

RECORD OF PROCEEDINGS
MINUTES OF THE MEETING OF THE
LA PLATA ARCHULETA WATER DISTRICT
HELD
December 8, 2022

The regular meeting of the Board of Directors (“Board”) of the La Plata Archuleta Water District and Fox Fire Subdistrict, La Plata County, Colorado, (“District”) was held on December 8, 2022, at 9:00 a.m., at 255 Ute Street, Ignacio Colorado 81137.

ATTENDANCE: Directors in Attendance Were:

Dick Lunceford
Dan Lynn
Ron Dent
Kent Curtis
Mark Williams

In Attendance, Also, Were:

Ed Tolen, La Plata Archuleta Water District Manager
Yvonne Brunson, La Plata Archuleta Water District Customer Service Representative
Steve Harris, Harris Water Engineering
Dave Henry, Harris Water Engineering
Barb Prose, FredrickZink and Associates
Karmen King, Grayling
Cheryl Lynn, Secretary to the Board

In Attendance, Also, via Telephone, Were:

David Greher, Cockrel Ela Glesne Greher & Ruhland
Micki Mills, Cockrel Ela Glesne Greher & Ruhland

CALL TO ORDER 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 interests 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.

PUBLIC COMMENTS No public comments were received.

APPROVAL OF
MINUTES

Upon motion duly made by Director Dent, seconded by Director Lynn, and unanimously carried, the Minutes of the November 10, 2022, Regular Board Meeting were approved as presented.

FINANCIAL REPORT

Approval and Payment of Invoices – Directors reviewed the December 2022 Accounts Payable Report and December 2022 Accountant’s Compilation Report. Directors clarified expenditures as necessary. Upon motion duly made by Director Williams, seconded by Director Dent, and unanimously carried the Board approved payment of invoices as shown on the attached Accounts Payable statement dated December 7, 2022.

FINANCE COMMITTEE
REPORT.

Conduct a Public Hearing on a Proposed Capital Investment Fee Increase and Consider Adoption of a Resolution Setting Capital Investment Fees – Chairman Lunceford opened a public hearing to consider the Proposed Capital Investment Fee Increase and Consider Adoption of a Resolution Setting Capital Investment Fees. There was no public comment. Chairman Lunceford closed the public hearing. Director Curtis then asked who the audience is for this Resolution and asked the necessity for a Resolution. Ms. Mills said it's a Board determination if a Resolution is required. Because it is the first proposed increase since Capital Investment Fees were initially set and because fees are being raised as a result of higher installation costs. Mr. Greher suggested that description of the increased costs and the necessity for them be stated in the Resolution to add specificity to the Resolution. Upon motion duly made by Director Dent, seconded by Director Lynn, and unanimously carried, the Board approved a Capital Investment Fee Increase and Adoption of an amended Resolution Setting Capital Investment Fees, a copy of which is attached.

Public Hearing on 2023 Budget and Adoption of Resolutions to Adopt Budget, Certify Mill Levies, and Appropriate Sums of Money – Chairman Lunceford opened a public hearing to consider the proposed 2023 District Budget. The Notice Concerning Proposed Budget was published pursuant to statute. There was no public comment. Chairman Lunceford closed the public hearing. The final 2023 District budget was adjusted from earlier drafts of the budget to allow for increases in salaries, prospective purchase and erection of a storage building on property owned by the District, and construction equipment necessary to move District maintenance supplies. The numbers and types of supplies necessary to effectively serve the District have outgrown the ability to safely be stored in a Zircon container. Upon motion duly made by Director Dent, seconded by Director Lynn, and unanimously carried, the Resolution to Adopt the 2023 La Plata Archuleta Water District Budget was approved. Upon motion duly made by Director Lynn, seconded by Director Dent, and unanimously carried the Certification of Tax Levies was approved in the amount of \$1,556,933 for La Plata Archuleta Water District. Upon motion duly made by Director Lynn, seconded by Director Williams, and unanimously carried the Certification of Tax Levies was approved in the amount of \$38,183 for Sundance/Farraday Subdistrict No. 1 of the La Plata Archuleta Water District. Upon motion made by Director Lynn, seconded by Director Dent, and unanimously carried the Certification of Tax Levies was approved in the amount of \$51,390 for the Fox Fire Subdistrict of the La Plata Archuleta Water District. Upon motion duly made by Director Dent, seconded by Director Lynn, and unanimously carried the Certification of the 2023 Budget for La Plata Archuleta Water District was approved.

PUBLIC RELATIONS
/COMMUNICATIONS
COMMITTEE REPORT

There is nothing to report.

LEGAL REPORT –

Paralegal Report – Adoption of a Resolution for the 2023 Election – Ms. Mills reminded the Board that they are in the final leg of the process to transition to odd year elections with four-year terms. The election is scheduled to be held on May 2, 2023. Directors Dent, Curtis, and Lunceford are eligible to run for four-year terms. This Resolution also designates Mr. Tolen as the Designated Election Official for the administration of the Election on behalf of the District. Self-Nomination and Acceptance forms will be available at the January, 2023 Board meeting. In the event that, by the close of business on February 28, 2023, there are not more candidates than offices to be filled at the Election, the Designated Election Official shall cancel the election and declare the candidates elected. Upon motion duly made by Director Lynn, seconded by Director Williams, and unanimously carried the Board adopted the Resolution for the 2023 Election.

