

**RECORD OF PROCEEDINGS
MINUTES OF THE MEETING OF THE LA PLATA ARCHULETA WATER
DISTRICT
HELD DECEMBER 12, 2024**

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 December 12, 2024, at 9:00 a.m., at 255 Ute Street, Ignacio Colorado 81137.

ATTENDANCE

Directors in Attendance

Dick Lunceford

Ron Dent

Dan Lynn

Kent Curtis

Director In Attendance by Telephone

Mark Williams

Also In Attendance

Ed Tolen, La Plata Archuleta Water District Manager

Dave Henry, Harris Water Engineering

Karmen King, Grayling

Michelle Sainio, MBE CPA’s

Cheryl Lynn, Secretary to the Board

In Attendance via Telephone

David Greher, 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 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 and present via telephone 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 Lynn, and unanimously carried, the Minutes of the November 14, 2024, Regular Board Meeting were approved as written.

FINANCIAL REPORT

Approval and Payment of Invoices

Michelle Sainio, MBE CPAs, explained to the Board the difficulties she has encountered in providing timely and accurate monthly LAPLAWD financial statements to the Board. The change from the formerly used software to the new software, the firm's merger, and staffing issues have resulted in lack of work products. These problems were not foreseen and are at a level that the responsibility has all fallen on Michelle's shoulders to correct. She has draft financial statements for the months of September and October but has been unable to verify accuracy. Mr. Tolen suggested that she take time to provide accurate documents prior to distributing them to the Board. Ms. Sainio expects to end the year with accurate financial statements that can be used for the 2024 LAPLAWD Audit.

FINANCE COMMITTEE REPORT

La Plata Archuleta Water District Draft 2025 Budget

Conduct Public Hearing on 2025 Budget, and Consider Adoption of Resolutions to Adopt Budget, Certify Mill Levies and Appropriate Sums of Money

Chairman Lunceford opened a public hearing to consider the proposed 2025 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 2025 District budget was adjusted from earlier drafts of the budget to allow for an increase in estimated interest income in 2024 and purchase of a District Manager's truck in 2025. Upon motion duly made by Director Lynn, seconded by Director Dent and unanimously carried the Board reviewed and considered and adopted Resolutions to Adopt Budget, Certify Mill Levies and Appropriate Sums of Money for the 2025 Budget of La Plata Archuleta Water District.

Consider Approving an Engagement Letter with Haynie & Company for the District's 2024 Audit

Upon motion duly made by Director Lynn, seconded by Director Dent, and unanimously carried the Board Approved an Engagement Letter with Haynie & Company for the District's 2024 Audit.

Consider Approving an Engagement Letter with MBE CPAs for Accounting Services in 2025

Mr. Tolen has received a draft Engagement Letter for Accounting Services in 2025 from MBE CPAs and has returned it to them with his comments and suggestions. He has not received the revised Engagement Letter from MBE CPAs nor has the Board had a chance to review the letter. Action regarding this Engagement Letter will take place at a future meeting.

PUBLIC RELATIONS/COMMUNICATIONS COMMITTEE REPORT

Public Relations/Communications were not discussed.

LEGAL REPORT

Consider Adopting a Resolution for the 2025 Election

Upon motion duly made by Director Dent, seconded by Director Curtis, and unanimously carried the Board adopted a Resolution Calling for the 2025 Regular District Election and Appointing a Designated Election Official. Directors Lynn and Williams will be up for re-election. Mr. Tolen will serve as the Designated Election Official for the regular election to be held May 6, 2025.

ENGINEER REPORT

Fox Fire Pipeline/ Fox Fire Distribution System

Mr. Henry advised the Board that only one or two easements remain to be completed within the next few weeks.

Phase 2D Pipeline

Mr. Henry also advised the Board that the Phase 2D pipeline survey has been completed. Due to many utilities on the north side of the road it is anticipated that a portion of the pipeline will be installed on the south side of the road. Utility locations and specifics have not been well documented.

Phase 2E Pipeline

Mr. Henry and Mr. Tolen walked the location of Phase 2E on November 21, 2024. Again, it will be necessary to locate the water line judiciously, keeping in mind environmental issues such as wetlands and other utilities that have already been installed.

ENVIRONMENTAL REPORT

Ms. King advised the Board that Phase 2C Permits have met all time and record keeping standards and have been closed. The same process will be used for Phase 2D. The Southern Ute Tribe is tasked with meeting water quality standards for Cyanobacteria, though that water quality standard doesn't affect LAPLAWD.

GENERAL MANAGER REPORT

Schedule of Meetings for 2025

Directors reviewed the proposed District meeting dates for 2025. Mr. Tolen has confirmed with Ms. Sainio that there will be no issue with early monthly closing dates. Dates on the list need to be changed from 2024 to 2025. Upon motion duly made by Director Lynn, seconded by Director Dent, and unanimously carried the Schedule of Meetings for 2025 was approved as corrected.

County Road 311 Storage Building Project

Mr. Tolen invited people to come and see the newly erected storage building. It has been insulated and sheeted, and trim will need to be completed. The skylights and overhead door will be installed upon arrival, possibly after the first of 2025. Please see the General Manager's Report for additional detail.

Phase 2C Pipeline

Mr. Tolen advised the Board that, with the work being completed, meters will soon be installed. People are excited to have District water as soon as possible. The project required hydroexcavation of gas lines twice per crossing at the 20 crossings which include service lines and fire hydrants. The cost has increased and it will take a certain amount of time to complete the remaining work, including water testing, before residents are able to receive water from the system.

Please see Mr. Tolen's November 2024 General Manager Report for additional information.

Consider Approving the 2024 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 2024 Addendum to the General Manager's Employment Agreement, the terms of which were finalized at the November 2024, meeting of the Board of Directors of LAPLAWD.

EXECUTIVE SESSION

An Executive Session was not conducted.

ANY OTHER MATTER WHICH MAY COME BEFORE THE BOARD

Bond Payment

Mr. Tolen and Director Lynn will meet at TBK Bank at 3:30 p.m. the afternoon of the Board meeting, December 12, 2024, to process paperwork and complete the bond payment.

Cost Recovery Agreement

A Cost Recovery Agreement has been established for the lower section of Fox Fire Road in order that costs may be distributed fairly to all users of a water line.

ADJOURNMENT

The meeting was adjourned at 9:38 a.m. The next regular meeting of LAPLAWD is scheduled for January 9, 2025.

PREPARED BY

Cheryl Lynn
Secretary for the Meeting

APPROVED

Richard T. Lunceford

Daniel R. Lynn, III

Mark Williams

Ron Dent

Kent Curtis