

PAGOSA AREA WATER AND SANITATION DISTRICT)
)
ARCHULETA COUNTY) S.S.
)
STATE OF COLORADO)

NOTICE OF REGULAR WORK SESSION AND REGULAR MEETING

NOTICE IS HEREBY GIVEN that the Regular Work Session and Regular Meeting of the Board of Directors of the Pagosa Area Water and Sanitation District (PAWSD) have been scheduled for January 15, 2015 at 4:00 and 5:30 p.m. respectively. The Work Session and Regular Meeting will be held at 100 Lyn Avenue, Pagosa Springs, Colorado.

Proposed Agenda is as follows:

Work Session

1. Call to Order
2. Approval of Consent Agenda
 - Minutes – 12/11/14 Regular Meeting
 - Water Loss Update
 - Update Regarding Hammerlund Contract
 - Update Regarding Town of Pagosa Springs to PAWSD Sewer Line Project
 - Update Regarding PAWSD to Town of Pagosa Springs Water Line Project
 - Update Regarding San Juan Water Treatment Plant Upgrade – MIEX Project
3. Consideration of Setting Non-rate Revenues for 2015
4. Consideration of Proposal from First Southwest Bank
5. Consideration of Increasing Employee Life Insurance for Incidents of Accidental Death
6. Any Other Business Brought before the Board Will be Duly Considered

Regular Meeting

1. Call to Order
2. Approval of Consent Agenda
 - Minutes – 12/11/14 Regular Meeting
 - Water Loss Update
3. Public Comment
4. Consideration of Setting Non-rate Revenues for 2015
5. Consideration of Proposal from Southwest Bank
6. Consideration of Increasing Employee Life Insurance for Incidents of Accidental Death
7. Any Other Business Brought before the Board Will Be Duly Considered

PAGOSA AREA WATER AND SANITATION DISTRICT

By /s/ Renee Lewis
For the Board of Directors

SEAL

RECORD OF PROCEEDINGS
PAGOSA AREA WATER AND SANITATION DISTRICT
JANUARY 15, 2015 REGULAR MEETING

Attendance

The following Directors were present: Burt Adams, Michael Church, Paul Hansen, Gordon McIver, and Glenn Walsh (telephonically).

In attendance from staff: Shellie Peterson, Andy Connor, and Renee Lewis. Also present were: Renita Freeman, Allan Bunch, Marilyn Bunch, Roy Vega, Lee Vorhies, Mark Weiler, Art Dilione, and Bill Young.

Call to Order

The Regular Meeting for the Pagosa Area Water and Sanitation District (PAWSD) was called to order by Chairman Michael Church at 5:30 p.m.

Consent Agenda

The Board considered the Consent Agenda (copy attached). The Directors reviewed the minutes for the December 11, 2014 Regular Meeting and the Water Loss Update. Director Walsh suggested the word "for" should be changed to the word "to" on line 43 of the December 11, 2014 Regular Meeting Minutes. A motion was made by Chairman Church and seconded by Director Hansen to approve the Consent Agenda as amended above. The motion passed unanimously.

Consideration of Proposal from First Southwest Bank

The Board agreed to allow this item to be moved ahead on the agenda so as to allow for First Southwest Bank CFO's, Bill Young, travel arrangements. The Board considered Proposal from First Southwest Bank (copy attached). Mr. Young presented Consideration of Proposal from First Southwest Bank, stating that his bank is now open to accepting public funds. Mr. Young further stated that while he is familiar with our current investment policy of maximizing diversification through CDARS, he believes PAWSD could be better served by First Southwest Bank in investment returns and still provide security for District funds through pledging of collateral as required by the Public Deposit Liability Act. Following a lengthy discussion, the Board agreed to table this item for the next Regular Meeting at which time directives for investment policies will be discussed.

Public Comment

Chairman Church opened the meeting to public comment. Roy Vega offered comments regarding the absence of the District Manager, Ed Winton, from the meeting. Mr. Vega also offered comments regarding his disagreement with recent Board actions and/or decisions.

Consideration of Setting Non-rate Revenues

The Board considered Setting Non-rate Revenues (copy attached). A motion was made by Director Walsh and seconded by Director Hansen to approve setting Non-Rate Revenues as presented. The motion passed unanimously.

Consideration of Increasing Employee Life Insurance for Incidents of Accidental Death

The Board considered Increasing Employee Life Insurance for Incidents of Accidental Death (copy attached). Shellie Peterson, Business Systems Manager, presented Increasing Employee Life Insurance for Incidents of Accidental Death, stating that it would cost approximately \$5,078.54 per year to double the current life insurance coverage. This increase in coverage would provide all employees with two years of salary in the event of an employees' death while employed by PAWSD and four years of salary in the event an employee suffers an accidental death. Mrs. Peterson stated that the IRS would consider this imputed income to the extent that the benefit exceeds \$50,000.00 and subject to both the employee and employer portion of payroll taxes. Following a lengthy discussion, a motion was made by Director Walsh and seconded by Director Hansen to increase the employee life insurance coverage, including the double indemnity for incidents of accidental death, at a cost of approximately \$5,078.54 per year and for PAWSD to cover the costs of the employee portion of payroll tax burden occasioned by this additional coverage. The motion passed 3 – 2 with Directors Adams and McIver opposed.

There being no further business to come before the Board, the meeting was adjourned at 6:22 p.m.

Respectfully submitted,

Gordon McIver
Secretary

PAGOSA AREA WATER AND SANITATION DISTRICT

ARCHULETA COUNTY

STATE OF COLORADO

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NOTICE OF SPECIAL MEETING

NOTICE IS HEREBY GIVEN that a Special Meeting of the Board of Directors of the Pagosa Area Water and Sanitation District (PAWSD) has been scheduled for Monday, January 19, 2015 at 9:00 a.m. The Board may enter into Executive Session for the purpose of discussing a personnel matter and for a conference with the District’s attorney for the purposes of receiving legal advice on specific legal questions regarding said personnel matter pursuant to Section 24-6-402(4)(f) and 24-6-402(4)(b), C.R.S. The Special Meeting will be held at the District’s administrative office located at 100 Lyn Avenue, Pagosa Springs, Colorado.

Proposed Agenda is as follows:

1. Consideration of Entering into Executive Session Pursuant to Section as Described Above
2. Consideration of Personnel Matter – Jeffery P. Robbins – Goldman, Robbins & Nicholson, P.C.
3. Any other Business Brought Before the Board Will Be Duly Considered.

PAGOSA AREA WATER AND SANITATION DISTRICT

By /s/ Renee Lewis
For the Board of Directors

SEAL

RECORD OF PROCEEDINGS
PAGOSA AREA WATER AND SANITATION DISTRICT
JANUARY 19, 2015 SPECIAL MEETING

Attendance

The following Directors were present: Burt Adams, Michael Church, Paul Hansen, Gordon McIver (telephonically), and Glenn Walsh (telephonically).

In attendance from staff: Ed Winton, Shellie Peterson, and Renee Lewis. Also present were: Renita Freeman and Jeff Robbins (telephonically).

Call to Order

The Special Meeting for the Pagosa Area Water and Sanitation District (PAWSD) was called to order by Chairman Michael Church at 9:01 a.m.

Consideration of Entering into Executive Session Pursuant to Sections 24-6-402(4)(f) and 24-6-402(4)(b), C.R.S. and Consideration of Personnel Matter – Jeffery P. Robbins – Goldman, Robbins & Nicholson, P.C.

The Board considered Entering into Executive Session Pursuant to Sections 24-6-402(4)(f) and 24-6-402(4)(b), C.R.S. for the purposes of discussing a personnel matter and for a conference with the District's attorney for the purposes of receiving legal advice on specific legal questions regarding said personnel matter from Jeffery P. Robbins, Goldman, Robbins & Nicholson, P.C. (copy attached). A motion was made by Chairman Church and seconded by Director Walsh to enter into Executive Session for the purposes of discussing a personnel matter and for a conference with the District's attorney for the purposes of receiving legal advice on specific legal questions regarding said personnel matter pursuant to Sections 24-6-402(4)(f) and 24-6-402(4)(b), C.R.S. The motion passed 4 – 1 with Director Adams opposed. The Board entered into Executive Session at 9:06 a.m.

The Board considered the Personnel Matter – Jeffery P. Robbins – Goldman, Robbins & Nicholson, P.C. (copy attached). Upon returning to Open Session at 9:41 a.m., the Board directed Ed Winton, District Manager, to meet with Jeffery P. Robbins – Goldman, Robbins & Nicholson, P.C. in regards to said personnel matter and thanked Mr. Robbins for providing legal advice on specific legal questions regarding the personnel matter during Executive Session at which no decisions were made.

There being no further business to come before the Board, the meeting was adjourned at 9:45 a.m.

Respectfully submitted,

Gordon McIver
Secretary

PAGOSA AREA WATER AND SANITATION DISTRICT

ARCHULETA COUNTY

STATE OF COLORADO

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NOTICE OF SPECIAL MEETING

NOTICE IS HEREBY GIVEN that a Special Meeting of the Board of Directors of the Pagosa Area Water and Sanitation District (PAWSD) has been scheduled for Thursday, January 22, 2015 at 2:00 p.m. The Special Meeting will be held at the District's administrative office located at 100 Lyn Avenue, Pagosa Springs, Colorado.

Proposed Agenda is as follows:

1. Consideration of Approving Agreement with Ed Winton, PAWSD District Manager
2. Consideration of Appointing Interim PAWSD District Manager
3. Any other Business Brought Before the Board Will Be Duly Considered.

PAGOSA AREA WATER AND SANITATION DISTRICT

By /s/ Renee Lewis
For the Board of Directors

SEAL

RECORD OF PROCEEDINGS
PAGOSA AREA WATER AND SANITATION DISTRICT
JANUARY 22, 2015 SPECIAL MEETING

Attendance

The following Directors were present: Burt Adams, Michael Church, Paul Hansen, Gordon McIver (telephonically), and Glenn Walsh (telephonically).

In attendance from staff: Ed Winton, Shellie Peterson, and Renee Lewis. Also present were: Jeff Robbins, Renita Freeman, Rod Proffitt, Bob Clinkenbeard, Art Dilione, and Bill Hudson.

Call to Order

The Special Meeting for the Pagosa Area Water and Sanitation District (PAWSD) was called to order by Chairman Michael Church at 2:02 p.m.

Consideration of Approving Agreement with Ed Winton, PAWSD District Manager

The Board considered Approving Agreement with Ed Winton, PAWSD District Manager (copy attached). Jeffery P. Robbins – Goldman, Robbins & Nicholson, P.C. presented Consideration of Approving Agreement with Ed Winton, PAWSD District Manager, stating that he recommends the Board approve the Release and Separation Agreement between PAWSD and Ed Winton. A motion was made by Director Walsh and seconded by Director McIver to approve the Release and Separation Agreement between PAWSD and Ed Winton and authorize Chairman Church to execute said agreement. The motion passed 4 – 0 with Director Adams abstaining.

Consideration of Appointing Interim PAWSD District Manager

The Board considered Appointing Interim PAWSD District Manager (copy attached). Chairman Church presented Consideration of Appointing Interim PAWSD District Manager, stating that Renee Lewis, Director of Operations and Compliance, has been the Acting District Manager when Ed Winton is out of town since May 2014, and he is of the opinion that she performed well during this time and should be considered for the Interim District Manager position. A motion was made by Director McIver and seconded by Director Hansen to appoint Renee Lewis as the Interim PAWSD District Manager. The motion passed unanimously.

Other Business

Shellie Peterson requested direction from the Board to remove Ed Winton as an authorized signature and add Renee Lewis as an authorized signature at Citizens Bank for the District Operating Account, at Bank of the San Juans for the District Money Market Account, and at Colotrust for various accounts. Being so directed, she indicated that when the various banks have new signature cards prepared, the Directors would be asked to sign the updated documents.

There being no further business to come before the Board, the meeting was adjourned 2:09 p.m.

Respectfully submitted,

Gordon McIver
Secretary

PAGOSA AREA WATER AND SANITATION DISTRICT)
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ARCHULETA COUNTY) S.S.
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STATE OF COLORADO)

NOTICE OF REGULAR WORK SESSION AND REGULAR MEETING - REVISED

NOTICE IS HEREBY GIVEN that the Regular Work Session and Regular Meeting of the Board of Directors of the Pagosa Area Water and Sanitation District (PAWSD) have been scheduled for February 19, 2015 at 4:00 and 5:30 p.m. respectively. The Board of Directors may enter into Executive Session for the purposes of discussing personnel matters pursuant to Section 24-6-402(4)(f), C.R.S. The Work Session and Regular Meeting will be held at 100 Lyn Avenue, Pagosa Springs, Colorado.

Proposed Agenda is as follows:

Work Session

1. Call to Order
2. Approval of Consent Agenda
 - Minutes – 1/15/15 Regular Meeting, 1/19/15 Special Meeting, and 1/22/15 Special Meeting
 - Water Loss Update
 - Investment Report – January 31, 2015
 - Update Regarding San Juan Water Treatment Plant Upgrade – MIEX Project
 - Update Regarding Upcoming Personnel Changes
3. Consideration of Proposal from CWCB Regarding Loan for Dry Gulch Reservoir Project Property
4. Consideration of Revisions to PAWSD Bylaws
5. Consideration of Revisions to PAWSD Procurement Procedure
6. Consideration of PAWSD Draft Safety Plan
7. Consideration of Resignation from the PAWSD Board of Directors – Burt Adams
8. Consideration of Call for Letters of Interest to Fill PAWSD Board of Directors Vacancy
9. Consideration of Entering into Executive Session Pursuant to Section as Described Above – Interim District Manager
10. Any Other Business Brought before the Board Will be Duly Considered

Regular Meeting

1. Call to Order
2. Approval of Consent Agenda
 - Minutes – 1/15/15 Regular Meeting, 1/19/15 Special Meeting, and 1/22/15 Special Meeting
 - Water Loss Update
 - Investment Report – January 31, 2015
3. Public Comment
4. Consideration of Revisions to PAWSD Bylaws
5. Consideration of Resignation from the PAWSD Board of Directors – Burt Adams
6. Consideration of Call for Letters of Interest to Fill PAWSD Board of Directors Vacancy
7. Consideration of Entering into Executive Session Pursuant to Section as Described Above – Interim District Manager
8. Any Other Business Brought before the Board Will Be Duly Considered

PAGOSA AREA WATER AND SANITATION DISTRICT

By /s/ Renee Lewis
For the Board of Directors

SEAL

RECORD OF PROCEEDINGS
PAGOSA AREA WATER AND SANITATION DISTRICT
FEBRUARY 19, 2015 REGULAR MEETING

Attendance

The following Directors were present: Michael Church, Paul Hansen, Gordon McIver, and Glenn Walsh (telephonically).

