

## LPWWA Board of Directors Meeting Minutes for July 12, 2017

1. Call to Order- Board members in attendance were- Mardi Gebhardt, Deb Flick, Kevin Mallow, Bernadette Cuthair, Paul Gray, Roy Horvath, Ken Spence, and Frank Smith (arrived at 7:00pm). Others in attendance were Jeff Shamburg with Bartlett & West.

2. Approve Agenda

3. Consent Agenda

a. Minutes from June 14 & 21, 2017 meetings

b. Invoices – Legal, Phase 1 mailing costs, Canyon Const. Pay App

4. Comments and communications

Committee Reports

1. Finance – Mardi Gebhardt-Mardi passed out the quick review of the bank balance, we discussed the audit and which fund to pay for the audit from.

2. Legal/Negotiations – Kevin Mallow-still working on the operating agreement on hold until we get the OM&R further defined.

3. Phase 0 Design/Engineering – Kevin Mallow- construction meeting report- in pretty good shape as far as progress. Area blocked by bluebird nest. Canyon preparing to operate two crews. One on the 30” and one on the 8”.

a) Construction update overview- trickledown effect on delays. Pumps are ready to deliver. We are not ready for them, pump manufacturer can store it but at a cost. Canyon can store it but the warranty starts at shipment of the pump. Canyon will open cut across CR141/210 intersection.

b) Intake Screen update-options back from Hudson- they can do a payout to us for the amount of the bond plus reasonable attorney’s fees. Kevin made a motion to accept the cash payout from Hudson Bonding Company, Mardi seconded the motion. We consider not doing an open advertisement but select qualified contractors to request bids from to get the screens installed. We need to check into this approach with CWCB. Frank asked if we are going to seek compensation of attorney’s fees. Everyone agreed we should seek compensation for the attorney fees. All in favor.

Frank reviewed notes from the OM&R meetings we have had, as well as discussions with LDWA concerning the OM&R committee representation.

4. Phase 1 Design/Engineering – Mardi Gebhardt

a) Interim financing update-Mardi got a letter from Bank of Colorado with a term sheet. We are waiting on a term sheet from First National Bank.

b) Update on sign-ups, action to determine final design status-Jeff stated they are at 30% design. We have declared we are in final design. We had three additional subscriptions. Two paid the whole amount and one is financing their subscription.

c) Easement acquisition update include CDOT & SUIT- Jeff received the TSR or TSA on tribal property is granted to the county, which is defined as the state right of way. This is per the 2014 agreement. B&W working on the easement map. Mardi is still working with Sherry Wertz on easement. Amy went through sample easement agreement for tank site. Kristi would like to meet with Roy Mardi and Ken to review mapping. Easement for the tank didn’t have language in it for a one time lease payment. Lori Wickes, stated they are willing to work with us on easement.

d) Progress on letter of Conditions requirements-Mardi went through- Duane stated if we need an extension we demonstrate a need for it. Jeff stated the permitting process may take longer because this is a new project. Items numbers from the letter of conditions are specifically addressed as follows:(3) ER docs are ok. (11) Engineering services- Jeff needed to rework contracts 1,2,3 into one contract. 13) Legal services agreement with Amy were signed tonight. Roy will scan and send to Duane. 14) property easements, 15) conflict of interest document- done. ALP agreement, LDWA agreement. Water purchase agreement, lease agreement for the tank. Construction account will be set up by the bank. 19) positive program to ensure connections. Service delineation statement- need to get going. 20) not applicable. 22) permits- Jeff is working on them. Emergency response plan not due until one year into service. Consult Colorado Rural Water Association. 24) Bid authorization.

Draft contract for water purchase to ALP by August 17<sup>th</sup> meeting. Finance committee to review water purchase and not have to consider it in the operating budget.

Rate committee- Ken stated they will meet tomorrow with Charlie again to discuss rates. We will propose a different rate for the distribution portion of the rate calculation sheet. If we consider the SCADA aspect of the spreadsheet we would need to revise/ modify the LPWWA/LDWA agreement.

e) Revenue bond requirements/costs per Letter of Conditions- Roy and Mardi talked with Mario Tremble in Kutec Rock law firm in Denver and they would expect a 30k fee for interim financing and 15k fee for final financing. Jeff brought up the chance of buying a piece of land to put up as a lien position, as opposed to the revenue bond. Collins, Cockerel and Cole also has experience in revenue bonds. Roy asked if the water purchase could be used as the place holder for the revenue bond.

5. PR/Marketing/Web Presence/Board Timeline – Ken Spence- quick blurb about our progress on meeting the letter of conditions.

6. Archive/Information Access & Naming – Ken Spence- can we get rid of things no one is using. Ken will go through and delete folders that don't have anything in them.

a) Board drive update- new one coming in tomorrow- Ken will try to get it up by the end of this weekend.

New Business

1. Policy and financial arrangements for sign-ups beyond Phase 1- many of the people that came to Breen on Saturday were wanting to get signed up for future phases. Mardi requested a standing agenda item for future phases. Jeff stated the normal process is to do the study, get sign ups, then move forward with defining the next phase.

2. Discussion regarding board work sessions for remainder of 2017-would still need to be noticed, but wouldn't adopt an agenda or take notes. Tabled for now.

3. Next LPWWA Board meetings – August 9 & September 13, 2017

4. Adjourn-9:30pm.

Minutes as reported by Deb Flick and Frank Smith substitute Secretaries.

*Frank Smith*

*Approved August 9, 2017*