

Lake Durango Water Authority  
Minutes of the Special Meeting of the Board of Directors  
June 11, 2009

1. Call to Order

The meeting was called to order at 6:03 p.m. by President Ward Holmes. Other Directors present were Treasurer Tom Brossia, Secretary Sharon Rader and Director Ron Borrego. Vice President Jeff Wagner was out of town. Recording Secretary Jenna Hutt, Attorney Bud Smith, Charles Smith and former Board members Janet Anderson, Erick Aune from La Plata County and four system users were also present.

2. Approval of Agenda

The agenda was approved with additions noted below.

3. Progress on acquisition funding

The Water and Power Authority approved a \$2,000,000 loan for the Authority to purchase Lake Durango Water Company. Bud sent out four requests for proposals for a revenue bond, and Alpine Bank was the only bank to respond, offering 6% interest with a 10 year term and no prepayment penalty. Tom made a motion to authorize the bond attorney to proceed with drawing up the necessary papers and move forward with the Alpine bank loan. Sharon seconded the motion. Motion carried. Sharon made a motion to direct Bud to have a target closing date of July 15, 2009. Ron seconded the motion. Motion carried.

4. Assignments for closing

- a. Site visit: Tom will work on scheduling with Chris Kramer for July 7<sup>th</sup>, 2009.
- b. Inventory: Tom and Charlie will put together a list of what the Authority is acquiring.
- c. White board projects: The County is working on correlating the tap list with their GIS database.
- d. Other: Charlie will meet with accounting firm options and decide by June 29<sup>th</sup> meeting. Sharon made a motion to approve the easement deed agreement. Tom seconded the motion. Motion carried.

5. Title issue progress

Bob has satisfied the title company for requirements on the three parcels. No title issues left in real property the Authority will own. The easement issues are all that is left. Bob Johnson, owner of LDWC would like to shorten the term of the indemnity agreement. Sharon made a motion to amend the indemnity agreement to a period of 8 years. Tom seconded the motion. Motion carried.

6. CIF balance

CIF fund balance was reported to have \$141,000 in the actual account.

7. Water Use Ordinance

Charlie, Bud and Chris Kramer will get together and work on policies. Sharon made a motion to adopt the tariff as the water use ordinance at closing with a plan to adopt a specific water use ordinance soon thereafter. Tom seconded the motion. Motion carried.

8. Public comments or questions

There was a question about updating the tap list. The user was directed to get corrections done with Marsha.

-Tom stated that the bank account currently has \$1573.48. Tom made a motion to pay a bill from Peter Butler for \$69.61 to reimburse him for copy and mailing expenses. Sharon seconded the motion.

- Tom made a motion to approve the minutes of May 18, 2009 Special meeting. Sharon seconded the motion. Motion carried.

- The next regular meeting will be moved from June 25 to June 29<sup>th</sup>.

-Ron will work on a small system training and technical grant.

-The insurance bill was paid by DW2.

9. Adjourn

The meeting was adjourned at 8:03 p.m.

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Sharon Rader  
Secretary