In attendance from staff: Shellie Peterson, Andy Connor, and Renee Lewis. Also present were: Renita Freeman and Blake Brueckner.

Call to Order

The Regular Meeting for the Pagosa Area Water and Sanitation District (PAWSD) was called to order by Chairman Michael Church at 5:37 p.m.

Consent Agenda

The Board considered the Consent Agenda (copy attached). The Directors reviewed the minutes for the January 15, 2015 Regular Meeting, January 19, 2015 Special Meeting, and January 22, 2015 Special Meeting, Water Loss Update, and Investment Report – January 31, 2015. A motion was made by Director McIver and seconded by Director Hansen to approve the Consent Agenda as presented. The motion passed unanimously.

Consideration of Revisions to Bylaws

The Board considered Revisions to Bylaws (copy attached). Renee Lewis, Interim District Manager, presented Consideration of Revisions to Bylaws, stating the revisions to Section 9(o) of the Bylaws were intended to set a mandate for the District Manager to provide annual safety training for the PAWSD staff and to document said training as requested by Chairman Church. Following a lengthy discussion, the Board directed Ms. Lewis to add to the revisions "The District Manager shall provide an annual review of the safety program to the Board of Directors." A motion was made by Chairman Church and seconded by Director Hansen to approve the revisions to the Bylaws as amended above. The motion passed unanimously.

Consideration of Resignation from the PAWSD Board of Directors – Burt Adams

The Board considered Resignation from the PAWSD Board of Directors – Burt Adams (copy attached). A motion was made by Director Hansen and seconded by Director McIver to accept Burt Adams' resignation. The motion passed unanimously.

Consideration of Call for Letters of Interest to Fill PAWSD Board of Directors Vacancy

The Board considered Call for Letters of Interest to Fill PAWSD Board of Directors Vacancy (copy attached). Renee Lewis presented Consideration of Call for Letters of Interest to Fill PAWSD Board of Directors Vacancy, stating March 24, 2015 was the 60-day statutory deadline for the Board to appoint a

new Board Member. The Board directed staff to advertise a Call for Letters of Interest with a March 9, 2015 submission deadline in the Pagosa SUN. The Board scheduled interviews for potential Board Member candidates for March 19, 2015 starting at 4:00 p.m.

Consideration of Entering into Executive Session Pursuant to Section 24-6-402(4)(f), C.R.S. – Interim District Manager

The Board considered Entering into Executive Session Pursuant to Section 24-6-402(4)(f) C.R.S. – Interim District Manager (copy attached). Chairman Church presented Consideration of Entering into Executive Session Pursuant to Section 24-6-402(4)(f), C.R.S., stating the purpose for entering into Executive Session was to discuss the terms of the position Interim District Manager. A motion was made by Chairman Church and seconded by Director Hansen to enter into Executive Session to discuss the terms of the Interim District Manager position pursuant to 24-6-402(4)(e) C.R.S. The motion passed unanimously. The Board entered Executive Session at 6:31 p.m.

Upon returning to Open Session at 6:52 p.m., a motion was made by Director Walsh and seconded by Director Hansen to establish a salary for the Interim District Manager of \$92,000.00 retroactive to the day of appointment, January 26, 2015, and to readdress the position of District Manager in six months.

Other Business

Renee Lewis provided an overview of goals for the revisions to both the PAWSD Procurement Procedure and draft safety plan. Shellie Peterson, Business Systems Manager, provided an update on the implementation of the Board's January 15, 2015 decision to increase PAWSD life insurance benefits to provide double the coverage previously offered, which would also entail four times the annual salary in the event of accidental death. Mrs. Peterson further reported that in order to accomplish the Board directive of employees' net pay not being affected by these changes, a miscellaneous pay-code would be utilized to offset the taxes. Director Hansen suggested Chairman Church start to include a letter to the PAWSD customers in the hardcopy version of the PAWSD newsletters.

There being no further business to come before the Board, the meeting was adjourned at 6:56 p.m.

Respectfully submitted,

Gordon McIver
Secretary

PAGOSA AREA WATER AND SANITATION DISTRICT)
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ARCHULETA COUNTY) S.S.
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STATE OF COLORADO)

NOTICE OF REGULAR WORK SESSION AND REGULAR MEETING

NOTICE IS HEREBY GIVEN that the Regular Work Session and Regular Meeting of the Board of Directors of the Pagosa Area Water and Sanitation District (PAWSD) have been scheduled for March 19, 2015 at 4:00 and 5:30 p.m. respectively. The Work Session and Regular Meeting will be held at 100 Lyn Avenue, Pagosa Springs, Colorado.

Proposed Agenda is as follows:

Work Session

1. Call to Order
2. Approval of Consent Agenda
 - Minutes – 2/19/15 Regular Meeting
 - Water Loss Update
 - Update Regarding San Juan Water Treatment Plant Upgrade – MIEX Project
 - Update Regarding Safety Training Program
3. Interview for Board Vacancy – Blake Brueckner
4. Consideration of Proposal from CWCB Regarding Loan for Dry Gulch Reservoir Project Property
5. Consideration of Letter of Support for Stone & Masonry Restoration of the Old Pagosa Springs Water Treatment Plant & Reconstruction of the Historic Pedestrian Bridge – Town of Pagosa Springs
6. Any Other Business Brought before the Board Will be Duly Considered

Regular Meeting

1. Call to Order
2. Approval of Consent Agenda
 - Minutes – 2/19/15 Regular Meeting
 - Water Loss Update
3. Public Comment
4. Consideration of Board Vacancy
5. Consideration of Letter of Support for Stone & Masonry Restoration of the Old Pagosa Springs Water Treatment Plant & Reconstruction of the Historic Pedestrian Bridge – Town of Pagosa Springs
6. Any Other Business Brought before the Board Will Be Duly Considered

PAGOSA AREA WATER AND SANITATION DISTRICT

By /s/ Renee Lewis
For the Board of Directors

SEAL

RECORD OF PROCEEDINGS
PAGOSA AREA WATER AND SANITATION DISTRICT
MARCH 19, 2015 REGULAR MEETING

Attendance

The following Directors were present: Michael Church, Paul Hansen, Gordon McIver, and Glenn Walsh (telephonically).

In attendance from staff: Shellie Peterson, Andy Connor, and Renee Lewis. Also present were: Renita Freeman and Blake Brueckner.

Call to Order

The Regular Meeting for the Pagosa Area Water and Sanitation District (PAWSD) was called to order by Chairman Michael Church at 5:38 p.m.

Consent Agenda

The Board considered the Consent Agenda (copy attached). The Directors reviewed the minutes for the February 19, 2015 Regular Meeting and Water Loss Update. A motion was made by Director Hansen and seconded by Director McIver to approve the Consent Agenda as presented. The motion passed unanimously.

Consideration of Board Vacancy

The Board considered the Board Vacancy (copy attached). Renee Lewis, Interim District Manager, presented Consideration of Board Vacancy, stating two Letters of Interest were submitted for the Board Vacancy, but only Mr. Blake Brueckner's submission was eligible as he owns property within the PAWSD boundaries. The Board interviewed Mr. Brueckner during the March 19, 2015 Regular Work Session. A motion was made by Director Hansen and seconded by Director McIver to fill the Board Vacancy with Mr. Brueckner. The motion passed unanimously.

Consideration of Letter of Support for Stone & Masonry Restoration of the Old Pagosa Springs Water Treatment Plant & Reconstruction of the Historic Pedestrian Bridge – Town of Pagosa Springs

The Board considered Letter of Support for Stone & Masonry Restoration of the Old Pagosa Springs Water Treatment Plant & Reconstruction of the Historic Pedestrian Bridge – Town of Pagosa Springs (copy attached). Renee Lewis presented Letter of Support for Stone & Masonry Restoration of the Old Pagosa Springs Water Treatment Plant & Reconstruction of the Historic Pedestrian Bridge – Town of Pagosa Springs, stating she had received this request from a Town of Pagosa Springs representative. A motion was made by Director McIver and seconded by Chairman Church to authorize Ms. Lewis to draft a letter of support from the PAWSD Board of Directors for this project contingent upon the project not affecting the PAWSD water rights on the San Juan River in any way. The motion passed unanimously.

There being no further business to come before the Board, the meeting was adjourned at 5:45 p.m.

Respectfully submitted,

Gordon McIver
Secretary

ARCHULETA COUNTY

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) S.S.
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STATE OF COLORADO

NOTICE OF SPECIAL MEETING

NOTICE IS HEREBY GIVEN that a Special Meeting of the Board of Directors of the Pagosa Area Water and Sanitation District (PAWSD) has been scheduled for Thursday, April 2, 2015 at 3:00 p.m. The Board may enter into Executive Session for a conference with the District's attorney for the purposes of receiving legal advice on specific legal questions regarding the Intergovernmental Agreement By and Between The Pagosa Springs Sanitation General Improvement District and The Pagosa Area Water and Sanitation District agenda item pursuant to Section 24-6-402(4)(b), C.R.S. The Special Meeting will be held at the District's administrative office located at 100 Lyn Avenue, Pagosa Springs, Colorado.

Proposed Agenda is as follows:

1. Consideration of Intergovernmental Agreement By and Between The Pagosa Springs Sanitation General Improvement District and The Pagosa Area Water and Sanitation District
2. Any other Business Brought Before the Board Will Be Duly Considered.

PAGOSA AREA WATER AND SANITATION DISTRICT

By /s/ Renee Lewis
For the Board of Directors

SEAL

RECORD OF PROCEEDINGS
PAGOSA AREA WATER AND SANITATION DISTRICT
APRIL 2, 2015 SPECIAL MEETING

Attendance

The following Directors were present: Blake Brueckner, Michael Church, Paul Hansen, Gordon McIver, and Glenn Walsh (telephonically).

In attendance from staff: Shellie Peterson and Renee Lewis. Also present were: Jeffery Robbins and Renita Freeman.

Call to Order

The Special Meeting for the Pagosa Area Water and Sanitation District (PAWSD) was called to order by Chairman Michael Church at 3:04 p.m.

Consideration of Entering into Executive Session Pursuant to Section 24-6-402(4)(b), C.R.S. and Consideration of Intergovernmental Agreement By and Between The Pagosa Springs Sanitation General Improvement District and The Pagosa Area Water and Sanitation District – Jeffery P. Robbins – Goldman, Robbins & Nicholson, P.C.

The Board considered Entering into Executive Session Pursuant to Section 24-6-402(4)(b), C.R.S. for the purposes of receiving legal advice on specific legal questions regarding the Intergovernmental Agreement By and Between The Pagosa Springs Sanitation General Improvement District and The Pagosa Area Water and Sanitation District from Jeffery P. Robbins, Goldman, Robbins & Nicholson, P.C. (copy attached). A motion was made by Director McIver and seconded by Director Hansen to enter into Executive Session for a conference with the District's attorney for the purposes of receiving legal advice on specific legal questions regarding the Intergovernmental Agreement By and Between The Pagosa Springs Sanitation General Improvement District and The Pagosa Area Water and Sanitation District pursuant to Section 24-6-402(4)(b), C.R.S. The motion passed unanimously. The Board entered into Executive Session at 3:05 p.m.

The Board considered the Intergovernmental Agreement By and Between The Pagosa Springs Sanitation General Improvement District and The Pagosa Area Water and Sanitation District – Jeffery P. Robbins – Goldman, Robbins & Nicholson, P.C. (copy attached). Upon returning to Open Session at 4:17 p.m., the Board thanked Mr. Robbins for providing legal advice on specific legal questions regarding the Intergovernmental Agreement By and Between The Pagosa Springs Sanitation General Improvement District and The Pagosa Area Water and Sanitation District during Executive Session at which no decisions were made.

Other Business

Director McIver presented License Agreement – Pagosa Area Water and Sanitation District and Laurie J. Nielsen (copy attached), stating that he installed the thermal exchange heating and cooling system necessitating said License Agreement, and at this time the property owners wish to assign the License Agreement to future property owners – David and Vickie Sweeney. Renee Lewis, Interim District Manager, stated staff recommends approval of the assignment. A motion was made by Director Hansen

and seconded by Director Brueckner to approve the assignment of License Agreement – Pagosa Area Water and Sanitation District and Laurie J. Nielsen to David and Vickie Sweeney. The motion passed 4 – 0 with Director McIver recusing himself from the vote.

There being no further business to come before the Board, the meeting was adjourned at 4:30 p.m.

Respectfully submitted,

Gordon McIver
Secretary

PAGOSA AREA WATER AND SANITATION DISTRICT)
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ARCHULETA COUNTY) S.S.
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STATE OF COLORADO)

NOTICE OF REGULAR WORK SESSION AND REGULAR MEETING

NOTICE IS HEREBY GIVEN that the Regular Work Session and Regular Meeting of the Board of Directors of the Pagosa Area Water and Sanitation District (PAWSD) have been scheduled for April 16, 2015 at 4:00 and 5:30 p.m. respectively. The Board may enter into Executive Session for determining positions and development strategy for negotiations and instructing negotiators in regards to the District Engineer position pursuant to Section 24-6-402(4)(e), C.R.S and for a conference with the District's attorney for the purposes of receiving legal advice on specific legal questions regarding the Intergovernmental Agreement By and Between The Pagosa Springs Sanitation General Improvement District and The Pagosa Area Water and Sanitation District agenda item pursuant to Section 24-6-402(4)(b), C.R.S. The Work Session and Regular Meeting will be held at 100 Lyn Avenue, Pagosa Springs, Colorado.

