

January 25,2011

1. Call to order

Call to order: 6:04

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

2. Approval of the Agenda

LPWWA discussions and Rate Study items were added to the Agenda

3. Approval of 12/23/10 Meeting Minutes.

Several small corrections were made to the minutes. Tom moved to approve the minutes with changes, Jeff seconded, approved.

4. Set dates and location for 2011 Board Meetings

_____ moved to approve Resolution 2011-1 establishing regular Board meetings to be held on the 4th Thursday of each month at 6:00 pm at the DW1 office. _____ seconded, approved

5. Master Plan and Preliminary Engineering Report - Russell Engineering.

The Master Plan is complete with some minor edits to language. Charlie, Steve and Ron met to discuss the draft PER and Charlie then sent a mark-up back to RPE on January 17. Charlie will forward the final PER draft after he receives it from RPE.

6. WSRA Grant Application Update.

The Southwest Basin Roundtable (BRT) approved recommendation of the \$1,000,000 grant application and the application has been sent to the CWCB for consideration at the March meeting. The approval is contingent upon reconciling agreements and obligations related to the intake structure and the water purchase.

Charlie put together project budgets comparing CWRPDA financing and USDA financing.

7. LDWA/LPWWA Discussions Update

Charlie and Tom met with LPWWA, ALP and SUIT representatives to discuss the CWRPDA water purchase and use of the lake Nighthorse intake structure. ALP would like to have an agreement between LPWWA and LDWA before including LDWA in the water purchase contract. LPWWA has contractual obligations related to the intake structure with the Southern Ute and Ute Mountain Ute Tribes. Each entity has the right to intake capacity (12,500 gpm total) proportional to their contribution to construction; approximately 50% SUIT, 25% UMUIT, and 25% LPWWA. There is no operating agreement for the intake structure at this time.

Charlie was instructed to communicate to LPWWA that the LDWA Board confirms that LDWA is totally committed to working with LPWWA to develop water supply infrastructure and that proceeds from a WSRA grant would be used to the benefit of both entities. LDWA is prepared to continue to meet with LPWWA to work to develop an agreement regarding the intake structure and ALP water purchase. LDWA will begin work on determining the financial impact of the project on LDWA existing customers and determine an equitable distribution of costs to new customers through preparation of a rate study.

Ward would like Charlie to keep track of his hours related to LPWWA.

8. Rate Study

Charlie will prepare a Rate Study RFP to be considered at the next Board meeting.

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

Steve moved to set up a checking account at First National Bank of Durango . Tom seconded. Approved.

Steve made a motion to designate Charlie as the LDWA representative to the County Health Pool. Tom seconded, approved.

The town of Dolores would like to buy extra clarifier media from LDWA. Steve moved to sell a portion of the media at cost. Tom seconded, approved.

The telemetry equipment is scheduled to be installed the week of February 21 or 28.

10. Approval of Bills.

Steve moved that there be no exceptions to the acquisition fee. Jeff seconded, approved.

Tom moved to approve the bills as presented in the Check Detail. Jeff seconded, approved.

11. Public Comments or Questions.

None

12. Adjourn

Adjourned at 7:32 PM

Next meeting will be Feb 24th.