

Lake Durango Water Authority
Minutes of the Regular Meeting of the Board of Directors
June 16, 2008

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 and Secretary Bob Woods. Recording Secretary Jenna Hutt was also present. Director Janet Anderson and Attorney Bud Smith arrived late due to earlier meetings.

2. Approval of Agenda

The agenda was approved.

3. Approval of Minutes

Bob made a motion to approve the minutes of the June 2, 2008 Regular Meeting with one correction. Tom seconded the motion. Motion carried.

4. Letter request for Cole Eden subdivision

Cole Eden requested a letter from the Authority stating that the Authority recognizes Cole Eden owns 7 of the committed taps. The Board took no action at this time. Peter will talk with the County staff and get more input on what the County needs to allow the subdivision development process to move forward.

5. Update on PUC process

The Board discussed the progress of the PUC application and the three petitions to intervene. Based on agreements worked out with two of the Shenandoah subdivisions, two parties are going to withdraw their interventions. Peter and Bob will talk with another person who is not an intervener, but raised concerns to the PUC. Bud advised that Bob Johnson, owner of LDWC, needs to work out the issues with the last intervener, his family. If the interventions are withdrawn, the earliest the closing could be late August. A letter will be written to Bob Johnson, and copy Jim Anesi and Ed Lyons and the County stating that Bob needs to work out the issues with his family.

6. Status of Shenandoah Contracts

The President of the Shenandoah HOA, Kurt Smith, stated that the HOA should approve the contract soon. Tom stated that Shenandoah Estates are going to sign soon as well. Both contracts are currently at the attorneys'.

7. Public Comments/Questions

There were no public comments/questions.

8. Initial discussion on management/employee structure

Bob created a draft job description for the manager. Bob will discuss with Animas Water their recent manager hiring process. Bob will add some technician concepts to the job description. The Board also reviewed a draft RFP for accounting firms.

9. Status on legal opinion on MOA terms

Per C.R.S. 24-6-402(4) Bob made a motion that the Board enter into Executive Session to (b) consult an attorney on specific legal questions regarding: the status on legal opinion on MOA terms and contracting professional help for due diligence. Tom seconded the motion. Motion carried.

After properly voting to come out of executive session, Bob made a motion, based on the legal opinion, not to pursue the legal issues discussed in executive session with regard to the MOA. Tom seconded the motion. Motion carried. Peter will send a letter to both Durango West 1 and Durango West 2 Metro districts in regards to the motion not to pursue any issues in the MOA.

10. Adjourn

The meeting was adjourned at 8:11 p.m.

Bob Woods
Secretary