Proposed Agenda is as follows:

Work Session

1. Call to Order
2. Approval of Consent Agenda
 - Minutes – 3/19/15 Regular Meeting
 - Water Loss Update
 - Update Regarding San Juan Water Treatment Plant Upgrade – MIEX Project
 - Update Regarding Personnel Changes
 - Investment Report – March 31, 2015
 - Financial Statements – March 31, 2015
3. Consideration of Entering into Executive Session Pursuant to Section 24-6-402(4)(e), C.R.S
4. Consideration of Letter of Intent – District Engineer Position
5. Consideration of Entering into Executive Session Pursuant to Section 24-6-402(4)(b), C.R.S.
6. Consideration of Intergovernmental Agreement By and Between The Pagosa Springs Sanitation General Improvement District and The Pagosa Area Water and Sanitation District
7. Any Other Business Brought before the Board Will be Duly Considered

Regular Meeting

1. Call to Order
2. Approval of Consent Agenda
 - Minutes – 3/19/15 Regular Meeting
 - Water Loss Update
 - Investment Report – March 31, 2015
 - Financial Statements – March 31, 2015
3. Public Comment
4. Consideration of Entering into Executive Session Pursuant to Section 24-6-402(4)(e), C.R.S
5. Consideration of Letter of Intent – District Engineer Position
6. Consideration of Entering into Executive Session Pursuant to Section 24-6-402(4)(b), C.R.S.
7. Consideration of Intergovernmental Agreement By and Between The Pagosa Springs Sanitation General Improvement District and The Pagosa Area Water and Sanitation District
8. Any Other Business Brought before the Board Will Be Duly Considered

PAGOSA AREA WATER AND SANITATION DISTRICT

By /s/ Renee Lewis

For the Board of Directors

SEAL

RECORD OF PROCEEDINGS
PAGOSA AREA WATER AND SANITATION DISTRICT
APRIL 16, 2015 REGULAR MEETING

Attendance

The following Directors were present: Michael Church (telephonically), Paul Hansen, Gordon McIver (telephonically), and Glenn Walsh.

In attendance from staff: Shellie Peterson, Andy Connor, and Renee Lewis. Also present were: Renita Freeman and Jeff Robbins (telephonically).

Call to Order

The Regular Meeting for the Pagosa Area Water and Sanitation District (PAWSD) was called to order by Vice Chairman Glenn Walsh at 5:39 p.m.

Consent Agenda

The Board considered the Consent Agenda (copy attached). The Directors reviewed the minutes for the March 19, 2015 Regular Meeting and the April 2, 2015 Special Meeting, Water Loss Update, Investment Report – March 31, 2015, and Financial Statements – March 31, 2015. Vice Chairman Walsh suggested the word “was” on line 11 of the April 2, 2015 Special Meeting minutes be changed to “were.” Bill Hudson provided comments regarding his experience with aspects of how other boards manage the consent agenda. A motion was made by Vice Chairman Walsh and seconded by Chairman Church to approve the Consent Agenda as amended above. The motion passed unanimously.

Public Comment

Vice Chairman Walsh opened the meeting to Public Comment. No comments were offered.

Consideration of Entering into Executive Session Pursuant to Section 24-6-402(4)(e), C.R.S. and Letter of Intent – District Engineer Position, and Entering into Executive Session Pursuant to Section 24-6-402(4)(b), C.R.S. and Intergovernmental Agreement By and Between The Pagosa Springs Sanitation General Improvement District and The Pagosa Area Water and Sanitation District – Jeffery P. Robbins – Goldman, Robbins & Nicholson, P.C.

Vice Chairman Walsh reviewed the following Work Session agenda items for the purposes of notifying the public.

The Board considered Entering into Executive Session Pursuant to Section 24-6-402(4)(e), C.R.S. for determining positions and development strategy for negotiations and instructing negotiators in regards to the District Engineer position and Letter of Intent – District Engineer Position, and Entering into Executive Session Pursuant to Section 24-6-402(4)(b), C.R.S. for a conference with the District’s attorney for the purposes of receiving legal advice on specific legal questions regarding the Intergovernmental Agreement By and Between The Pagosa Springs Sanitation General Improvement District and The Pagosa Area Water and Sanitation District – Jeffery P. Robbins – Goldman, Robbins & Nicholson, P.C. (copy attached). A motion was made by Vice Chairman Walsh and seconded by Chairman Church to enter into

Executive Session pursuant to Section 24-6-402(4)(e) to determine positions and development strategy for negotiations and instructing negotiators in regards to the District Engineer position and Letter of Intent – District Engineer Position, and to enter into Executive Session pursuant to Section 24-6-402(4)(b), C.R.S. for a conference with the District’s attorney for the purposes of receiving legal advice on specific legal questions regarding the Intergovernmental Agreement By and Between The Pagosa Springs Sanitation General Improvement District and The Pagosa Area Water and Sanitation District – Jeffery P. Robbins – Goldman, Robbins & Nicholson, P.C. The motion passed unanimously.

The Board considered Letter of Intent – District Engineer Position and Intergovernmental Agreement By and Between The Pagosa Springs Sanitation General Improvement District and The Pagosa Area Water and Sanitation District (copy attached). Upon returning to Open Session at 5:34 p.m., the Board agreed that Renee Lewis, Interim District Manager, should proceed with negotiating the Letter of Intent – District Engineer Position, and Jeffrey P. Robbins – Goldman, Robbins & Nicholson, P.C. and Ms. Lewis should continue negotiating with the Pagosa Springs Sanitation General Improvement District regarding the Intergovernmental Agreement By and Between The Pagosa Springs Sanitation General Improvement District and The Pagosa Area Water and Sanitation District. The Board thanked Mr. Robbins for his time during the Executive Session at which no decisions were made.

Other Business

Shellie Peterson, Business Systems Manager, requested Chairman Church appoint a member of the Audit Committee from the Board. Chairman Church appointed Director Brueckner and directed Renee Lewis to notify Director Brueckner of said appointment. Chairman Church confirmed the 2015 Audit Committee would consist of Director Hansen as Treasurer, Director Brueckner by appointment, Renee Lewis as Interim District Manager, and Shellie Peterson.

There being no further business to come before the Board, the meeting was adjourned at 5:52 p.m.

Respectfully submitted,

Gordon McIver

PAGOSA AREA WATER AND SANITATION DISTRICT)
)
ARCHULETA COUNTY) S.S.
)
STATE OF COLORADO)

NOTICE OF REGULAR WORK SESSION AND REGULAR MEETING

NOTICE IS HEREBY GIVEN that the Regular Work Session and Regular Meeting of the Board of Directors of the Pagosa Area Water and Sanitation District (PAWSD) have been scheduled for May 21, 2015 at 4:00 and 5:30 p.m. respectively. The Board may enter into Executive Session for determining positions and development strategy for negotiations and instructing negotiators in regards to the District Engineer position and the Intergovernmental Agreement By and Between The Pagosa Springs Sanitation General Improvement District and The Pagosa Area Water and Sanitation District agenda item pursuant to Section 24-6-402(4)(e), C.R.S. The Work Session and Regular Meeting will be held at 100 Lyn Avenue, Pagosa Springs, Colorado.

Proposed Agenda is as follows:

Work Session

1. Call to Order
2. Approval of Consent Agenda
 - Minutes – 4/16/15 Regular Meeting
 - Water Loss Update
 - Update Regarding San Juan Water Treatment Plant Upgrade – MIEX Project
3. Consideration of Request for Waiver of Water Connection Fees – Geothermal Greenhouse Project
4. Consideration of Proposal to Refinance 2006 Bond Issue – Don Diones – George K. Baum
5. Consideration of Entering into Executive Session Pursuant to Section 24-6-402(4)(e), C.R.S.
6. Consideration of Letter of Intent – District Engineer Position
7. Consideration of Entering into Executive Session Pursuant to Section 24-6-402(4)(e), C.R.S.
8. Consideration of Intergovernmental Agreement By and Between The Pagosa Springs Sanitation General Improvement District and The Pagosa Area Water and Sanitation District
9. Consideration of Entering into Executive Session Pursuant to Section 24-6-402(4)(e), C.R.S.
10. Consideration of Proposal from CWCBC Regarding Loan for Dry Gulch Reservoir Project Property
11. Any Other Business Brought before the Board Will be Duly Considered

Regular Meeting

1. Call to Order
2. Approval of Consent Agenda
 - Minutes – 4/16/15 Regular Meeting
 - Water Loss Update
3. Public Comment
4. Consideration of Request for Waiver of Water Connection Fees – Geothermal Greenhouse Project
5. Consideration of Proposal to Refinance 2006 Bond Issue – Don Diones – George K. Baum
6. Consideration of Entering into Executive Session Pursuant to Section 24-6-402(4)(e), C.R.S.
7. Consideration of Letter of Intent – District Engineer Position
8. Consideration of Entering into Executive Session Pursuant to Section 24-6-402(4)(e), C.R.S.
9. Consideration of Intergovernmental Agreement By and Between The Pagosa Springs Sanitation General Improvement District and The Pagosa Area Water and Sanitation District
10. Any Other Business Brought before the Board Will Be Duly Considered

PAGOSA AREA WATER AND SANITATION DISTRICT

By /s/ Renee Lewis

For the Board of Directors

SEAL

RECORD OF PROCEEDINGS
PAGOSA AREA WATER AND SANITATION DISTRICT
MAY 21, 2015 REGULAR MEETING

Attendance

The following Directors were present: Blake Brueckner, Michael Church, Paul Hansen, and Glenn Walsh.

In attendance from staff: Shellie Peterson, Andy Connor, and Renee Lewis. Also present were: Randi Pierce, Pauline Bennetti, Bill Hudson, and Sally High.

Call to Order

The Regular Meeting for the Pagosa Area Water and Sanitation District (PAWSD) was called to order by Chairman Church at 5:42 p.m.

Consent Agenda

The Board considered the Consent Agenda (copy attached). The Directors reviewed the minutes for the April 16, 2015 Regular Meeting and Water Loss Update. A motion was made by Director Walsh and seconded by Director Hansen to approve the Consent Agenda as presented. The motion passed unanimously.

Public Comment

Chairman Church opened the meeting to Public Comment. No comments were offered.

Consideration of Request for Waiver of Water Connection Fees – Geothermal Greenhouse Project

The Board considered Request for Waiver of Water Connection Fees – Geothermal Greenhouse Project (copy attached). Pauline Bennetti presented Request for Waiver of Water Connection Fees – Geothermal Greenhouse Project, stating the Geothermal Greenhouse Project is requesting a water connection with a waiver of the connection fees for a 1 inch meter assigned 1 E.U. for the purposes of supporting the agriculture aspects of the project. Renee Lewis, Interim District Manager, stated that she had spoken with the Town of Pagosa Springs (Town) Town Administrator, Greg Schulte, and that he had conveyed his informal support for the project on behalf of the Town and that the Town did not object to a water connection to this property as the property owner. A motion was made by Director Walsh and seconded by Chairman Church to approve the request for a water connection with a waiver of water connection fees for a 1 inch meter assigned 1 E.U. The motion passed unanimously.

Consideration of Proposal to Refinance 2006 Bond Issue – Don Diones – George K. Baum

The Board considered Proposal to Refinance 2006 Bond Issue – Don Diones – George K. Baum (copy attached). Shellie Peterson, Business Systems Manager, presented Proposal to Refinance 2006 Bond Issue – Don Diones – George K. Baum, stating Don Diones of George K. Baum had presented her with a potential opportunity and economic advantage to refinancing the 2006 Bond Issue. The Board agreed that Mrs. Peterson should further pursue refinancing the 2006 Bond Issue.

Consideration of Letter of Intent – District Engineer Position

The Board considered Letter of Intent – District Engineer Position (copy attached). The Board determined an Executive Session was not necessary for this agenda item as the terms of the Letter of Intent – District Engineer Position had not changed since the April 16, 2015 Regular Meeting as indicated by Renee Lewis. A motion was made by Director Hansen and seconded Chairman Church to approve the execution of the Letter of Intent – District Engineer Position by Chairman Church. The motion passed unanimously.

Consideration of Entering into Executive Session Pursuant to Section 24-6-402(4)(e), C.R.S. and Intergovernmental Agreement By and Between The Pagosa Springs Sanitation General Improvement District and The Pagosa Area Water and Sanitation District and First Amendment to Intergovernmental Agreement By and Between The Pagosa Springs Sanitation General Improvement District and The Pagosa Area Water and Sanitation District

The Board considered Entering into Executive Session Pursuant to Section 24-6-402(4)(e), C.R.S. for determining positions and development strategy for negotiations and instructing negotiators in regards to the Intergovernmental Agreement By and Between The Pagosa Springs Sanitation General Improvement District and The Pagosa Area Water and Sanitation District and the First Amendment to Intergovernmental Agreement By and Between The Pagosa Springs Sanitation General Improvement District and The Pagosa Area Water and Sanitation District (copy attached). A motion was made by Director Hansen and seconded by Director Brueckner to enter into Executive Session pursuant to Section 24-6-402(4)(e), C.R.S. to determine positions and development strategy for negotiations and instructing negotiators in regards to the Intergovernmental Agreement By and Between The Pagosa Springs Sanitation General Improvement District and The Pagosa Area Water and Sanitation District and the First Amendment to Intergovernmental Agreement By and Between The Pagosa Springs Sanitation General Improvement District and The Pagosa Area Water and Sanitation District. The motion passed unanimously. The Board entered into Executive Session at 6:02 p.m.

