

Lake Durango Water Authority
Minutes of the Regular Meeting of the Board of Directors
March 2, 2009

1. Call to Order

The meeting was called to order at 6:04 p.m. by President Peter Butler. Other Directors present were Vice President Ward Holmes, Treasurer Tom Brossia, Directors Jeff Wagner and Sharon Rader. Recording Secretary Jenna Hutt and Attorney Bud Smith were also present.

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 16, 2009 Regular Meeting. Sharon seconded the motion. Motion carried.

4. PUC update

The PUC approved the transfer with minor provisions.

5. Title documents update

Bob Johnson decided on Land Title Guarantee to do all of the title work, and they are authorized by Johnson to do the work. There is a substantial amount of documentation for the easements. 81 easements Review everything with a water tank and a pumping station 20 easements. Get title commitments on all 81 easements or create an agreement draft a letter outlining a potential agreement to Bob Johnson with a warranty idea on the remaining 61 items. Pay the title company now and have them tell what needs to be done to fix them or if there is a problem. Ward made a motion to instruct Bud to go through the easements looking for valid prescriptive easements. After Bud has found all of the non-prescriptive easements, meet with Johnson to discuss either having the title company insure all of the non-prescriptive easements or have Johnson enter into an agreement to warranty all of the non-prescriptive easements whereas money would be withheld from Johnson's payments if there are challenges to the easements in the future or have the title company insure all those easements. Tom seconded the motion. Motion carried.

6. Progress on acquisition funding

The Board discussed the different possibilities for getting acquisition funding. Tom made a motion to apply to SW Water Conservation District for \$17,000 with \$10,000 as a grant and \$7,000 as a loan, that would not be paid back if the system was is acquired. The \$17,000 is to fund the remainder of the Wright Water study. Ward seconded the motion. Motion carried.

7. Accounting firm update

Janet has information from five accounting firms that financial committee will meet with in the end of April.

8. Hiring General Manager process

Tom made a motion to appoint Sharon, Ward and Bob Woods and Victoria Schmidt from the County to be on the hiring subcommittee. The hiring subcommittee will go through the resumes and conduct phone interviews. Sharon seconded the motion. Motion carried. The Board reviewed the hiring procedures document Sharon created. Sharon made a motion to accept the procedures. Ward seconded the motion. Motion carried.

9. Board Meeting times and location

Tom made a motion, effective April 1st, LDWA Board meetings will be held on the second and fourth Thursdays of each month, at 6:00 p.m., at the Durango West 1 office. Sharon seconded the motion. Motion carried.

10. Election of Board Officers

The election of Board officers was delayed until Jeff has a chance to get to know the other Board members. Tom made a motion to nominate Sharon Rader as Board Secretary. Ward seconded the motion. Motion carried.

11. Public comments or questions

A member of the public wanted to thank the Board for the they have been doing.

- The ditch has blocked by snow and ice from snowplowing in the Indian Shadows development. Bob Johnson is working with his employees and the development to get the snow cleared and the issue resolved.

12. Adjourn

The meeting was adjourned at 7:40 p.m.

Bob Woods
Secretary