

**BOARD OF DIRECTORS MEETING OF
LA PLATA WEST WATER AUTHORITY**

Wednesday, February 13, 2019 at 6:30 p.m. at the Hesperus Fire Station located at 22868 Highway 140, Hesperus, CO 81326.

The minutes of the meeting are as follows:

Present: Ken Spence, Roy Horvath, Frank Smith, Kevin Mallow, Mardi Gebhardt, Deb Flick, Barb McCall via online, Paul Gray via phone.

- 1) Call to Order at 6:40pm
- 2) Approve Agenda – Deb motioned to approve amended agenda, Mardi seconded. Passed.
- 3) Consent Agenda – Deb motioned to approve consent agenda, Roy seconded. Passed.

a) Minutes from Jan. 9, 2019

b) Invoices –

Company	Invoice #	Amount	Company	Invoice #	Amount
Wild Blue	Feb. 2019	\$74.99	B&W	00730069826	\$301.22
B&W	00730069827	\$5,334.75	B&W	00730069828	\$209.01
B&W	00730069831	\$9,673.38	B&W	730069833	\$2,000.00
Mardi Gebhardt	Office Supplies	\$ 136.69	SDA	Membership	\$276.61

- 4) Comments and communications

Barb commented continuing work with Moana and Marlon Greer, and Roy working with Brad Rae on parcels confusion, in efforts to determine needs in Marvel and other properties in their names.

Maps for service lines provided by Roy to Rob Genualdi with State for well permits in the area. Barb commented no emails on Gmail. Mardi had mail she discussed. WUA transfer for Favor's signed by new buyers, need President or Secretary to sign also.

- 5) LPWWA Administration

a) Finance – Mardi Gebhardt – Invoices from LPEA for February, not on consent agenda, \$638, \$1900, are Lake Durango's costs for pumping water, asked for approval to send to LDWA for reimbursement – motion made by Deb, second by Roy. Passed.

Locks for intake structure, is it a project wide cost? Yes, one for Main Gate and one for Booster Gate but Booster gate needs to be changed for it to work.

Bank balances, cash flow, need more specifics to how we are picking from accounts to pay. \$59,000 to pay LDWA as part of base costs per Ken, yearly cost. Need ideas from Board to see a sheet that is based on budget or accounts so can see what is not earmarked and what can be spent. Need a computer for Mardi as hers crashed...can't see where \$ is to purchase quickly. Need layout from budget per line items per Kevin. Quickbooks should have that option once it's built into a spreadsheet, approx. \$5000/month. Roy wants it coming from budget, showing what's left, or available. Deb says it will take details and time, but we need something immediately.

USDA supposed to reimburse us for the \$16,772 we spent to close TBK construction loan from WUC commitments accounts. Need approval to move those funds back into WUC commitments account now that we have reimbursement. Currently in construction account. Roy says it needs to be in operating account. Can't spend it twice. Create an invoice for that reimbursement. Motion made by Deb to transfer \$317,443.45 out of construction account to for reimbursable funds. Second by Roy. Passed.

Not received scope of work change from B & W invoices. B & W not present.

Received concurrence from UMUT to pay all invoicing except items related to O & M, which needs more discussion for Phase 0.

Commented [M8]: I believe this was already approved the meeting and the money is paid \$59,000 to LDWA.

Commented [M2]: not WUA should be WUC accounts
+ Water User Commitment account

Commented [M3]: same as above WUC

Quickbooks diagnostics by Jackie with ASAP was good, good set-up, and easily moved to Cloud in their opinion, will reflect audits, etc. Thank you, Gene Bradley, for good initial set-up.