The Board considered the Intergovernmental Agreement By and Between The Pagosa Springs Sanitation General Improvement District and The Pagosa Area Water and Sanitation District and the First Amendment to Intergovernmental Agreement By and Between The Pagosa Springs Sanitation General Improvement District and The Pagosa Area Water and Sanitation District (copy attached). Upon returning to Open Session at 6:49 p.m., the Board agreed that Renee Lewis should continue to negotiate with the Pagosa Springs Sanitation General Improvement District regarding the Intergovernmental Agreement By and Between The Pagosa Springs Sanitation General Improvement District and The Pagosa Area Water and Sanitation District. A motion was made by Director Walsh and seconded by Director Hansen to approve the First Amendment to Intergovernmental Agreement By and Between The Pagosa Springs Sanitation General Improvement District and The Pagosa Area Water and Sanitation District and authorize Chairman Church to execute the same. The motion passed unanimously.

Consideration of Entering into Executive Session Pursuant to Section 24-6-402(4)(e), C.R.S. and Proposal from CWCB Regarding Loan for Dry Gulch Reservoir Project Property

The Board considered Entering into Executive Session Pursuant to Section 24-6-402(4)(e), C.R.S. for determining positions and development strategy for negotiations and instructing negotiators in regards to the Proposal from CWCB Regarding Loan for Dry Gulch Reservoir Project Property (copy attached). A motion was made by Director Hansen and seconded by Chairman Church to enter into Executive Session pursuant to Section 24-6-402(4)(e), C.R.S. to determine positions and development strategy for

negotiations and instructing negotiators in regards to the Proposal from CWCB Regarding Loan for Dry Gulch Reservoir Project Property. The motion passed unanimously. The Board entered into Executive Session at 6:54 p.m.

The Board considered the Proposal from CWCB Regarding Loan for Dry Gulch Reservoir Project Property (copy attached). Upon returning to Open Session at 7:28 p.m., the Board agreed to make said proposal from CWCB available to the public prior to consideration for approval by the PAWSD Board.

Other Business

At the request of Shellie Peterson to accommodate the auditor's schedule the Board agreed to reschedule the Regular Work Session and Meeting from June 18, 2015 to June 25, 2015 at 4:00 and 5:30 p.m. respectively.

There being no further business to come before the Board, the meeting was adjourned at 7:38 p.m.

Respectfully submitted,

Gordon McIver
Secretary

PAGOSA AREA WATER AND SANITATION DISTRICT)
)
ARCHULETA COUNTY) S.S.
)
STATE OF COLORADO)

NOTICE OF REGULAR WORK SESSION AND REGULAR MEETING

NOTICE IS HEREBY GIVEN that the Regular Work Session and Regular Meeting of the Board of Directors of the Pagosa Area Water and Sanitation District (PAWSD) have been scheduled for June 25, 2015 at 4:00 and 5:30 p.m. respectively. The Board may enter into Executive Session for determining positions and development strategy for negotiations and instructing negotiators and for a conference with the District's attorney for the purposes of receiving legal advice on specific legal question in regards to the Proposal from CWCB Regarding Loan for Dry Gulch Reservoir Project Property agenda item pursuant to Section 24-6-402(4)(e) and (b) respectively and for determining positions and development strategy for negotiations and instructing negotiators for Intergovernmental Agreement By and Between The Pagosa Springs Sanitation General Improvement District and The Pagosa Area Water and Sanitation District agenda item pursuant to Section 24-6-402(4)(e), C.R.S. The Work Session and Regular Meeting will be held at 100 Lyn Avenue, Pagosa Springs, Colorado.

Proposed Agenda is as follows:

Work Session

1. Call to Order
2. Approval of Consent Agenda
 - Minutes – 5/21/15 Regular Meeting
 - Water Loss Update
 - Update Regarding San Juan Water Treatment Plant Upgrade – MIEX Project
3. Consideration of Entering into Executive Session Pursuant to Section 24-6-402(4)(e) and (b), C.R.S
4. Consideration of Proposal from CWCB Regarding Loan for Dry Gulch Reservoir Project Property
5. Consideration of Applying Savings Realized from the Proposal from CWCB Regarding Loan for Dry Gulch Reservoir Project Property to Debt Reduction
6. Consideration of Entering into Executive Session Pursuant to Section 24-6-402(4)(e), C.R.S.
7. Consideration of Intergovernmental Agreement By and Between The Pagosa Springs Sanitation General Improvement District and The Pagosa Area Water and Sanitation District
8. Consideration of Proposals to Refinance 2006 Bond Issue
9. Any Other Business Brought before the Board Will be Duly Considered

Regular Meeting

1. Call to Order
2. Approval of Consent Agenda
 - Minutes – 5/21/15 Regular Meeting
 - Water Loss Update
3. Public Comment
4. Consideration of Presentation and Approval of 2014 Audited Financial Statements – Ronny Farmer – Ronny Farmer, LLC
5. Consideration of Entering into Executive Session Pursuant to Section 24-6-402(4)(e), C.R.S
6. Consideration of Intergovernmental Agreement By and Between The Pagosa Springs Sanitation General Improvement District and The Pagosa Area Water and Sanitation District
7. Consideration of Proposal from CWCB Regarding Loan for Dry Gulch Reservoir Project Property
8. Consideration of Applying Savings Realized from the Proposal from CWCB Regarding Loan for Dry Gulch Reservoir Project Property to Debt Reduction
9. Consideration of Proposals to Refinance 2006 Bond Issue
10. Any Other Business Brought before the Board Will Be Duly Considered

PAGOSA AREA WATER AND SANITATION DISTRICT

By /s/ Renee Lewis
For the Board of Directors

SEAL

RECORD OF PROCEEDINGS
PAGOSA AREA WATER AND SANITATION DISTRICT
JUNE 25, 2015 REGULAR MEETING

Attendance

The following Directors were present: Blake Brueckner, Michael Church, Paul Hansen, and Glenn Walsh (telephonically).

In attendance from staff: Shellie Peterson, Justin Ramsey, Andy Connor, and Renee Lewis. Also present were: Jeanie Woods, Barbara Kennedy, Jeffery P. Robbins (telephonically), Ronny Farmer, and Casey Crow.

Call to Order

The Regular Meeting for the Pagosa Area Water and Sanitation District (PAWSD) was called to order by Chairman Church at 5:47 p.m.

Consent Agenda

The Board considered the Consent Agenda (copy attached). The Directors reviewed the minutes for the May 21, 2015 Regular Meeting and Water Loss Update. A motion was made by Director Hansen and seconded by Director Brueckner to approve the Consent Agenda as presented. The motion passed unanimously.

Public Comment

Chairman Church opened the meeting to Public Comment. Comments were offered by Jeanie Woods and Barbara Kennedy regarding the Colorado Timber Ridge Ranch HOA dissatisfaction with the new lift station in the subdivision (copy attached). Chairman Church and Director Hansen agreed to inspect said lift station and property as soon as possible and contact Ms. Kennedy.

Consideration of Presentation and Approval of 2014 Audited Financial Statements – Ronny Farmer – Ronny Farmer, LLC

The Board considered Approval of the 2014 Audited Financial Statements – Ronny Farmer – Ronny Farmer, LLC (copy attached). Ronny Farmer – Ronny Farmer, LLC presented 2014 Audited Financial Statements in reviewing the different components of the audit, highlighting the letter from his firm explaining the responsibility of the independent auditor, management's discussion and analysis, and the financial statements. Mr. Farmer presented the audit with an unqualified opinion as the financial statements have no material weaknesses or significant deficiencies. Following questions from the Board, a motion was made by Director Hansen and seconded by Director Brueckner to accept the 2014 Audited financial statements as presented and to authorize Shellie Peterson, Business Systems Manager, to post the 2014 Audited Financial Statement accordingly. The motion passed unanimously.

Consideration of Proposals to Refinance 2006 Bond Issue

The Board considered Proposals to Refinance 2006 Bond Issue (copy attached). The Board agreed to amend the agenda to consider this item ahead of the others in order to accommodate for scheduling. Shellie Peterson presented Consideration of Proposals to Refinance 2006 Bond Issue, stating her recommendation of the three proposals was for Piper Jaffray & Co. due mostly in part to the cost and the firm's familiarity with PAWSD financials because of its involvement in the 2012 General Obligation Refunding Bond Issue. A motion was made by Director Hansen and seconded by Director Brueckner to approve Piper Jaffray & Co. as the bond underwriter for the Refinance 2006 Bond Issue. The motion passed unanimously.

Consideration of Proposal from CWCB Regarding Loan for Dry Gulch Reservoir Project Property

The Board considered Proposal from CWCB Regarding Loan for Dry Gulch Reservoir Project Property (copy attached). Director Walsh presented Consideration of Proposal from CWCB Regarding Loan for Dry Gulch Reservoir Project Property, stating the proposal had been reviewed by PAWSD General Counsel, Jeffery P. Robbins, and the Board had received advice from Mr. Robbins that said proposal was ready for presentation to the entire PAWSD Board for consideration. A motion was made by Director Walsh and seconded by Director Hansen to approve the Proposal from CWCB Regarding Loan for Dry Gulch Reservoir Project Property and authorize Chairman Church to execute said proposal. The motion passed unanimously.

Consideration of Intergovernmental Agreement By and Between The Pagosa Springs Sanitation General Improvement District and The Pagosa Area Water and Sanitation District

The Board considered Intergovernmental Agreement By and Between The Pagosa Springs Sanitation General Improvement District and The Pagosa Area Water and Sanitation District (copy attached). Renee Lewis, Interim District Manager, presented Consideration of Intergovernmental Agreement By and Between The Pagosa Springs Sanitation General Improvement District and The Pagosa Area Water and Sanitation District, stating the Pagosa Springs Sanitation General Improvement District had proposed an offer for how to address the increased engineering fees for the wastewater pipeline project during the Standing Committee meeting on June 15, 2015. It was agreed at that time the PAWSD representatives would take said proposal to the full PAWSD Board at the June 25, 2015 meeting. Upon review of said proposal by PAWSD General Counsel, Jeffery P. Robbins, it was recommended the PAWSD Board reject said proposal. The Board agreed to reject said proposal and directed Ms. Lewis to notify the Pagosa Springs Sanitation General Improvement District of this direction.

Consideration of Applying Savings Realized from the Proposal from CWCB Regarding Loan for Dry Gulch Reservoir Project Property to Debt Reduction

The Board considered Applying Savings Realized from the Proposal from CWCB Regarding Loan for Dry Gulch Reservoir Project Property to Debt Reduction (copy attached). Chairman Church presented Consideration of Applying Savings Realized from the Proposal from CWCB Regarding Loan for Dry Gulch Reservoir Project Property to Debt Reduction, stating this could be achieved best during the 2016 budget discussions later this year. The Board agreed to table this item for 2016 budget discussions later this year.

There being no further business to come before the Board, the meeting was adjourned at 6:45 p.m.

Respectfully submitted,

Gordon McIver
Secretary

PAGOSA AREA WATER AND SANITATION DISTRICT)
)
ARCHULETA COUNTY) S.S.
)
STATE OF COLORADO)

NOTICE OF REGULAR WORK SESSION AND REGULAR MEETING

NOTICE IS HEREBY GIVEN that the Regular Work Session and Regular Meeting of the Board of Directors of the Pagosa Area Water and Sanitation District (PAWSD) have been scheduled for July 16, 2015 at 4:00 and 5:30 p.m. respectively. The Board may enter into Executive Session for the purpose of discussing a personnel matter – District Manager Position pursuant to Section 24-6-402(f), C.R.S. The Work Session and Regular Meeting will be held at 100 Lyn Avenue, Pagosa Springs, Colorado.

Proposed Agenda is as follows:

Work Session

1. Call to Order
2. Approval of Consent Agenda
 - Minutes – 6/25/15 Regular Meeting
 - Water Loss Update
 - Update Regarding San Juan Water Treatment Plant Upgrade – MIEX Project
 - Investment Report – June 30, 2015
 - Financial Statements – June 30, 2015
3. Consideration of Raw Water Service Agreement between Pagosa Area Water and Sanitation District and Pagosa Western Property, LLC – John Janowski
4. Consideration of Audit Engagement Proposal – Ronny Farmer, LLC
5. Consideration of Parameters Resolution for Authorization Regarding the Refunding of the Series 2006 Revenue Refunding Bonds
6. Consideration of Entering into Executive Session Pursuant to Section 24-6-402(4)(f), C.R.S
7. Consideration of District Manager Position
8. Any Other Business Brought before the Board Will be Duly Considered

Regular Meeting

1. Call to Order
2. Approval of Consent Agenda
 - Minutes – 6/25/15 Regular Meeting
 - Water Loss Update
 - Investment Report – June 30, 2015
 - Financial Statements – June 30, 2015
3. Public Comment
4. Consideration of Raw Water Service Agreement between Pagosa Area Water and Sanitation District and Pagosa Western Property, LLC – John Janowski
5. Consideration of Audit Engagement Proposal – Ronny Farmer, LLC
6. Consideration of Parameters Resolution for Authorization Regarding the Refunding of the Series 2006 Revenue Refunding Bonds
7. Consideration of Entering into Executive Session Pursuant to Section 24-6-402(4)(f), C.R.S
8. Consideration of District Manager Position
9. Any Other Business Brought before the Board Will Be Duly Considered

PAGOSA AREA WATER AND SANITATION DISTRICT

By /s/ Renee Lewis
For the Board of Directors

SEAL

RECORD OF PROCEEDINGS
PAGOSA AREA WATER AND SANITATION DISTRICT
JULY 16, 2015 REGULAR MEETING

Attendance

The following Directors were present: Blake Brueckner, Michael Church, Paul Hansen, Gordon Mclver, and Glenn Walsh.

In attendance from staff: Shellie Peterson, Justin Ramsey, Andy Connor, and Renee Lewis. Also present were: Randy Pierce, Todd Starr, John Janowski, and Bill Hudson.

Call to Order

The Regular Meeting for the Pagosa Area Water and Sanitation District (PAWSD) was called to order by Chairman Church at 5:31 p.m.

Consent Agenda

The Board considered the Consent Agenda (copy attached). The Directors reviewed the minutes for the June 25, 2015 Regular Meeting, Water Loss Update, Investment Report – June 30, 2015, and Financial Statements – June 30, 2015. A motion was made by Director Mclver and seconded by Director Brueckner to approve the Consent Agenda as presented. The motion passed unanimously.

