Fee, a copy of which is attached hereto. The Board directed Ms. Kraft to post the Policy on the LAPLAWD website.

Policy Concerning Main Extensions into Subdivisions. Mr. Jorgenson reviewed the proposed Policy Concerning Main Extensions into Subdivisions in depth with the Board. The final Policy will be considered for adoption at the August 13, 2009, Board meeting.

Right-of-Way Standard Procedures and Guidelines. The Board discussed the Right-of-Way Standard Procedures and Guidelines with legal counsel.

Election Issues. The Board discussed the revised Ballot Issue and Election Resolution. The Election Resolution will be considered for adoption at the August 13, 2009, Board meeting. Ms. Wadhams reviewed the Election Services Intergovernmental Agreement – La Plata Archuleta Water District and La Plata County. The District’s cost of the election is estimated at approximately \$9,000. The La Plata County Clerk’s office will invoice the Board within two to three weeks following the election; payment is due within thirty (30) days of receipt of the invoice. On a motion made by Director Williams and seconded by Director Lynn, the Board unanimously approved the Election Services Intergovernmental Agreement – La Plata Archuleta Water District and La Plata County, and authorized Chairman Lunceford to execute the Agreement. Chairman Lunceford discussed the need to focus efforts on the upcoming election. Toward that end it will be necessary to form a Citizens Task Force to broaden the base of citizens who support the District. Board members will contact individuals in their Director Districts who would participate on a Citizens Task Force. Mr. Diones asked that Directors obtain names, addresses, telephone numbers, and email addresses of those willing to serve.

ENGINEER REPORT

Pipeline Extension. Ms. Kraft presented maps and documentation of subdivisions within the District for the Board’s information and discussion.

PUBLIC COMMENTS

None.

ADJOURNMENT

The meeting was adjourned at 11:55 a.m.

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Secretary for the Meeting

APPROVED

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Richard T. Lunceford

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Gregg Johnson

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Patricia A. Dressel

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Daniel R. Lynn, III

\_\_\_\_\_  
Mark Williams

## **LA PLATA ARCHULETA WATER DISTRICT**

### **POLICY GRANTING A CREDIT AGAINST THE CAPITAL INVESTMENT FEE FOR PROPERTY TAXES PAID TO THE DISTRICT WHILE WATER SERVICE WAS NOT AVAILABLE TO THE PROPERTY**

**Adopted: July 23, 2009**

#### **BACKGROUND INFORMATION**

A. Construction of the District's water distribution system is expected to be completed in multiple phases solely dependent upon multiple factors, including the financing and revenues which are available to the District from time to time.

B. The Board of Directors recognizes that some taxpayers of the District may pay property taxes to the District for several years before water service will be available to their property.

C. It is fair and equitable to permit taxpayers of the District to obtain a credit against the capital investment fee, also known as the "tap fee," payable to connect to the District's water distribution system equal to the amount of property taxes paid to the District during the time water service was not available to their property.

#### **POLICIES**

**NOW, THEREFORE,** the following Policies of the La Plata Archuleta Water District ("District") are hereby adopted:

1. Credit shall only be granted for residential property if (a) the owner thereof makes application for service within 12 months of the date water service is available to the property to be served; (b) the property owner pays the balance of the capital investment fee and any other fees and costs then due; and (c) the property owner completes the connection as soon as possible.

2. The property owner must show reasonable proof of payment of his or her property taxes to the La Plata County Treasurer for each year for which a credit is claimed starting with the first Tax Year during which the District levied a property tax. Only that portion of the property taxes levied by the District and paid by the property owner requesting service will qualify for this credit; any property taxes paid by any other party prior to the time the property owner requesting service became the taxpayer for the property to be served shall not qualify for this credit. This credit shall not run with the land.

3. The credit granted by the District shall not exceed the amount of the capital investment fee then in effect at the time application is made for service.

4. The credit granted by the District shall be up to 100% of the general property taxes paid to the District, as provided above, and shall only be used to reduce the amount of the capital investment fee due to connect a residential property to the District's water system. The credit shall not be redeemable in cash or in any other form. The credit shall not be transferable to any other property or to any other person.

5. The burden shall be on the applicant for water service to request any credit due hereunder and to show proof of payment of any property taxes that would qualify the payer of such property taxes to a credit under the terms of this policy.