

# LA PLATA WEST WATER AUTHORITY

## Minutes for the Board of Directors Meeting

A regular public meeting open to the public was held on Wednesday, October. 9, 2019, at 6:30 p.m. at the Hesperus Fire Station located at 22868 Highway 140, Hesperus, CO 81326. In attendance are: Roy Horvath, Ken Spence, Mardi Gebhardt, Paul Gray, Deb Flick, Barb McCall (Via teleconf), Kevin Mallow, Renee Lewis, John Ruckman (via tele), Lynn Stutzman, Joel Johnson, Frank Smith, Tom McCarl, Clyde and Janice Johnson (8:19)

The minutes are as follows:

- 1) Call to Order at 6:46 pm by Roy Horvath with start of recording.
- 2) Approve Agenda: **Motion** to approve made by Ken; second by Deb; all approved.
- 3) Consent Agenda: **Motion** to approve made by Ken; second by Deb; all approved.

Company	Invoice #	Amount	Company	Invoice #	Amount
RGL Consulting	004	\$4,000.00	TBK Bank	Loan Interest	\$4,306.11
Preferred Tank	18011596-00	\$6,509.07	Williams Const.	PE 8	\$285,960.17
Great Plains Const.	PA 4	\$53,770.00	Bartlett & West	00730072419	\$29,414.00
Bartlett & West	00730072440	\$4,254.50	Mardi Gebhardt	1162108 Recording	\$47.01
Colorado Water & Land	3187	\$175.00	ASAP	10312	\$549.00

- 4) Minutes for Sept 11, 2019 and Sept 23, 2019: Discussion re Sept. 11<sup>th</sup> minutes. **Motion** made by Mardi to make the cutoff date for new subscriptions for Phase 1 was Friday, September 13, 2019, second by Deb, all approved. **Motion** made by Mardi to approve both sets of minutes; second by Ken; all approved.
- 5) Comments and communications: Mardi covered the mail received, and the Brad Ray easement received. Mardi made corrections to WUA for July ?? Frank and Mardi stated that several subscribers have received invoices from us via email. We have not sent out invoices, so these are spam mail.
- 6) LPWWA Administration
  - a) Finance: Mardi covered statements from accounts held at the banks and monthly reports for expenses, the single audit expenses and timeline, accounting services
  - b) 2020 Draft Budget – discussed miscellaneous items i.e. add line item for refunding potential, covered utilities that will appear later, capital costs left the same, SRF 271 application being submitted and asking for \$3??,???, office building site costs, tap costs, trailer and delivery cost, site work, other Phase 0 costs i.e. culvert installation, OM & R (intake and booster electric service), moved all of USDA debt service into ???, \$261,932 net expenses remaining for the year. \$109,945 net income at the end of the year after billing subscribers. WUA monies in accounts \$214,770, \$155,337, \$324,176. Roy suggested a budget committee meeting to finalize the budget to have ready for November meeting. Mardi and Renee to finalize.
  - c) ESRI Renewal, server options, data migration – Roy discussed looking at options for storage, etc.
  - d) Grant funding application(s) – Roy stated that the grant stipulations have changed with SWWCD. They will fund 50% with a match of cash or in kind. The value of the property may be our “in kind” match. Mardi asked if match could come from another grant. Frank asked about timing.
- 6) Phase 1 Design/Engineering:
  - a) Letter to subscribers: Roy and Renee discussed letter to the subscribers containing information for connections, and time frames.
  - b) Project update, outstanding issues, remaining cultural survey, schedule update: Tom McCarl provided update of crew. They are currently working in Marvel, and on CR 122 north of Kline. No outstanding cultural survey issues. Schedule moving along well per Roy. Meeting tomorrow with Charlie for hookup. Lynn discussed cost differences, and delivery discussed with Will.

- c) Concerns about color of storage tank – Roy discussed the complaint letter. Mardi researched the possibility of painting. It is not paintable...the tank is actually fired in since it is glass. The warranty would be void if altered.
- d) Rate Study- Roy discussed the proposal presented at the Special Meeting presentation by RPI. The Environmental Finance Center meeting is getting scheduled for next week. CRWA meeting postponed. Renee discussed the importance of meeting with those entities; is drawn to RPI's abilities for additional services besides the rate infrastructure. Deb felt that RPI looks good, but the money is an issue. Grant monies are needed. SWWCD is a possibility to submit several proposals for match possibilities. Mardi to look into LPEA RoundUP grant monies. Mardi made a motion to accept the RPI proposal for the water rate study at \$19,200; Deb seconded; all approved.