Public Comment

Chairman Church opened the meeting to Public Comment. Bill Hudson offered comments regarding the request from the representatives of Pagosa Western Property, LLC and the proposed Raw Water Service Agreement between Pagosa Area Water and Sanitation District and Pagosa Western Property, LLC. Mr. Hudson suggested the PAWSD Board hold a public hearing on the matter should negotiations regarding said agreement move forward.

Consideration of Raw Water Service Agreement between Pagosa Area Water and Sanitation District and Pagosa Western Property, LLC – John Janowski

The Board considered Raw Water Service Agreement between Pagosa Area Water and Sanitation District and Pagosa Western Property, LLC – John Janowski (copy attached). Renee Lewis, Interim District Manager, presented Raw Water Service Agreement between Pagosa Area Water and Sanitation District and Pagosa Western Property, LLC – John Janowski, stating the substantive differences between this and the Raw Water Agreement between Pagosa Area Water and Sanitation District and Pagosa Springs Valley Golf Club, LLC, the agreement currently in place, include a rate reduction from \$107.00/acre foot to \$50.00/acre foot, a guarantee of a 100 acre feet per irrigation year in addition to the already agreed upon guarantee of 300 acre feet that are not subject to any drought conservation measures, and a 20-year term. The Board encouraged Pagosa Western Property, LLC representatives to reconsider the rate reduction, the 20-year term, and the request for the additional 100 acre feet and directed staff to continue working with said representatives.

Consideration of Audit Engagement Proposal – Ronny Farmer, LLC

The Board considered Audit Engagement Proposal – Ronny Farmer, LLC (copy attached). Shellie Peterson, Business Systems Manager, presented Audit Engagement Proposal – Ronny Farmer, LLC, stating that although the cost of said proposal has increased \$810.00 over the amount for the 2014 audit, she believes this to be a reasonable increase considering Mr. Farmer had held his engagement cost constant for the past three years. She indicated there were many continued benefits of working with Mr. Farmer, which include his familiarity with Dry Gulch and the Colorado Water Conservation Board loan, as well as the Pagosa Springs Sanitation General Improvement District sewer conveyance project. Mrs. Peterson recommended the Board again choose to engage Mr. Farmer for the 2015 audit. A motion was made by Director Hansen and seconded by Chairman Church to execute Audit Engagement Proposal – Ronny Farmer, LLC as presented for the 2015 audit. The motion passed unanimously 4 – 0 with Director Brueckner having to leave the meeting early prior to the vote.

Consideration of Parameters Resolution for Authorization Regarding the Refunding of the Series 2006 Revenue Refunding Bonds

The Board agreed to table this item for the August 20, 2015 Regular Meeting as Shellie Peterson explained this resolution was not available from the underwriters for presentation at this meeting.

Consideration of Entering into Executive Session Pursuant to Sections 24-6-402(4)(f), C.R.S. and Consideration of Personnel Matter – District Manager Position

The Board considered Entering into Executive Session Pursuant to Section 24-6-402(4)(f), C.R.S. for the purpose of discussing a personnel matter – District Manager Position (copy attached). A motion was made by Director Walsh and seconded by Director McIver to appoint Renee Lewis as the permanent District Manager for PAWSD. The motion passed unanimously. A motion was made by Director Walsh and seconded by Director McIver to enter into Executive Session for the purpose of discussing a personnel matter, specifically the compensation for the newly appointed District Manager, Renee Lewis, pursuant to Section 24-6-402(4)(f). The motion passed unanimously. The Board entered into Executive Session at 6:47 p.m.

The Board considered the Personnel Matter – terms of compensation for District Manager position. Upon returning to Open Session at 7:16 p.m., a motion was made by Director Walsh and seconded by Director Hansen to approve the terms for appointment of Renee Lewis as permanent District Manager to include an annual salary of \$99,000.00 and the accrual of 15 days of vacation per year. The motion passed unanimously.

There being no further business to come before the Board, the meeting was adjourned at 7:17 p.m.

Respectfully submitted,

Gordon McIver
Secretary

PAGOSA AREA WATER AND SANITATION DISTRICT)
)
ARCHULETA COUNTY) S.S.
)
STATE OF COLORADO)

NOTICE OF REGULAR WORK SESSION AND REGULAR MEETING

NOTICE IS HEREBY GIVEN that the Regular Work Session and Regular Meeting of the Board of Directors of the Pagosa Area Water and Sanitation District (PAWSD) have been scheduled for August 20, 2015 at 4:00 and 5:30 p.m. respectively. The Board may enter into Executive Session for determining positions and development strategy for negotiations and instructing negotiators for Intergovernmental Agreement By and Between The Pagosa Springs Sanitation General Improvement District and The Pagosa Area Water and Sanitation District agenda item pursuant to Section 24-6-402(4)(e), C.R.S. The Work Session and Regular Meeting will be held at 100 Lyn Avenue, Pagosa Springs, Colorado.

Proposed Agenda is as follows:

Work Session

1. Call to Order
2. Approval of Consent Agenda
 - Minutes – 7/16/15 Regular Meeting
 - Water Loss Update
 - Update Regarding San Juan Water Treatment Plant Upgrade – MIEX Project
 - Update Regarding Water and Wastewater Pipeline Projects
3. Consideration of Resolution 2015 – 02 – A Resolution Authorizing the Issuance by Pagosa Area Water and Sanitation District, Acting by and through its Water Activity Enterprise, Archuleta County, Colorado, of its Enterprise Revenue Refunding Bonds, Series 2015, for the Purposes of Refunding the Outstanding Enterprise Revenue Refunding and Improvement Bonds, Series 2006; Establishing a Reserve Fund for the Bonds; and Paying the Costs of Issuance of the Bonds; Providing for the Imposition of Rates and Charges Sufficient to Pay the Bonds; Providing the Form of the Bonds and Other Details in Connection Therewith; and Approving Other Documents Relating to the Bonds
4. Consideration of Request for Reduction in Availability Charges – Mr. Larry Cheeseman
5. Consideration of Proposal Regarding Martinez Reservoir Site – Maureen Maxwell – Holland Management, Inc.
6. Consideration of 2016 Board of Directors Meeting Schedule
7. Consideration of Entering into Executive Session Pursuant to Section 24-6-402(4)(e), C.R.S.
8. Consideration of Intergovernmental Agreement By and Between The Pagosa Springs Sanitation General Improvement District and The Pagosa Area Water and Sanitation District
9. Any Other Business Brought before the Board Will be Duly Considered

Regular Meeting

1. Call to Order
2. Approval of Consent Agenda
 - Minutes – 7/16/15 Regular Meeting
 - Water Loss Update
 - Update Regarding San Juan Water Treatment Plant Upgrade – MIEX Project
 - Update Regarding Water and Wastewater Pipeline Projects
3. Public Comment
4. Consideration of Resolution 2015 – 02 – A Resolution Authorizing the Issuance by Pagosa Area Water and Sanitation District, Acting by and through its Water Activity Enterprise, Archuleta County, Colorado, of its Enterprise Revenue Refunding Bonds, Series 2015, for the Purposes of Refunding the Outstanding Enterprise Revenue Refunding and Improvement Bonds, Series 2006; Establishing a Reserve Fund for the Bonds; and Paying the Costs of Issuance of the Bonds; Providing for the Imposition of Rates and Charges Sufficient to Pay the Bonds; Providing the Form of the Bonds and Other Details in Connection Therewith; and Approving Other Documents Relating to the Bonds
5. Consideration of Request for Reduction in Availability Charges – Mr. Larry Cheeseman
6. Consideration of Proposal Regarding Martinez Reservoir Site – Maureen Maxwell – Holland Management, Inc.
7. Consideration of 2016 Board of Directors Meeting Schedule
8. Consideration of Entering into Executive Session Pursuant to Section 24-6-402(4)(e), C.R.S.
9. Consideration of Intergovernmental Agreement By and Between The Pagosa Springs Sanitation General Improvement District and The Pagosa Area Water and Sanitation District

10. Any Other Business Brought before the Board Will Be Duly Considered

PAGOSA AREA WATER AND SANITATION DISTRICT

By /s/ Renee Lewis

For the Board of Directors

SEAL

RECORD OF PROCEEDINGS
PAGOSA AREA WATER AND SANITATION DISTRICT
AUGUST 20, 2015 REGULAR MEETING

Attendance

The following Directors were present: Blake Brueckner, Michael Church, Paul Hansen, Gordon McIver, and Glenn Walsh.

In attendance from staff: Shellie Peterson, Justin Ramsey, and Renee Lewis. Also present were: Casey Crow and Bill Hudson.

Call to Order

The Regular Meeting for the Pagosa Area Water and Sanitation District (PAWSD) was called to order by Chairman Michael Church at 5:38 p.m.

Consent Agenda

The Board considered the Consent Agenda (copy attached). The Directors reviewed the minutes for the July 16, 2015 Regular Meeting, Water Loss Update, Update Regarding San Juan Water Treatment Plant Upgrade – MIEX Project, and Update Regarding Water and Wastewater Pipeline Projects. A motion was made by Director McIver and seconded by Director Hansen to approve the Consent Agenda as presented. The motion passed unanimously.

Public Comment

Chairman Church opened the meeting to public comment. No comments were offered.

Consideration of Resolution 2015 – 02 – A Resolution Authorizing the Issuance by Pagosa Area Water and Sanitation District, Acting by and through its Water Activity Enterprise, Archuleta County, Colorado, of its Enterprise Revenue Refunding Bonds, Series 2015, for the Purposes of Refunding the Outstanding Enterprise Revenue Refunding and Improvement Bonds, Series 2006; Establishing a Reserve Fund for the Bonds; and Paying the Costs of Issuance of the Bonds; Providing for the Imposition of Rates and Charges Sufficient to Pay the Bonds; Providing the Form of the Bonds and Other Details in Connection Therewith; and Approving Other Documents Relating to the Bonds

The Board considered Resolution 2015 – 02 – A Resolution Authorizing the Issuance by Pagosa Area Water and Sanitation District, Acting by and through its Water Activity Enterprise, Archuleta County, Colorado, of its Enterprise Revenue Refunding Bonds, Series 2015, for the Purposes of Refunding the Outstanding Enterprise Revenue Refunding and Improvement Bonds, Series 2006; Establishing a Reserve Fund for the Bonds; and Paying the Costs of Issuance of the Bonds; Providing for the Imposition of Rates and Charges Sufficient to Pay the Bonds; Providing the Form of the Bonds and Other Details in Connection Therewith; and Approving Other Documents Relating to the Bonds (copy attached). Shellie Peterson, Business Systems Manager, presented Resolution 2015 – 02 – A Resolution Authorizing the Issuance by Pagosa Area Water and Sanitation District, Acting by and through its Water Activity Enterprise, Archuleta County, Colorado, of its Enterprise Revenue Refunding Bonds, Series 2015, for the Purposes of Refunding the Outstanding Enterprise Revenue Refunding and Improvement Bonds, Series 2006; Establishing a Reserve Fund for the Bonds; and Paying the Costs of Issuance of the Bonds; Providing for the Imposition of Rates and Charges Sufficient to Pay the Bonds; Providing the Form of the Bonds and Other Details in Connection Therewith; and Approving Other Documents Relating to the Bonds, summarizing the parameters that the bond sale could move forward with Board approval...A motion was made by Director Walsh and seconded by Director Hansen to adopt Resolution 2015 – 02 –

A Resolution Authorizing the Issuance by Pagosa Area Water and Sanitation District, Acting by and through its Water Activity Enterprise, Archuleta County, Colorado, of its Enterprise Revenue Refunding Bonds, Series 2015, for the Purposes of Refunding the Outstanding Enterprise Revenue Refunding and Improvement Bonds, Series 2006; Establishing a Reserve Fund for the Bonds; and Paying the Costs of Issuance of the Bonds; Providing for the Imposition of Rates and Charges Sufficient to Pay the Bonds; Providing the Form of the Bonds and Other Details in Connection Therewith; and Approving Other Documents Relating to the Bonds. The motion passed unanimously.

Consideration of Request for Reduction in Availability Charges – Mr. Larry Cheeseman

The Board considered Request for Reduction in Availability Charges – Mr. Larry Cheeseman (copy attached). Shellie Peterson presented Request for Reduction in Availability Charges – Mr. Larry Cheeseman, stating Mr. Cheeseman requests a reduction in Availability Fee charges for one of his properties because he had not received a bill for said property from PAWSD. The Archuleta County Clerk's office had failed to notify the District of the Treasurers sale and as such billings continued to be sent to the owner of record according to the District's records. A motion was made by Director Walsh and seconded by Director McIver to deny Request for Reduction in Availability Charges – Mr. Larry Cheeseman. The motion passed unanimously.

Consideration of Proposal Regarding Martinez Reservoir Site – Maureen Maxwell – Holland Management, Inc.

The Board considered Proposal Regarding Martinez Reservoir Site – Maureen Maxwell – Holland Management, Inc. (copy attached). Renee Lewis, District Manager, presented Proposal Regarding Martinez Reservoir Site – Maureen Maxwell – Holland Management, Inc., stating said proposal was initiated with her by Mrs. Maxwell with a meeting set with Mr. Jack Holland for September 8, 2015 for further discussion. The Board directed Ms. Lewis to attend said meeting, but cautioned it had little interest in participating in the building of a new reservoir or assuming the responsibility for operating and maintaining a new reservoir.

Consideration of 2016 Board of Directors Meeting Schedule

The Board considered 2016 Board of Directors Meeting Schedule (copy attached). Chairman Church presented 2016 Board of Directors Meeting Schedule, stating that he wished to modify the Board of Directors Meeting Schedule for 2016. Following a lengthy discussion, the Board agreed to cancel the November 2015 Regular Work Session and Meeting and to table the discussion regarding the 2016 Board of Directors Meeting Schedule for the December 2015 Regular Work Session and Meeting.

