

**RECORD OF PROCEEDINGS
MINUTES OF THE MEETING OF THE LA PLATA ARCHULETA WATER
DISTRICT
HELD MARCH 13, 2025**

The regular meeting of the Board of Directors (“Board”) of the La Plata Archuleta Water District, Sundance/Farraday Subdistrict, and Fox Fire Subdistrict, La Plata County, Colorado, (“District”) was held on March 13, 2025, at 9:00 a.m., at 255 Ute Street, Ignacio Colorado 81137.

ATTENDANCE

Directors in Attendance

Dan Lynn
Ron Dent
Mark Williams
Kent Curtis
Dick Lunceford

Also In Attendance

Ed Tolen, La Plata Archuleta Water District Manager
Trish Candelaria, Customer Service Representative
Dave Henry, Harris Water Engineering
Michelle Sainio, MBE CPAs
Cheryl Lynn, Secretary to the Board

In Attendance via Telephone

David Greher, Cockrel Ela Glesne Greher & Ruhland
Joe Norris, Cockrel Ela Glesne Greher & Ruhland Micki Mills, Cockrel Ela Glesne Greher & Ruhland
Karmen King, Grayling

CALL TO ORDER

Vice Chairman Lunceford called the meeting to order at 9:00 a.m.

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. Directors present reported no conflicts of interest.

PUBLIC COMMENTS

There were no public comments.

APPROVAL OF MINUTES

Upon motion duly made by Director Dent, seconded by Director Williams, and unanimously carried, the Minutes of the February 13, 2025 Regular Board Meeting were approved as submitted.

At this time a request was made to move the Legal/Paralegal Report ahead in the agenda to accommodate the schedule of legal counsel in Denver. The request was allowed and the meeting continued.

LEGAL/PARALEGAL REPORT

Consider Approving a Petition for Inclusion for 5823 County Road 311, Ignacio, CO 81137

Chairman Lunceford opened a public hearing at 9:02 a.m. to consider approval of a Petition for Inclusion for Property located at 5823 County Road 311, Ignacio, CO 81137. There being no public present and no public comments received, the hearing was closed. Upon motion duly made by Director Lynn, seconded by Director Dent, and unanimously carried the Board approved a Petition for Inclusion for property owned by Sharon Wetmore and located at 5823 County Road 311, Ignacio, Colorado, 81137.

Consider Approving Stipulation for Water Case 21CW3052: District Application Bayfield Pump Station Diversion.

Joe Norris, Legal Counsel at CEGR, told the Board that both cases to be considered for stipulation are ready to consider. In the case of the District Application at the Bayfield Pump Station, the Town of Bayfield wanted specific language to address instances such as a demand increase by either the Town of Bayfield or District. Counsel Norris recommended approval.

Consider Approving Stipulation for Water Case 24CW3005: Eric Romero/Jiveden Diversion

Counsel Norris advised the Board that this case was filed last year with the idea of perfecting pertinent conditional water rights. The applicant has revised its request to ask that half of the water right, 2.75 CFS be approved and the other half, 2.75 CFS, be left as conditional. The proposed Stipulation to settle the case provides for 6 years to perfect the remaining conditional water right, and if not perfected it would be abandoned. The District will only be harmed if the water is not accounted for correctly. Upon motion duly made by Director Lynn, seconded by Director Dent, and unanimously carried the Board approved the Stipulation for Water Case 21CW3052 and the Stipulation for Water Case 24CW3005, instructing Counsel Norris to complete and execute the stipulations.

District Legal Counsel Going Forward from this Date

Counsel Greher noted that Counsel Norris is the most recent partner at CEGR Law. Because Counsel Norris's has worked with other Water Districts and is handling the District's water right cases he will attend District meetings and serve as legal counsel for the District. The Board thanked Counsel Greher for his years of service to the District and welcomed Counsel Norris to his new endeavor.

FINANCIAL REPORT

Approval and Payment of Invoices

Ms. Sainio distributed and discussed the September, October, November, and December, 2024, and the January, 2025, Financial Statements and thanked Mr. Tolen for his role in reconciling the financial statements and preparing financial documents for submittal to the auditor. She also distributed the February Accounts Payable Report dated March 12, 2025. Of note is the transfer request of \$750,000 from TBK Bank where it earns .1% interest to CSafe where it will earn 4% interest. Director Lynn and Mr. Tolen will effect that transfer the afternoon of March 13, 2025, at TBK Bank. The higher payment to Pine River Conservation District reflects rent payments for February and March. CEBT is the line item for the employee benefits package.

