

Lake Durango Water Authority
Minutes of the Regular Meeting of the Board of Directors
March 26, 2009

1. Call to Order

The meeting was called to order at 6:07 p.m. by President Peter Butler. Other Directors present were Vice President Ward Holmes, Treasurer Tom Brossia and Secretary Sharon Rader. Director Jeff Wagner arrived shortly thereafter. Recording Secretary Jenna Hutt and Attorney Bud Smith were also present. Former Board members Bob Woods and Janet Anderson and two system users were also present.

2. Approval of Agenda

The agenda was approved with additions noted below.

3. Approval of Minutes

Ward made a motion to approve the minutes of the March 16, 2009 Regular Meeting. Sharon seconded the motion. Motion carried.

4. DOLA Grant

Ward received a letter from Tony Hernandez, Director of Local Government Services, in reference to the DOLA grant execution. Ward will talk to Ken Charles and email the draft letter to the Board for additions and changes to be made. Ward will send the letter along with the repair and improvement list and the progress report.

5. Title documents update

Bud received an updated title commitment this afternoon. There is still a problem with the access to Amber reservoir, and Bob Johnson needs to produce an acceptable easement agreement. Bud drafted the indemnity agreement and will email it to the Board tomorrow for their review.

6. Progress on acquisition funding

Peter updated the Board on the progress of obtaining acquisition funding. Any funding from the Water and Power Authority would not be received for six weeks after approval. Bud has spoken with some private lenders that are interested in doing a long term revenue bond for a portion of the purchase price.

7. Picking a financial institution

The Board discussed options presented for switching financial institutions. Ward made a motion to move all financial institution accounts to Alpine Bank. Sharon seconded the motion. Motion carried.

8. Accounting firm update

Gene Bradley and Janet are going to meet with 4 accounting firms on April 20th.

9. Auditing

This discussion was tabled until a later date when an auditing company is needed.

10. Hiring General Manager process

The first telephone interviews were conducted today and the remaining interviews will be conducted tomorrow. The committee will put together a list of recommended candidates for a second interview with the Board. The Board will discuss the scheduling of the second interviews at the next regular meeting.

11. Assistance to low-income users

This item was tabled until the next meeting.

12. Public comments or questions

There was a question about taps and the County's list of taps. The customer was directed to work with the developer who sold him the lot.

- The Board discussed the progress report to be mailed to all customers. A discussion on tap transfers was tabled.
- The audit exemption. Tom made a motion to approve the audit exemption report. Ward seconded the motion. Motion carried. Tom made a motion to approve the resolution for filing for an exemption for the audit. Ward seconded the motion. Motion carried. Both will be filed by Bud by March 31, 2009.

13. Adjourn

The meeting was adjourned at 7:48 p.m.

Sharon Rader
Secretary