ENGINEER REPORT

Colorado River Compact, 1922, and Upper Colorado River Compact, 1947 – Mr. Harris has compiled a report detailing Colorado River water which he distributed to Board members. Mr. Tolen will distribute the document electronically.

Phase 2D Pipeline – Mr. Tolen advised the Board that he, along with the surveyor, designer, and Mr. Henry met on site and discussed moving Phase 2D to the other side of Highway 172 in some sections. The 811 Survey is complete, including the envelope, and a design set of plans will soon be available.

Fox Fire Distribution System – Mr. Henry told the Board that additional utilities have been located and included in design plans. The design plans have been sent to the drafter.

ENVIRONMENTAL REPORT – Ms. King noted that, as Phase 2D is anticipated to encompass 2 contract years, Fall of 2023 into the Spring of 2024, it is important to ascertain whether the project will be one project in each of the years or 1 project encompassing 2 years. Phase 2D will be one project taking place over 2 years. This impacts the necessary permits. Once she has the final alignment map she can initiate the permit process. Added to the intricacy of the permitting process is the Adjacent Waters Clause that leads to a review if a project causes any impact to a watershed connection within the original Southern Ute Tribal boundaries. She reminded the Board that the review process will likely require more than one year to complete.

GENERAL MANAGER REPORT

Consider Participation in the FAMLI Program – Mr. Tolen outlined new information he had learned about the FAMLI program – that it is an insurance program for Federal FMLA and that documentation is required. Further, the payment to the employee is the same whether the District participates or not. Director Lynn reported that the Durango School District had decided against implementation of the program due to necessity of hiring a full time person to administer the program. They did leave it open so that employees could participate on their own if they wanted to. Following considerable discussion and upon motion duly made by Director Williams, seconded by Director Dent and unanimously carried the Board decided not to participate in the FAMLI program but to allow employees to participate if they chose to do so with the paperwork being handled by the LAPLAWD payroll processor.

LAPLAWD Office Furnace Repair - Mr. Tolen had obtained bids for furnace repair from four companies. The chosen contractor was coming to the office after the meeting ended to complete the repair which will be paid for by the District as they feel that the low cost of the rent allows them to absorb the repair costs, even though there was a possibility of asking the Pine River Conservation District for assistance with the payment.

LAPLAWD Office Lease or Purchase – The Pine River Conservation District will retain ownership of the building in which the office is housed but would be willing to have a long-term lease. The current lease is structured as a long-term lease in that it runs until someone cancels it.

Easements for Phase 2C Project – The Board will discuss the easements in Executive Session.

Approval of the 2022 Addendum to the General Manager's Employment Agreement – Upon motion duly made by Director Lynn, seconded by Director Dent, and unanimously carried the Board approved the 2022 Addendum to the General Manager's Employment Agreement, a copy of which is attached.

EXECUTIVE SESSION – Upon motion duly made by Director Dent, seconded by Director Lynn, and unanimously carried the Board convened in Executive Session to confer with an attorney for the purpose of receiving legal advice on specific legal questions (Section 24-6-402(4)(b), C.R.S.) and for determining positions relative to matters that may be subject to negotiations, developing strategies for negotiations, and instructing negotiators (Section 24-6-402(4)(c), C.R.S.). The Board discussed easements for the Phase 2C Project. The Board adjourned to its regular meeting at 10:06 a.m.

ANY OTHER MATTER WHICH MAY COME

BEFORE THE BOARD – Loan Program – Director Curtis will put together a potential loan program that can be accessed by LAPLAWD customers who need to pay to install a water tap. The plan is that it would be simple to apply and administer and the loan payment would be carried on the water bill.

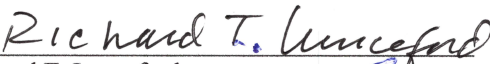
City of Durango Water Delivery Status – The City of Durango has allocated \$500,000 preliminary engineering for the pipeline from Lake Nighthorse to the College Mesa treatment plant..


ADJOURNMENT


The meeting adjourned at 10:45 a.m. The next regular meeting of LAPLAWD is scheduled for Thursday, January 12, 2023, at 9:00 a.m. at 255 Ute Street, Ignacio, Colorado, unless it is necessary to meet in another matter to satisfy governmental requirements.



Secretary for the Meeting

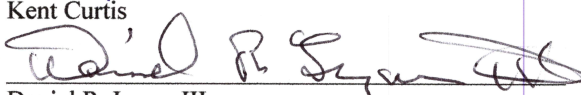
APPROVED


Richard T. Lunceford


Mark Williams


Ron Dent


Kent Curtis


Daniel R. Lynn, III