Consideration of Entering into Executive Session Pursuant to Section 24-6-402(4)(e), C.R.S and Consideration of Intergovernmental Agreement By and Between The Pagosa Springs Sanitation General Improvement District and The Pagosa Area Water and Sanitation District

The Board considered Entering into Executive Session Pursuant to Section 24-6-402(4)(e), C.R.S. for determining positions and development strategy for negotiations and instructing negotiators in regards to the Intergovernmental Agreement By and Between The Pagosa Springs Sanitation General Improvement District and The Pagosa Area Water and Sanitation District (copy attached). A motion was made by Director Hansen and seconded by Director Walsh to enter into Executive Session pursuant to Section 24-6-402(4)(e), C.R.S. to determine positions and development strategy for negotiations and instructing negotiators in regards to the Intergovernmental Agreement By and Between The Pagosa Springs Sanitation General Improvement District and The Pagosa Area Water and Sanitation District. The motion passed unanimously. The Board entered into Executive Session at 5:55 p.m.

The Board considered the Intergovernmental Agreement By and Between The Pagosa Springs Sanitation General Improvement District and The Pagosa Area Water and Sanitation District (copy attached). Upon returning to Open Session at 6:45 p.m., the Board agreed that Renee Lewis should continue to negotiate with the Pagosa Springs Sanitation General Improvement District regarding the Intergovernmental

Agreement By and Between The Pagosa Springs Sanitation General Improvement District and The Pagosa Area Water and Sanitation District.

There being no further business to come before the Board, the meeting was adjourned at 6:46 p.m.

Respectfully submitted,

Gordon McIver
Secretary

PAGOSA AREA WATER AND SANITATION DISTRICT)
)
ARCHULETA COUNTY) S.S.
)
STATE OF COLORADO)

NOTICE OF REGULAR WORK SESSION AND REGULAR MEETING

NOTICE IS HEREBY GIVEN that the Regular Work Session and Regular Meeting of the Board of Directors of the Pagosa Area Water and Sanitation District (PAWSD) have been scheduled for September 17, 2015 at 4:00 and 5:30 p.m. respectively. The Board may enter into Executive Session for determining positions and development strategy for negotiations and instructing negotiators for Intergovernmental Agreement By and Between The Pagosa Springs Sanitation General Improvement District and The Pagosa Area Water and Sanitation District agenda item pursuant to Section 24-6-402(4)(e), C.R.S. The Work Session and Regular Meeting will be held at 100 Lyn Avenue, Pagosa Springs, Colorado.

Proposed Agenda is as follows:

Work Session

1. Call to Order
2. Approval of Consent Agenda
 - Minutes – 8/20/15 Regular Meeting
 - Water Loss Update
 - Update Regarding San Juan Water Treatment Plant Upgrade – MIEX Project
 - Update Regarding Water and Wastewater Pipeline Projects
 - Update regarding Martinez Reservoir Site – Holland Management, Inc.
 - Update regarding CWCB Agreement to Restructure Loan Contract
3. Report of Bond Sales results from the Series 2015 Refunding of the Outstanding Enterprise Revenue Refunding and Improvement Bonds, Series 2006
4. Consideration of 2014 Annual Report to Archuleta County Board of County Commissioners
5. Consideration of Investment Options
6. Consideration of Petition for Inclusion – Southwest Colorado Mental Health Center dba Axis Health Center
7. Consideration of Entering into Executive Session Pursuant to Section 24-6-402(4)(e), C.R.S.
8. Consideration of Intergovernmental Agreement By and Between The Pagosa Springs Sanitation General Improvement District
and The Pagosa Area Water and Sanitation District
9. Any Other Business Brought before the Board Will be Duly Considered

Regular Meeting

1. Call to Order
2. Approval of Consent Agenda
 - Minutes – 8/20/15 Regular Meeting
 - Water Loss Update
 - Update Regarding San Juan Water Treatment Plant Upgrade – MIEX Project
 - Update Regarding Water and Wastewater Pipeline Projects
 - Update regarding Martinez Reservoir Site – Holland Management, Inc.
 - Update regarding CWCB Agreement to Restructure Loan Contract
3. Report of Bond Sales results from the Series 2015 Refunding of the Outstanding Enterprise Revenue Refunding and Improvement Bonds, Series 2006
4. Consideration of 2014 Annual Report to Archuleta County Board of County Commissioners
5. Consideration of Investment Options
6. Consideration of Petition for Inclusion – Southwest Colorado Mental Health Center dba Axis Health Center
7. Consideration of Entering into Executive Session Pursuant to Section 24-6-402(4)(e), C.R.S.
8. Consideration of Intergovernmental Agreement By and Between The Pagosa Springs Sanitation General Improvement District
and The Pagosa Area Water and Sanitation District
9. Any Other Business Brought before the Board Will be Duly Considered

PAGOSA AREA WATER AND SANITATION DISTRICT

By /s/ Renee Lewis
For the Board of Directors

SEAL

RECORD OF PROCEEDINGS
PAGOSA AREA WATER AND SANITATION DISTRICT
SEPTEMBER 17, 2015 REGULAR MEETING

Attendance

The following Directors were present: Blake Brueckner, Michael Church (telephonically), Paul Hansen, Gordon Mclver, and Glenn Walsh.

In attendance from staff: Shellie Peterson, Justin Ramsey, Mike Medici, and Renee Lewis (telephonically). Also present was: Casey Crow.

Call to Order

The Regular Meeting for the Pagosa Area Water and Sanitation District (PAWSD) was called to order by Vice Chairman Walsh at 5:30 p.m.

Consent Agenda

The Board considered the Consent Agenda (copy attached). The Directors reviewed the minutes for the August 20, 2015 Regular Meeting, Water Loss Update, Update Regarding San Juan Water Treatment Plant Upgrade – MIEX Project, Update Regarding Water and Wastewater Pipeline Projects, Update Regarding Martinez Reservoir Site – Holland Management, Inc., and Update Regarding CWCB Agreement to Restructure Loan Contract. Shellie Peterson, Business Systems Manager, presented the Update Regarding CWCB Agreement to Restructure Loan Contract, stating a ministerial change was made to the final revised loan agreement and the documents were reexecuted by Chairman Church on September 8, 2015. A motion was made by Director Hansen and seconded by Director Mclver to approve the Consent Agenda as presented. The motion passed unanimously.

Report of Bond Sales results from the Series 2015 Refunding of the Outstanding Enterprise Revenue Refunding and Improvement Bonds, Series 2006

The Board considered Report of Bond Sales results from the Series 2015 Refunding of the Outstanding Enterprise Revenue Refunding and Improvement Bonds, Series 2006 (copy attached). Shellie Peterson presented Report of Bond Sales results from the Series 2015 Refunding of the Outstanding Enterprise Revenue Refunding and Improvement Bonds, Series 2006, stating the District had received an A2 Moody's underlying credit rating on August 24, 2015 and the actual sale on September 2, 2015 was very successful in that the par issue of \$5,265,000 was ultimately reduced to \$4,670,000 due to the amount of premium buyers were willing to pay for the bonds. The final savings to the District rate and taxpayers amounted to \$528,902.12 and represented a net present value (NPV) of 11.3% as illustrated in the final report (copy attached).

Consideration of 2014 Annual Report to Archuleta County Board of County Commissioners

The Board considered 2014 Annual Report to Archuleta County Board of County Commissioners (copy attached). Shellie Peterson presented Consideration of 2014 Annual Report to Archuleta County Board of County Commissioners, stating this is the PAWSD annual report due by October 1st of each year to the Archuleta County Board of County Commissioners certifying the debt-to-tap ratio. A motion was made by

Director Hansen and seconded by Director McIver to approve sending said annual report as presented to the Archuleta County Board of County Commissioners and authorizing Director Hansen as Treasurer to execute said report. The motion passed unanimously.

Consideration of Investment Options

The Board considered Investment Options (copy attached). Shellie Peterson presented Consideration of Investment Options, stating that she had requested quotes from the local banks regarding current interest rate yields with the most attractive rate being currently offered by Rio Grande Savings & Loan (copy attached). She also indicated that while the District had purchased Government Sponsored Enterprise Bonds (GSEs) in the past, it had not done so for quite some time and that a brokerage account with Wells Fargo had been terminated due to inactivity. The Board directed Mrs. Peterson to proceed to accomplish the required paperwork to establish a new brokerage account and pursue the purchase of a suitable GSE bond or Treasury Notes for investment purposes.

Consideration of Petition for Inclusion – Southwest Colorado Mental Health Center dba Axis Health Center

The Board considered Petition for Inclusion – Southwest Colorado Mental Health Center dba Axis Health Center (copy attached). Shellie Peterson presented Consideration of Petition for Inclusion – Southwest Colorado Mental Health Center dba Axis Health Center, stating that should the Directors accept the Petition for Inclusion; Axis Health Center was considering building a mental health office complex. Both the water and wastewater main lines would need to be extended at the expense of the developer after engineering determined the amount of equivalent units necessary to serve the proposed facility. Director Hansen mentioned there was other property surrounding the property addressed in the Petition for Inclusion that had never been included in the boundary of the District. He indicated that those property owners may be interested to know that an inclusion process was underway by Axis Health Center and that there may be some 'economy of scale' should they wish to participate in the inclusion at this time or in participating in the planning for and cost of the water and wastewater line extensions. Mrs. Peterson indicated that she would relay those thoughts to Axis Mental Health. A motion was made by Director Hansen and seconded by Director Brueckner to accept the Petition for Inclusion – Southwest Colorado Mental Health Center dba Axis Health Center and set the Public Hearing date for October 15, 2015. The motion passed unanimously.

Consideration of Entering into Executive Session Pursuant to Section 24-6-402(4)(e), C.R.S. and Consideration of Intergovernmental Agreement By and Between The Pagosa Springs Sanitation General Improvement District and The Pagosa Area Water and Sanitation District

The Board agreed to not address this agenda item during the Regular Meeting.

Other Business

Shellie Peterson indicated that she had hard copies of the DRAFT budget documents for distribution to the Directors. She also suggested that, in the spirit of transparency, the DRAFT budget be posted to the District website so that the public would have the opportunity to review the same prior to a Public Hearing on the Budget. She suggested that the Public Hearing be noticed for the next regular meeting, October 15, 2015. Vice Chairman Walsh suggested the time be altered to begin the work session at 3:30 p.m. to allow additional time for discussion. A motion was made by Chairman Church and seconded by Director

Hansen to publish the draft budget to the District website and set the Public Hearing for discussion of such for October 15, 2015. The motion passed unanimously.

There being no further business to come before the Board, the meeting was adjourned at 5:45 p.m.

Respectfully submitted,

Gordon McIver
Secretary

PAGOSA AREA WATER AND SANITATION DISTRICT)
)
ARCHULETA COUNTY) S.S.
)
STATE OF COLORADO)

NOTICE OF REGULAR WORK SESSION, REGULAR MEETING, AND PUBLIC HEARINGS

NOTICE IS HEREBY GIVEN that the Regular Work Session, Regular Meeting, and Public Hearings of the Board of Directors of the Pagosa Area Water and Sanitation District (PAWSD) have been scheduled for October 15, 2015 at 3:30 and 5:30 p.m. respectively. The Board may enter into Executive Session for determining positions and development strategy for negotiations and instructing negotiators for Intergovernmental Agreement By and Between The Pagosa Springs Sanitation General Improvement District and The Pagosa Area Water and Sanitation District agenda item pursuant to Section 24-6-402(4)(e), C.R.S. The Work Session, Regular Meeting, and Public Hearings will be held at 100 Lyn Avenue, Pagosa Springs, Colorado.

Proposed Agenda is as follows:

Work Session

1. Call to Order
2. Approval of Consent Agenda
 - Minutes – 9/17/15 Regular Meeting
 - Water Loss Update
 - Update Regarding San Juan Water Treatment Plant Upgrade – MIEX Project
 - Update Regarding Water and Wastewater Pipeline Projects
 - Update regarding Martinez Reservoir Site – Holland Management, Inc.
 - Investment Update – September 30, 2015
 - Financial Statements – September 30, 2015
3. Consideration of Southwest Colorado Mental Health Center dba Axis Health Inclusion
4. Consideration of Certification of Delinquent Accounts to County Treasurer
 - a) Consideration of Letters of Request Received
 - b) Consideration of Resolution 2015 – 03 – Resolution to Certify Delinquent Accounts to County Treasurer
5. Consideration of Proposed 2016 Budget
6. Consideration of Update and Ratification of Purchase of a Federal National Mortgage Association Medium Term Note
7. Consideration of Entering into Executive Session Pursuant to Section 24-6-402(4)(e), C.R.S.
8. Consideration of Intergovernmental Agreement By and Between The Pagosa Springs Sanitation General Improvement District and The Pagosa Area Water and Sanitation District
9. Consideration of Cancelling the November Regular Work Session and Regular Meeting
10. Consideration of Rescheduling the December Regular Work Session and Regular Meeting
11. Any Other Business Brought Before the Board Will Be Duly Considered.

Regular Meeting

1. Call to Order
2. Approval of Consent Agenda
 - Minutes – 9/17/15 Regular Meeting
 - Water Loss Update
 - Investment Update – September 30, 2015
 - Financial Statements – September 30, 2015
3. Public Comment
4. 6:00 p.m. Public Hearing – Consideration of Southwest Colorado Mental Health Center dba Axis Health Inclusion
5. 6:20 p.m. Public Hearing – Certification of Delinquent Accounts to County Treasurer
 - a) Consideration of Letters of Request Received
 - b) Consideration of Resolution 2015 – 03 – Resolution to Certify Delinquent Accounts to County Treasurer
6. 6:30 p.m. Public Hearing – Consideration of Proposed 2016 Budget
7. Consideration of Update and Ratification of Purchase of a Federal National Mortgage Association Medium Term Note
8. Consideration of Entering into Executive Session Pursuant to Section 24-6-402(4)(e), C.R.S.
9. Consideration of Intergovernmental Agreement By and Between The Pagosa Springs Sanitation General Improvement District and The Pagosa Area Water and Sanitation District
10. Consideration of Cancelling the November Regular Work Session and Regular Meeting

11. Consideration of Rescheduling the December Regular Work Session and Regular Meeting
12. Any Other Business Brought Before the Board Will Be Duly Considered.

