

Lake Durango Water Authority
Minutes of the Regular Meeting of the Board of Directors
February 16, 2009

1. Call to Order

The meeting was called to order at 6:03 p.m. by President Peter Butler. Other Directors present were Vice President Ward Holmes, Treasurer Tom Brossia, Secretary Bob Woods and Director Sharon Rader. Recording Secretary Jenna Hutt and Attorney Bud Smith arrived later due to a previously scheduled meeting.

2. Approval of Agenda

The agenda was approved with additions noted below.

3. Approval of Minutes

Tom made a motion to approve the minutes of the February 2, 2009 Regular Meeting with Peter's changes. Sharon seconded the motion. Motion carried.

4. Accounting firm update

There are four letters from accounting firms. Gene Bradley agreed to be on the accounting committee with Janet Anderson. They will be meeting with the accountants and recommending who to hire.

5. Options for reviewing General Manager applications

The Board reviewed the list of action items Sharon created for the hiring process. She will work on a hiring procedure document to be reviewed by the Board at the next meeting. Decisions on a subcommittee for the hiring process will be made at the next meeting.

6. Review Repair and Improvements list

The Board reviewed the repair and improvements list. There are a lot of items on the list but not many of them are expensive. Repairing the drain gate in the dam could be a bigger item, but it is not know how much it cost to repair. If the numbers are correct, the DOLA money should cover the higher priority items on the repair and improvements list.

7. Progress on acquisition funding

The paperwork has been received from CO Water Resources and Power Development Authority for the \$10,000 planning grant to be used for the Wright Water Study. The SW Water Conservation Group will make an exception and look at the Authority's application in April to fund the remainder of the study. The Wright Water Study is just getting going, and they will be looking at the system next week. Peter requested the study be done by April.

8. PUC update

Senator Jim Isgar inquired about the status of the decision and was told there should be a decision by the end of the month.

9. Title documents update

Last week Bud spoke with Margaret at Colorado Land Title, which is now the title company doing all of the work. They are ready to do all of the work, but they want a \$1,000 deposit before they begin the title work. Bud has left messages for Bob Johnson explaining this to him, but he has not heard back from Johnson. The Board agreed to wait until the PUC makes their decision and then have Johnson order the title work.

10. Board Meeting times and location

The Board decided to delay this discussion until Bob's seat has been filled by the County.

11. Public comments or questions

There were no comments or questions.

- The fact that the two Districts have fronted all of the formation costs for the Authority was discussed (over \$100,000 so far) and that it was unfair that this burden has fallen to the Districts alone and not at all to the retailers. As a first step, the Board agreed to send another progress report to the customers including discussion of this issue. There may be a follow up request to homeowners associations to help share the burden. Peter said he would work on a draft progress report.

12. Adjourn

The meeting was adjourned at 7:57 p.m.

Bob Woods
Secretary