

Lake Durango Water Authority
Minutes of the Special Meeting of the Board of Directors
May 18, 2009

1. Call to Order

The meeting was called to order at 6:20 p.m. by Vice President Ward Holmes. Other Directors present were Treasurer Tom Brossia, Secretary Sharon Rader and Director Jeff Wagner. Director Ron Borrego arrived later due to a scheduling misunderstanding. Recording Secretary Jenna Hutt, Attorney Bud Smith, Charles Smith and former Board members Janet Anderson, Bob Woods and Peter Butler and one system user were also present.

2. Approval of Agenda

The agenda was approved with additions noted below.

3. Officer elections

Sharon made a motion to elect Ward Holmes to President. Jeff seconded the motion. Motion carried. Sharon nominated Jeff Wagner to be Vice President. Tom seconded the motion. Motion carried. Remaining offices will remain the same.

4. Progress on acquisition funding

The Water and Power Authority are meeting on June 5th to review the application. Tom made a motion to approve and engage bond council Sherman and Howard LLC to work on the bond and authorize the LDWA President to sign it. Jeff seconded the motion. Motion carried.

5. Title issue progress

Bud has not gotten a response on title issues from Bob Johnson or his attorneys. Jeff made a motion to authorize Bud to work with bond council to finalize the financing for the acquisition for the Water and Power Authority and private funding. Tom seconded the motion. Motion carried. Bud will provide a closing memo of things to get done between the buyer and seller for the Board to review.

6. CIF balance

Bud has not gotten any response on the letter he sent to Bob Johnson and his attorneys about the CIF balance.

7. Water Use Ordinance

Bud received some examples of water user ordinances for the Board to review and create Rules and Regulations to have in place at closing. Tom will work with Chris Kramer and Marsha to see if LDWC has any existing ordinances.

8. Low income users assistance

Jeff is still working on finding more information.

9. Public comments or questions

There was a question on any inaccuracies with the tap list. The resident was directed to resolve the issues with LDWC.

Tom reported that the lake is filled to the overflow level.

-There is a total of \$4267.86 in the bank. Tom made a motion to pay \$2694.38 for the Wright Water Engineers bill. Jeff seconded the motion. Motion carried. Ward stated that the SDA insurance bill for \$1777.00 will be paid for by DW2.

-Tom made a motion to accept the minutes of the May 4th, 2009 Special meeting as amended by Peter. Sharon seconded the motion. Motion carried.

- Ward will respond to the Rafter J letter and state that the Authority cannot do anything until they own the Company.

10. Adjourn

The meeting was adjourned at 8:08 p.m.

Sharon Rader

Secretary