PAGOSA AREA WATER AND SANITATION DISTRICT

By /s/ Renee Lewis
For the Board of Directors

SEAL

RECORD OF PROCEEDINGS
PAGOSA AREA WATER AND SANITATION DISTRICT
OCTOBER 15, 2015 REGULAR MEETING

Attendance

The following Directors were present: Michael Church, Paul Hansen, and Glenn Walsh.

In attendance from staff: Shellie Peterson and Justin Ramsey. Also present were: Marshall Dunham, Pagosa SUN and Jeff King, Axis Health Systems.

Call to Order

The Regular Meeting for the Pagosa Area Water and Sanitation District (PAWSD) was called to order by Chairman Michael Church at 5:45 p.m.

Consent Agenda

The Board considered the Consent Agenda (copy attached). The Directors reviewed the minutes for the September 17, 2015 Regular Meeting, Water Loss Update, Investment Report, and the Financial Statements as of September 30th. Director Walsh suggested a clarification to line 75 of the minutes would be to state that the property proposed for inclusion by Southwest Colorado Mental Health had always been outside of the District Boundaries rather than it being 'excluded' from the District Boundaries. A motion was made by Director Walsh and seconded by Director Hansen to approve the Consent Agenda with the change mentioned above to the minutes. The motion passed unanimously.

Public Comment

Chairman Church opened the meeting to public comment. No comments were offered.

Public Hearing – Consideration of Southwest Colorado Mental Health Center dba Axis Health Inclusion

Director Church opened the Public Hearing for consideration of Southwest Colorado Mental Health Center dba Axis Health. Jeff King, representing Southwest Colorado Mental Health Center dba Axis Health, was in attendance. Director Hansen indicated that he was very happy to welcome the firm's investment in development in the community as well as to inclusion to the District. Shellie Peterson, Business Systems Manager, indicated that the Notice of Public Hearing had been published in the Pagosa Sun to enable any interested constituents to comment on the proposed inclusion. She also noted that this was the first of many steps as engineering would determine the number of equivalent units necessary for service to the property as well as the design of the water and wastewater line extensions. There being no comments received from the public to the contrary, a motion was made by Director Hansen and seconded by Director Walsh to approve the Inclusion and authorize the Secretary to sign the Board Order of such when it became available. The motion passed unanimously.

Public Hearing – Consideration of Certification of Delinquent Accounts to County Treasurer

Director Church opened the Public Hearing for consideration of Delinquent Accounts to the County Treasurer. Shellie Peterson indicated that there had been no requests for consideration received for the Board to consider. She noted that only accounts that had been previously certified were being recommended for certification and that alternative collection procedures were being employed on other accounts. There being no comments received from the public to the contrary, a motion was made by

Director Walsh and seconded by Director Hansen to approve Resolution 2015 – 03 and authorize its execution by Director Church. The motion passed unanimously.

Consideration of 2016 Proposed Budget and 2015 Amended Budget

Director Church opened the Public Hearing for consideration of the Proposed 2016 Budget and the 2015 Amended Budget. The Directors had reviewed the proposed 2016 Budget during the earlier Work Session and since there were no additional members of the public present, the discussion was limited to allowing for approximately \$42,500 in a 'raise pool' to be administered at the discretion of the District Manager, Renee Lewis. Furthermore, direction was given to Shellie Peterson to accomplish the renewal of the employee health insurance policy at the current benefit level. A motion was made by Director Walsh and seconded by Director Hansen to voluntarily subject the District to the State Statutory limitations and TABOR in its calculation of the mill levies for both District 1 and 2 if applicable according to the final assessed values. The motion passed unanimously.

Consideration of Update and Ratification of Purchase of Federal National Mortgage Association Medium Term Note

Shellie Peterson updated the Directors that a Federal National Mortgage Association Medium Term Note (copy attached) had been purchased through Edward Jones as directed at the last meeting. Directors Hansen and McIver executed the documents opening the Trade account. She further noted that due to SEC regulatory requirements, the bond would be held in a brokerage account with Wells Fargo Advisors LLC listing Director Hansen and she as authorized signatures with two signatures required. A motion was made by Director Walsh and seconded by Chairman Church to ratify the actions taken and to authorize Director Hansen and Shellie Peterson to execute the documents necessary for the Wells Fargo Brokerage account. The motion passed unanimously.

Consideration of Entering into Executive Session Pursuant to Section 24-6-402(4)(e), C.R.S and Consideration of Intergovernmental Agreement By and Between The Pagosa Springs Sanitation General Improvement District and The Pagosa Area Water and Sanitation District

There being no new information to discuss, the Board did not consider entering into Executive Session.

Consideration of cancelling the November Regular Work Session and Regular Meeting and Rescheduling the December Regular Work Session and Regular Meeting

After discussion, and with the understanding that a Special Meeting could be considered to address any customer requests if necessary, a motion was made by Director Walsh and seconded by Director Hansen to cancel the November Regular Work Session and Regular Meeting and Reschedule the December Regular Work Session and Regular Meeting to December 14th, 2015, at 4:00 and 5:30 respectively. The motion passed unanimously.

Other Business – Signatory Authority

Justin Ramsey indicated that in Renee Lewis's absence, there are occurrences where it is necessary that he and Shellie Peterson sign various documents and he wanted to be sure that was specifically authorized as to not cause any problem in the future. A motion was made by Chairman Church and seconded by Director Hansen that during the District Manager's absence, Shellie Peterson was authorized to sign and that she was authorized to delegate that authority to Justin Ramsey in occasions where his signature would be more appropriate. The motion passed unanimously.

There being no further business to come before the Board, the meeting was adjourned at 6:40 p.m.

Respectfully submitted,

Gordon McIver
Secretary

PAGOSA AREA WATER AND SANITATION DISTRICT)
ARCHULETA COUNTY) S.S.
STATE OF COLORADO)

NOTICE OF SPECIAL MEETING

NOTICE IS HEREBY GIVEN that a Special Meeting of the Board of Directors of the Pagosa Area Water and Sanitation District (PAWSD) has been scheduled for October 22, 2015 at 4:00 pm. The Board may enter into Executive Session for determining positions and development strategy for negotiations and instructing negotiators and conferences with an attorney for the public entity for the purposes of receiving legal advice on specific legal questions for Intergovernmental Agreement By and Between The Pagosa Springs Sanitation General Improvement District and The Pagosa Area Water and Sanitation District agenda item pursuant to Section 24-6-402(4) (b) and (e), C.R.S. The Special Meeting, will be held at 100 Lyn Avenue, Pagosa Springs, Colorado.

Proposed Agenda is as follows:

Special Meeting

1. Call to Order
2. Consideration of Entering into Executive Session Pursuant to Section 24-6-402(4) (b) and (e), C.R.S.
3. Consideration of Intergovernmental Agreement By and Between The Pagosa Springs Sanitation General Improvement District and The Pagosa Area Water and Sanitation District
4. Any Other Business Brought Before the Board Will Be Duly Considered.

PAGOSA AREA WATER AND SANITATION DISTRICT

By /s/ Renee Lewis
For the Board of Directors

SEAL

RECORD OF PROCEEDINGS
PAGOSA AREA WATER AND SANITATION DISTRICT
OCTOBER 22, 2015 SPECIAL MEETING

Attendance

The following Directors were present: Blake Brueckner, Michael Church, Paul Hansen, Gordon McIver, and Glenn Walsh.

In attendance from staff: Shellie Peterson, Justin Ramsey, and Renee Lewis (telephonically). Also present was: Jeffery Robbins.

Call to Order

The Special Meeting for the Pagosa Area Water and Sanitation District (PAWSD) was called to order by Chairman Michael Church at 4:00 p.m.

Consideration of Entering into Executive Session Pursuant to Section 24-6-402(4)(b) and (e), C.R.S. and Consideration of Intergovernmental Agreement By and Between The Pagosa Springs Sanitation General Improvement District and The Pagosa Area Water and Sanitation District – Jeffery P. Robbins – Goldman, Robbins, Nicholson, & Mack P.C.

The Board considered Entering into Executive Session Pursuant to Section 24-6-402(4)(b) and (e), C.R.S. for the purposes of receiving legal advice on specific legal questions from Jeffery P. Robbins, Goldman, Robbins, Nicholson, & Mack P.C. and for determining positions and development strategy for negotiations and instructing negotiators for Intergovernmental Agreement By and Between The Pagosa Springs Sanitation General Improvement District and The Pagosa Area Water and Sanitation District (copy attached). A motion was made by Director Walsh and seconded by Director Brueckner to enter into Executive Session for a conference with the District's attorney for the purposes of receiving legal advice on specific legal questions and for determining positions and development strategy for negotiations and instructing negotiators regarding the Intergovernmental Agreement By and Between The Pagosa Springs Sanitation General Improvement District and The Pagosa Area Water and Sanitation District pursuant to Section 24-6-402(4)(b) and (e), C.R.S. The motion passed unanimously. The Board entered into Executive Session at 4:03 p.m.

The Board considered the Intergovernmental Agreement By and Between The Pagosa Springs Sanitation General Improvement District and The Pagosa Area Water and Sanitation District (copy attached). Upon returning to Open Session at 5:36 p.m., the Board thanked Mr. Robbins for providing legal advice on specific legal questions regarding the Intergovernmental Agreement By and Between The Pagosa Springs Sanitation General Improvement District and The Pagosa Area Water and Sanitation District during Executive Session at which no decisions were made.

There being no further business to come before the Board, the meeting was adjourned at 5:37 p.m.

Respectfully submitted,

Gordon McIver
Secretary

PAGOSA AREA WATER AND SANITATION DISTRICT)
)
ARCHULETA COUNTY) S.S.
)
STATE OF COLORADO)

NOTICE OF SPECIAL MEETING

NOTICE IS HEREBY GIVEN that a Special Meeting of the Board of Directors of the Pagosa Area Water and Sanitation District (PAWSD) has been scheduled for November 24, 2015 at 3:00 p.m. The Board may enter into Executive Session for determining positions and development strategy for negotiations and instructing negotiators and conferences with an attorney for the public entity for the purposes of receiving legal advice on specific legal questions for Intergovernmental Agreement By and Between The Pagosa Springs Sanitation General Improvement District and The Pagosa Area Water and Sanitation District and Restructuring Agreement for CWCB Loan agenda items pursuant to Section 24-6-402(4)(b) and (e), C.R.S. The Board may also enter into Executive Session to discuss a personnel matter – District Manager pursuant to Section 24-6-402(4)(f), C.R.S. The Special Meeting, will be held at 100 Lyn Avenue, Pagosa Springs, Colorado.

Proposed Agenda is as follows:

Special Meeting

1. Call to Order
2. Consideration of Entering into Executive Session Pursuant to Section 24-6-402(4)(f), C.R.S
3. Consideration of Personnel Matter – District Manager
4. Consideration of Entering into Executive Session Pursuant to Section 24-6-402(4)(b) and (e), C.R.S.
5. Consideration of Intergovernmental Agreement By and Between The Pagosa Springs Sanitation General Improvement District and The Pagosa Area Water and Sanitation District and Restructuring Agreement for CWCB Loan
6. Any Other Business Brought Before the Board Will Be Duly Considered.

PAGOSA AREA WATER AND SANITATION DISTRICT

By /s/ Renee Lewis
For the Board of Directors

SEAL

RECORD OF PROCEEDINGS
PAGOSA AREA WATER AND SANITATION DISTRICT
NOVEMBER 24, 2015 SPECIAL MEETING

Attendance

The following Directors were present: Michael Church (telephonically), Paul Hansen, Gordon McIver (telephonically), and Glenn Walsh.

In attendance from staff: Shellie Peterson, Justin Ramsey, and Renee Lewis (telephonically). Also present was, Jeff Robbins (telephonically).

Call to Order

The Special Meeting for the Pagosa Area Water and Sanitation District (PAWSD) was called to order by Vice Chairman Glenn Walsh at 3:03 p.m.

Consideration of Entering into Executive Session Pursuant to Section 24-6-402(4)(f), C.R.S. and Consideration of Personnel Matter – District Manager

The Board considered Entering into Executive Session Pursuant to Section 24-6-402(4)(f), C.R.S. for the purposes of considering a personnel matter – District Manager (copy attached). Vice Chairman Walsh presented Consideration of Entering into Executive Session Pursuant to Section 24-6-402(4)(f), C.R.S., stating the purpose for entering into Executive Session was to discuss the position of District Manager. A motion was made by Vice Chairman Walsh and seconded by Director Hansen to enter into Executive Session to discuss the District Manager position pursuant to 24-6-402(4)(f) C.R.S. The motion passed unanimously. The Board entered Executive Session at 3:09 p.m.

Upon returning to Open Session at 3:30 p.m., the Board thanked the District Manager, Renee Lewis, for bringing issues discussed in Executive Session to their attention at which no decisions were made.

Consideration of Entering into Executive Session Pursuant to Section 24-6-402(4)(b) and (e), C.R.S. and Consideration of Intergovernmental Agreement By and Between The Pagosa Springs Sanitation General Improvement District and The Pagosa Area Water and Sanitation District and Restructuring Agreement for CWCB Loan – Jeffery P. Robbins – Goldman, Robbins, Nicholson, & Mack P.C.

The Board considered Entering into Executive Session Pursuant to Section 24-6-402(4)(b) and (e), C.R.S. for the purposes of receiving legal advice on specific legal questions from Jeffery P. Robbins, Goldman, Robbins, Nicholson, & Mack P.C. and for determining positions and development strategy for negotiations and instructing negotiators for Intergovernmental Agreement By and Between The Pagosa Springs Sanitation General Improvement District and The Pagosa Area Water and Sanitation District and Restructuring Agreement for CWCB Loan (copy attached). A motion was made by Director Walsh and seconded by Director Hansen to enter into Executive Session for a conference with the District's attorney for the purposes of receiving legal advice on specific legal questions and for determining positions and development strategy for negotiations and instructing negotiators regarding the Intergovernmental Agreement By and Between The Pagosa Springs Sanitation General Improvement District and The

Pagosa Area Water and Sanitation District and Restructuring Agreement for CWCB Loan pursuant to Section 24-6-402(4)(b) and (e), C.R.S. The motion passed unanimously. The Board entered into Executive Session at 3:35 p.m.