Upon motion duly made by Director Williams, seconded by Director Lynn, and unanimously carried the financial reports were approved and invoices signed and processed.

FINANCE COMMITTEE REPORT

Consider Approving an Engagement Letter with MBE CPAs to Provide Fiscal Year 2025 Accounting Services

The Board has had time to review the proposed Engagement Letter with MBE CPAs to Provide Fiscal Year 2025 Accounting Services. Upon motion duly made by Director Lynn, seconded by Director Dent, and unanimously carried the Board approved the Engagement Letter with MBE CPAs to Provide Fiscal Year 2025 Accounting Services.

PUBLIC RELATIONS/COMMUNICATIONS COMMITTEE REPORT

Director Lynn asked those present if, over the past month, they have had any thoughts regarding seeking an increase in mil levy to be used only for construction as part of the November 2025 general election. A discussion ensued regarding support of such an action and how much of an increase to seek if a decision is made to include this in the ballot. This will be an item of discussion at the April, 2025, meeting.

ENGINEER REPORT

Phase 2D Pipeline

Mr. Henry met with Excel Energy. Due to the stringent gas line requirements of 15 feet from the road and 5 feet from the gas line, construction of the water pipeline will need to be carefully coordinated with other utilities.

Phase 2E Pipeline

Mr. Henry has initiated the utility locate request for engineering. Surveys are being conducted on both sides of the road with a view toward water main placement on either side of the road in the event that situation arises.

Draft Regional Water Well Survey

Mr. Henry distributed a draft copy of a Regional Water Well Survey, demonstrating on his personal computer the display of icons available for use in thoroughly engaging District members in a knowledgeable decision regarding a potential mil levy increase, should that be the direction that the Board takes. The thought is that distributing the survey and getting answers back from the public would be an important informative step to take. Mr. Henry noted that Mr. Harris is researching documentation of a similar study completed in the 1990's. The suggestion was made to put this information on the public website. The goal is to make this a data driven process and remove politics from decisions. The follow up to public input is a newsletter, especially if the intent is to pursue a mil levy increase.

Counsel Greher suggested that it would be helpful to hire consultants to assess what level of taxes the public would support and what issues would resonate with voters. He also suggested that, since the Board had been amenable to forming smaller subdistricts in the past, formation of a larger subdistrict might be one avenue to pursue. Ms. Mills provided a timeline of action items and associated dates in order to pursue a ballot item for November, 2025.

ENVIRONMENTAL REPORT

Ms. King continues to work with the Army Corps of Engineers regarding environmental issues on Projects 2D and 2E.

GENERAL MANAGER REPORT

Fox Fire Subdistrict Distribution System

Mr. Tolen has learned over the past month that CWCB can loan money for a treated water pipeline. He plans to submit an application to DOLA on April 1, 2025, where grants will be discussed. Again, this grant is necessary to provide additional financial assistance due to increased costs resulting from COVID and inflation. He will seek CWCB pre-approval at their May Board meeting that could lead to coordinated funding between CWCB and DOLA to be received and go to bid for construction in early Fall.

County Road 311 Storage Building Project

Mr. Tolen advised the Board that the Contractor did not obtain the necessary framing inspection for the storage building and is meeting today with La Plata County in an effort to have someone conduct the framing inspection. Mr. Tolen will meet with the Contractor and La Plata County to ensure all inspections have been appropriately conducted.

HB25-1211

House Bill 25-1211 has been introduced, in part, as a result of a conflict between the City of Lakewood and Green Mountain Water and Sanitation District. The thought is that people need lower priced tap fees if they fall into a certain economic stratum. Special Water Districts set their rates with local economic data considered and this legislation is unnecessary. Upon motion duly made by Director Lynn, seconded by Director Dent, and unanimously approved, the Board approved Mr. Tolen's writing a letter in opposition to this legislation.

Please see the General Manager's March, 2025 Report for further information.

EXECUTIVE SESSION

An Executive Session was not conducted.

ANY OTHER MATTER WHICH MAY COME BEFORE THE BOARD

No other matter was introduced.

ADJOURNMENT

The meeting was adjourned at 10:05 a.m. The next regular meeting of District is scheduled for April 10, 2025.

PREPARED BY

Cheryl Lynn
Secretary for the Meeting

APPROVED

Richard T. Lunceford

Daniel R. Lynn, III

Mark Williams

Ron Dent

Kent Curtis