e) Site status- see executive session

#### 7) Phase 0 Design/Engineering

e) Update on ditch contouring, culvert installation, weed mitigation, reseeded – Roy with met with Lynn this afternoon, but wondering about BOR inspection around the cultural and other areas. John confirmed that BOR had gone out and marked some areas and had some comments on certain issues with the defined "Areas". Roy detailed the inset 5 and gas lines areas. John working with Jim Formea from BOR. Still need to work with Canyon Construction on the weed mitigation and reseeded. Roy updated the board with the status of the 16" and 30" line repairs. LDWA needs to pump water soon. Kevin stated that his discussion with Jim Formea indicated that the reseeded was all ok, but he did not get that in writing.

f) Joel and Clyde Johnson attended and brought up a concern with letter and map in hand about layout of pipeline within the limits of the cultural resource survey. He is proposing to have a meter at the corner of Joel's property and one on another lot, 247 CR 133, and has discussed this with Tom McCarl (B & W). Wants change to fit in with planned use of the property, 80+ acres, to have meters spread out. It involves an additional 425 feet of pipe (100 feet for one section and 325 feet for another). Clyde has one WUA, and Joel has three WUAs. Cultural assessment was performed prior to easement release. Mardi said all meters indicated were in cultural study and were not grouped in one pit at that time. Deb asked about individual lots subdivided. Roy stated project standards costs for one large meter pit versus WUA pay for some costs for separate meter pits a possibility. Mardi stated that USDA timeline is indicating a moratorium on more changes in order to get things wrapped up. We could potentially perform the changes afterward. Roy stated these are not new sign-ups. Lynn suggested field orders to remove two taps for refunds, and re-up them afterwards. Lynn stated substantial completion slated for early January; and final completion for February. There are four change orders still out. SHPO and cultural assessments could be performed within that timeframe. John stated the only drawback to extensions and reroutes, is working with the contractor. The contractor will want more change orders and more time added to the end. Mardi suggested Lynn researching and possibly asking Nathan to define timelines. Snow on the ground will limit assessments. Roy proposes talking more at the construction meeting tomorrow with the board giving permission for the assessments through a motion. A motion was made by Mardi to order the cultural assessment for line extension to the north and the east for the Johnson properties provided Williams Construction approves of extension and provide a cost of the extension to the Johnson's for payment of half the cultural assessment; second by Deb; all approved. Conference line disconnected Barb and John at 9:08pm. Johnson's left at 9:10.

g) City of Durango camera and internet alternative connection at intake building. Roy stated NW corner is best line of site, and it is the shortest conduit. LPWWA would be responsible for half of the quote (quote total is \$5500). Roy will ask Victor at City to make our portion less if possible.

h) Project Audit status - meeting to review week of Oct 21st, OM&R Committee Status for review of work by all entities involved. Renee working on asset values. Kevin and Bernadette working on their portions.

i) Open invoices – AUS letter discussed by Mardi. Request to pay the \$25K asap, or they will press litigation. Currently charging interest. **Motion** to pay the vendor, AUS, was made by Frank; second by

Ken; all approved. Other invoices with B & W and Canyon are still needing to be paid. Roy stated concurrences from the tribes will help us to know our standing monetarily.

- 7) Future Phases – Design/Engineering – Mardi provided recap of the meeting last week. Site plan that Paul finalized good and need to pursue L & E permit and the driveway permit. Mardi suggested Paul go to the county for permit and direction on culvert on CR 119, and other things like line of sight. County will require the application, but they will waive the permit fee. Group working on extension areas, and good PR folks to head up their neighborhoods for communications and participation. Funding sources search still active and needed for the engineering plan. Sign-ups and fees were discussed with several options brought up. Renee met with Erin Aas about working with the GIS system from B & W, for \$65/hour, with just a couple of hours of reformatting, and storage on cloud. B & W may still need to host for us. Need a refined easement process for the next expansion. Mardi suggested having Ed Tolen speak at a future phase meeting soon.
- 8) Executive session: Motion made by Roy to discuss items on Site Status; second by Ken? entered at 9:40pm. Exited the session at 9:59.
- 9) Site status: A **motion** was made by Paul to allow Barb to proceed with engaging a certified asbestos inspector for a survey and testing of the asphaltic materials onsite prior to demolition unless the letter from the State of Colorado covers the demolition exemption; second by Kevin; all approved.
- 10) Adjourned at 10:01pm. Next LPWWA Board meetings – November 13, 2019, and December 11, 2019

Respectfully submitted,



Barb McCall  
LPWWA Board Secretary