The Board considered the Intergovernmental Agreement By and Between The Pagosa Springs Sanitation General Improvement District and The Pagosa Area Water and Sanitation District and Restructuring Agreement for CWCB Loan (copy attached). Upon returning to Open Session at 5:29 p.m., the Board thanked Mr. Robbins for providing legal advice on specific legal questions regarding the Intergovernmental Agreement By and Between The Pagosa Springs Sanitation General Improvement District and The Pagosa Area Water and Sanitation District and Restructuring Agreement for CWCB Loan during Executive Session at which no decisions were made.

There being no further business to come before the Board, the meeting was adjourned at 5:35 p.m.

Respectfully submitted,

Gordon McIver
Secretary

PAGOSA AREA WATER AND SANITATION DISTRICT)
)
ARCHULETA COUNTY) S.S.
)
STATE OF COLORADO)

NOTICE OF SPECIAL MEETING

NOTICE IS HEREBY GIVEN that a Special Meeting of the Board of Directors of the Pagosa Area Water and Sanitation District (PAWSD) has been scheduled for December 10, 2015 at 10:00 a.m. The Board may enter into Executive Session for determining positions and development strategy for negotiations and instructing negotiators and conferences with an attorney for the public entity for the purposes of receiving legal advice on specific legal questions for Intergovernmental Agreement By and Between The Pagosa Springs Sanitation General Improvement District and The Pagosa Area Water and Sanitation District and Restructuring Agreement for CWCB Loan agenda items pursuant to Section 24-6-402(4)(b) and (e), C.R.S. The Board may also enter into Executive Session to discuss a personnel matter – District Manager pursuant to Section 24-6-402(4)(f), C.R.S. The Special Meeting will be held at 100 Lyn Avenue, Pagosa Springs, Colorado.

Proposed Agenda is as follows:

Special Meeting

1. Call to Order
2. Consideration of Entering into Executive Session Pursuant to Section 24-6-402(4)(f), C.R.S
3. Consideration of Personnel Matter – District Manager
4. Consideration of Entering into Executive Session Pursuant to Section 24-6-402(4)(b) and (e), C.R.S.
5. Consideration of Intergovernmental Agreement By and Between The Pagosa Springs Sanitation General Improvement District and The Pagosa Area Water and Sanitation District and Restructuring Agreement for CWCB Loan
6. Any Other Business Brought Before the Board Will Be Duly Considered.

PAGOSA AREA WATER AND SANITATION DISTRICT

By /s/ Renee Lewis
For the Board of Directors

SEAL

RECORD OF PROCEEDINGS
PAGOSA AREA WATER AND SANITATION DISTRICT
DECEMBER 10, 2015 SPECIAL MEETING

Attendance

The following Directors were present: Blake Brueckner, Michael Church, Paul Hansen, Gordon McIver (telephonically), and Glenn Walsh.

In attendance from staff: Shellie Peterson, Justin Ramsey, and Renee Lewis (telephonically). Also present was Jeff Robbins.

Call to Order

The Special Meeting for the Pagosa Area Water and Sanitation District (PAWSD) was called to order by Chairman Church at 10:01 a.m.

Consideration of Entering into Executive Session Pursuant to Section 24-6-402(4)(f), C.R.S. and Consideration of Personnel Matter – District Manager

The Board considered Entering into Executive Session Pursuant to Section 24-6-402(4)(f), C.R.S. for the purposes of considering a personnel matter – District Manager (copy attached). Renee Lewis, District Manager, presented Entering into Executive Session Pursuant to Section 24-6-402(4)(f), C.R.S. for the purposes of considering a personnel matter – District Manager, stating that she did not see a need to enter into Executive Session and the Board agreed. Ms. Lewis stated that she would like to appoint Justin Ramsey, District Engineer, as the Interim District Manager while she works on a part-time basis for the next six months. The Board agreed with this appointment and to allow Ms. Lewis to work part-time for six months beginning January 1, 2016.

Consideration of Entering into Executive Session Pursuant to Section 24-6-402(4)(b) and (e), C.R.S. and Consideration of Intergovernmental Agreement By and Between The Pagosa Springs Sanitation General Improvement District and The Pagosa Area Water and Sanitation District and Restructuring Agreement for CWCB Loan – Jeffery P. Robbins – Goldman, Robbins, Nicholson, & Mack P.C.

The Board considered Entering into Executive Session Pursuant to Section 24-6-402(4)(b) and (e), C.R.S. for the purposes of receiving legal advice on specific legal questions from Jeffery P. Robbins, Goldman, Robbins, Nicholson, & Mack P.C. and for determining positions and development strategy for negotiations and instructing negotiators for Intergovernmental Agreement By and Between The Pagosa Springs Sanitation General Improvement District and The Pagosa Area Water and Sanitation District and Restructuring Agreement for CWCB Loan (copy attached). The Board agreed there was no need to enter into Executive Session. Chairman Church presented Entering into Executive Session Pursuant to Section 24-6-402(4)(b) and (e), C.R.S. for the purposes of receiving legal advice on specific legal questions from Jeffery P. Robbins, Goldman, Robbins, Nicholson, & Mack P.C. and for determining positions and development strategy for negotiations and instructing negotiators for Intergovernmental Agreement By and Between The Pagosa Springs Sanitation General Improvement District and The Pagosa Area Water and Sanitation District and Restructuring Agreement for CWCB Loan, stating he had spoken with representatives from the Pagosa Springs Sanitation General Improvement District (PSSGID)

and he believes further negotiation would be productive and beneficial for the future relationship between the two government agencies. Director Walsh concurred this is the time to establish a good relationship, but without an agreement that speaks to the operations and maintenance of the shared wastewater pipeline project, an agreement the PSSGID obligated itself to reach with PAWSD in the First Amendment to the Intergovernmental Agreement By and Between The Pagosa Springs Sanitation General Improvement District and The Pagosa Area Water and Sanitation District, PAWSD should not move forward with funding the project in 2016. Following a lengthy discussion, a motion was made by Director Walsh and seconded by Director Hansen to not appropriate the funds for the line items in the 2016 Proposed Budget associated with the operation and maintenance of the shared wastewater pipeline project and to direct PAWSD attorney, Jeffery P. Robbins, to notify the PSSGID accordingly. The motion passed unanimously. The Board also directed Shellie Peterson, Business Systems Manager, to revise the 2016 Proposed Budget to reflect this decision and agreed Chairman Church should continue discussions with PSSGID representatives.

Jeffery P. Robbins, Goldman, Robbins, Nicholson, & Mack P.C. presented an update regarding the Restructuring Agreement for CWCB Loan, stating it had become apparent the final documents would not be available for execution during the 2015 calendar year; however, the District was in receipt of a letter from CWCB affirming the intent to resolve the ministerial issues with regards to encumbering the Running Iron Ranch, as well as, acknowledging that the loan payment made according to the restructured loan schedule was received and fully satisfied the payment obligation for 2015. Mr. Robbins further stated that Ronny Farmer, PAWSD auditor, has approved the District's intent to act on the substantial completion of the loan restructuring in its 2016 Budget documents and anticipate the final execution of documents sometime early in 2016.

There being no further business to come before the Board, the meeting was adjourned at 11:05 a.m.

Respectfully submitted,

Gordon McIver
Secretary

PAGOSA AREA WATER AND SANITATION DISTRICT)
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ARCHULETA COUNTY) S.S.
)
STATE OF COLORADO)

NOTICE OF REGULAR WORK SESSION AND REGULAR MEETING RESCHEDULED

NOTICE IS HEREBY GIVEN that the Regular Work Session and Regular Meeting of the Board of Directors of the Pagosa Area Water and Sanitation District (PAWSD) have been rescheduled from December 17, 2015 to December 14, 2015 at 4:00 and 5:30 p.m. respectively. The Work Session and Regular Meeting will be held at 100 Lyn Avenue, Pagosa Springs, Colorado.

Proposed Agenda is as follows:

Work Session

1. Call to Order
2. Approval of Consent Agenda
Minutes – 10/15/15 Regular Meeting, 10/22/15 Special Meeting, and 11/24/15 Special Meeting
Water Loss Update
3. Public Comment
4. Consideration of Amendment to 2015 Budget
5. Consideration of Proposed 2016 Budget
6. Consideration of Certification of Mill Levies
7. Consideration of 2016 Board Meeting Schedule
8. Consideration of Request for Reimbursement for Road Bore – Toby Summers
9. Consideration of Insurance Coverage – District Manager
10. Any Other Business Brought Before the Board Will Be Duly Considered.

Regular Meeting

1. Call to Order
2. Approval of Consent Agenda
Minutes – 10/15/15 Regular Meeting, 10/22/15 Special Meeting, and 11/24/15 Special Meeting
Water Loss Update
3. Public Comment
4. Consideration of Request for Reimbursement for Road Bore – Toby Summers
5. Consideration of Amendment to 2015 Budget
6. Consideration of Proposed 2016 Budget
7. Consideration of Certification of Mill Levies
8. Consideration of 2016 Board Meeting Schedule
9. Consideration of Insurance Coverage – District Manager
10. Any Other Business Brought Before the Board Will Be Duly Considered.

PAGOSA AREA WATER AND SANITATION DISTRICT

By /s/ Renee Lewis
For the Board of Directors

SEAL

RECORD OF PROCEEDINGS
PAGOSA AREA WATER AND SANITATION DISTRICT
DECEMBER 14, 2015 REGULAR MEETING

Attendance

The following Directors were present: Blake Brueckner, Michael Church, Paul Hansen, and Gordon McIver.

In attendance from staff: Shellie Peterson, Justin Ramsey, and Renee Lewis (telephonically).

Call to Order

The Regular Meeting for the Pagosa Area Water and Sanitation District (PAWSD) was called to order by Chairman Church at 5:36 p.m.

Consent Agenda

The Board considered the Consent Agenda (copy attached). The Directors reviewed the minutes for the October 15, 2015 Regular Meeting, October 22, 2015 Special Meeting, November 24, 2015 Special Meeting, and Water Loss Update. A motion was made by Director Hansen and seconded by Director Brueckner to approve the Consent Agenda as presented. The motion passed unanimously.

Public Comment

Chairman Church opened the meeting to Public Comment. No comments were offered.

Consideration of Request for Reimbursement for Road Bore – Toby Summers

The Board considered Request for Reimbursement for Road Bore – Toby Summers (copy attached). Shellie Peterson, Business Systems Manager, presented Request for Reimbursement for Road Bore, stating revisions made in 2012 to the PAWSD Rules and Regulations resulted in the unintentional consequence of requiring some customers to install their own sewer lateral should they be unable to obtain a Shared Wastewater Line Agreement with their neighbor allowing them to share the lateral originally installed by the developer and approved by PAWSD. A motion was made by Director Brueckner and seconded by Director Hansen to reimburse Mr. Summers for the full cost of the road bore for the sewer lateral in the amount of \$2,770 per his request. The motion passed unanimously. Shellie Peterson suggested that moving forward if a subdivision or phase of a subdivision designed and engineered with shared laterals between two properties had previously been approved by PAWSD that staff allow both properties to connect using said shared lateral. The Board concurred. She indicated that steps would be taken to broaden the disclosure made at the time of a vacant lot request for closing information as well as on the Connection Permit.

Consideration of Amendment to 2015 Budget

The Board considered Amendment to 2015 Budget (copy attached). Shellie Peterson presented Amendment to 2015 Budget, stating the primary reason for the amendment being the 2006 revenue bond refunding and unanticipated Lead Project Representative expenses for the PSSGID Sewer Conveyance

Line and the Treated Water Pipeline. A motion was made by Director Hansen and seconded by Director Brueckner to approve the Amendment to the 2015 Budget as presented. The motion passed unanimously.

Consideration of Proposed 2016 Budget

The Board considered the Proposed 2016 Budget (copy attached). Shellie Peterson presented Proposed 2016 Budget, calling attention to the fact that it had been prepared, based upon the Restructuring of the CWCB Loan reflected. Both the CWCB and PAWSD had conferred on this approach and it had been endorsed by the District's auditor as being substantially completed even though final signatures had not yet been obtained due to technicalities. A motion was made by Director Brueckner and seconded by Director Hansen to adopt the Proposed 2016 Budget as presented. The motion passed unanimously.

Consideration of Certification of Mill Levies

The Board considered Certification of Mill Levies (copy attached). Shellie Peterson presented Certification of Mill Levies, stating that in following the direction of the Board to voluntarily comply with the TABOR and State Statutory limitations; a Temporary General Property Tax Credit/Mill Levy Rate Reduction Credit had been calculated for District 1 in the amount of \$.094 mills for \$9,400 reduction in revenue. The Tabor Calculation was the most restrictive. The calculations for District 2 did not result in a Temporary General Property Tax Credit/Mill Levy Rate Reduction Credit. The Tabor calculation was again the most restrictive but allowed for 1.959 mills which was higher than the voter approved 1.949. A motion was made by Director Hansen and seconded by Director Brueckner to certify the Mill Levies as presented. The motion passed unanimously.

Consideration of 2016 Board Meeting Schedule

The Board agreed to table this item for the January 2016 Regular Work Session and Meeting.

Consideration of Insurance Coverage – District Manager

The Board considered Insurance Coverage – District Manager (copy attached). The Board directed District Manager, Renee Lewis, to discuss a retainage agreement with Director Glenn Walsh and present the results of that discussion at the January 2016 Regular Work Session and Meeting.

There being no further business to come before the Board, the meeting was adjourned at 5:43 p.m.

Respectfully submitted,

Gordon McIver
Secretary