

1. Call to order

Ward Holmes called the meeting to order at 6:06 PM

Directors present: Treasurer Tom Brossia, Steve Harris, Jeff Wagner. General Manager Charlie Smith and Recording Secretary Nick Laitsch were also present.

2. Approval of the Agenda

Approved

3. Approval of 8/19/10 and 9/13/10 Meeting Minutes.

Tom moved to approve, Steve 2nd. Approved.

4. Master Plan Progress Report

The 1st draft of the Master Plan and PER for Source Water preferred alternative, and the final drafts of the Safe Yield Analysis and Source Water Evaluation should be completed before the next meeting. The Environmental report for the PER is not included in the scope of work. The board discussed options for matching funds on USDA grants.

Russell Engineering is over budget and would like a change order to recoupe the 10% discount for the Master Plan project that agreed to in the contract negotiations. The Board decided not to consider the matter until they had more substantial progress.

5. Johnson 2 and 3 Reservoir repairs

The Board decided to defer a decision on proceeding with repairs to Johnson 2 and 3 until the Master Plan is completed

6. General Managers Report: Billing, Financial, Water System, Insurance, Other.

GM Report 9/23/10

Financial Report and Billing

Profit and Loss, Balance Sheet and Budget performance reports for August 2010 and the September 23 Check detail were presented. Ordinary Income is greater than budgeted due to higher than anticipated water sales and Ordinary Expenses are less than budgeted.

The 2009 County and State assessed property taxes were prorated and paid at closing at which time the property should have become tax exempt, however the Authority was sent 2009 tax notices from La Plata County. The County Assessor's office was contacted on each occasion after receiving tax notices and delinquent tax notices and they reported that the errors had been corrected. Eventually abatement forms for the County taxes were received. State taxes, however, are still being assessed. Bud Smith has contacted the County Treasurers Office to clear up the matter.

The Board agreed that final payments to Russell Engineering for the Master Plan (approximately \$17,000) should be made using budgeted DOLA funds.

Source and Supply - The lake volume is 843 AF. Amber (approx 35 AF) will begin draining to Lake Durango starting on Monday Sept. 20. Amber was dosed with copper sulfate after fill this spring and CuSO₄ will also be dosed as it is drained to Lake Durango. Dam inspections were performed on Lake Durango, Amber and Johnson 2 on August 25th. Inspector Matt Gavin reviewed Russell's plans for the Amber spillway ditch. The Board had approved piping the spillway discharge if it was acceptable to the State, however after getting Matt's input it was decided to go with grass lined ditch for the flat section. There is no need to reroute the existing ditch if it is kept open instead it will be regraded closer to level, widened, extended beyond the toe of the dam, and the discharge end will be armored to prevent back cutting. The steep section will use the 18" corrugated pipe. Estimated cost is \$35-40,000 which is 15,000 less than the original plan.

Treatment

July water production was 5,759,800 gallons (17.7 AF). The raw water turbidimeter was replaced with a used meter from Dolores, we are still negotiating a price.

The board briefly discussed the treatment plant feed system.

Distribution

August Water Consumption was 3,926,392 gallons (11.9 AF.) Meter replacements continue.

7. Audit Report.

Tom moved that, due to the expense of having a CPA do the LDWA monthly financial reports, it is decided to continue having our general manager and our accounting firm, ASAP, do the monthly reports, and have our auditor audit the yearly financial reports. Steve seconded. Approved.

Charlie will develop a policy for the capitalization of fixed assets as recommended by the auditors

Tom moved to approve the audit and have Ward sign the representation letter. Jeff seconded. Approved. Tom signed as secondary.

8. Approval of Bills.

Tom moved to approve bills as listed in the check detail. Steve seconded. Approved.

9. Public Comments or Questions.

There were no public comments or questions

10. Adjourn

Ward adjourned at 7:15

Next meeting is on the 28th.