- b) Bookkeeper update- Mardi Gebhardt – No update from Mardi or Deb. Ken presented a set of tasks with timeline for both bookkeeper and Manager to possibly be completed in about 2 months. Need scope from proposals we may receive.
 - c) Manager Update – Roy showed task sheet showing approaches to get moving. Ken felt we needed a description of decision-making guidelines in job description. Policies will come later for authorities given. Hiring committee with help from Amy maybe to develop the job description and announcement. Roy has 3 weeks further out on task list timing than Ken had. Need time for Amy to look at RFP also. Kevin wondered about salary definition. Roy says proposals will need to come in first. Post to Rural Water Authority site once approved by Board. Roy to send out to Board when finished up for our review. Roy has good candidate that could probably work on PT basis and has resources to hire out for smaller things. Need time definition of at least 12 months included in proposal.
 - d) Schmitt property – Roy Horvath – Visited Clara Mae for Johnny's will docs to see trust set-up for property. Amy hasn't seen that set up before. Deeds getting transferred. Survey and mylar is \$840, appraisal is \$425, Amy's bill, plus county recording, etc. may not be within limit set previously by board. Deb motioned to give Roy approval to move on over \$2000 cost of expenses, Mardi seconded. Passed.
 - e) Board Manual – Ken - Feedback from Roy, Barb, and Kevin. Need some consensus on points for rewriting. Not going to solve it this evening, ongoing process. Ken showing draft comments on his computer. Concerns about running meetings, going over allotted times, etc. by Kevin and Barb. Barb concerned with electronic motions process. Per Kevin, not every committee needs to be listed unless a report coming. Deb says per phase outline is good. 15 minutes per committee seems good. If go over allotted time, something else must be tabled per Kevin. Roy concerned about noticing of meetings. Formation agreement states notes, not agenda, must go out 5 days ahead of meeting. Public Agenda should be put out as notice per Ken 72 hours ahead of meeting. Amended, or working agenda works at time of meeting, very typical per Roy. Ken asked if 10am Monday before meeting still good for posting draft agenda. Special meetings are also noticed 5 days ahead. Roy put a plastic cover on Breen building door to slide notice into. Kevin wants all vendors to have a drop-dead date to have invoices in so that everything is in consent agenda. Mardi has exception to that for utility bills would need to be approved immediately. Some are direct draw. Option needed to pay a bill that would cause us problems. Date for consent agenda additions should be the Friday before the notice goes out. Take out agenda item for things that didn't meet consent agenda deadline per Ken. Frank wanted to have executive sessions not recorded per formation agreement. Electronic voting on motions concerns. Ken spelled out process for members to follow using Google Drive template that Barb set up. Board manual can be changed as we change software or whatever. Summary of vote included in tally with each member's vote by name. Summary of responses was included per Barb. Did Amy give us guidelines for phone voting? Can't find per Ken. Digital votes will be available to all members. Kevin concerned about Sunshine Open Meeting law. Run by Amy again. Add steps to cover that end. Roy covered quorum rules in his draft of comments on board manual.
 - f) Conference call speakers/recording system for meetings – Ken, Roy and Frank researching components and costs.
- 6) Phase I Design/Engineering – Deb wondered about Metron metering with cellular for billing. Sales tiers will be needed for books.
- a) Mardi attended another pre-construction meeting with Great Plains and USDA when Duane got back to work from shutdown. Covered all same minutes that B & W had taken at initial meeting.
 - b) Easement with LDWA on Blue Hill is not documented probably. Bud Smith cannot find any agreement for LDWA and Bud wants us to pay to have a title search performed. Could have been a hand-shake agreement in trade for taps when LDWA was formed by Bob Johnson. Need to keep pipeline in ROW for now to avoid further issues. Our exposure is minimal in ROW per Roy as we could perhaps abandon it in 8 – 10 years. Road would probably not be widened before that anyways.

- c) Electronic vote confirmations – added to minutes (were posted on board drive by Barb)
 - 1) USDA Pay App 4 for Williams Construction
 - 2) Resolution 2019-2
- d) Office site and structure – Frank stated three office trailers available for purchase, some pics. All three need work. Cost is reasonable. Ken said haul to his house and he offered to fix them. Floor plans, 10x50, two have office space 16 x 9, with meeting rooms in center. Third has single office at one end. Restrooms, one with water heater, plan tables built in, broom closets. Floors need replacing, some underlayment issues, and floor coverings needed. Exteriors are corrugated metal and would need repairs from damage from transport, wind, rips, etc. Some insulation, 2x4 trailer house walls, metal roofing, windows single pane in good shape. Ken says Chris Anderson has a contact for two double-wide ones north of town. Can put deck between the ones Frank is looking at, but doors won't allow putting together otherwise. Frank says he can make arrangements for hauling. Cost is \$1000 each or less. Really need siding redo. Small leak on roof over bathroom. Mold or asbestos issues possibly. Mice? Heating and air conditioning also, may be ok. Need to check out. Take out small desks and file cabinets and refurnish. Small water heater below sink. Maybe put on-demand in. Power would be all electric. Tires would need to be thoroughly inspected prior to moving.
- e) Line to House by Williams Construction offer - Mardi stated she would like to contact Williams to see if they would issue a separate contract to property owners to install their private line to house from meter. No interference with mainline operations. Ken suggested asking Joe to go to Williams and ask. Kristi previously stated that some of their other projects included construction to the customer's door.
- f) Legal Committee – Kevin – covered in executive session
- g) Executive Session entered at 8:40, motion by Kevin, second by Roy. Exit at 9:23
- h) Phase 0 Design/Engineering – Kevin Mallow
 - a. Audit – Mardi covered Risk liability with Canyon Construction
- i) Future Phases – Design/Engineering - Ken Spence – brief of Focus Group discussions from meeting on February 5th, including water dock, phasing, and possibilities on costs for phasing. Master plan by Ken and Chris using the town of Castle Rock's template. Frank commented on future phase \$500 commitments are still being held, so maybe need to serve those customers first. Used Montezuma Water as an example to use extra funding for the spur lines at a later date. Mardi concerned about old Phase 2 delineations. Ken stated not the case, need the viable taps to make it happen just like anywhere else. May work both north and south at the same time. Depends on funding monies. Kevin wants careful planning, not just grabbing low hanging fruit. Roy stated importance of beefing up Phase 1 signups. Marginal at this point, really need 50 more subscribers for better viability. Ken stated really only need 20 more to pay the \$29,000 we pay every year. 200 would really help debt-service by ¼ for every subscriber.
- j) Adjourned at 9:46, Ken made motion, Deb seconded. Passed.

Next LPWWA Board meetings – Mar. 13, 2019 & April 10, 2019

Respectfully submitted by:

Barb McCall
LPWWA Board Secretary