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 Thursday November 5, 2026 at 12:00 p.m. The Special Meeting will be held at 100 Lyn Avenue, Pagosa Springs, Colorado.

Proposed Agenda is as follows:

1. Call to Order
2. Roll Call
3. Consideration of an executive session to discuss: (1) the draft settlement agreement with San Juan Water Conservancy District; and (2) Case No. 2026CW003022 In the Interest of: San Juan Water Conservancy District et al. (the "Subject Matters") pursuant to C.R.S. Section 24-6-402(4)(b), for the purpose of receiving legal advice on specific legal questions from the District's general counsel on the Subject Matters, and C.R.S. Section 24-6-402 (4)(e)(I), to determine positions relative to matters that may be subject to negotiations, developing strategy for negotiations, and instructing negotiators with respect to the Subject Matters.
4. Consideration of Settlement Agreement and Release – San Juan Water Conservancy District
5. Consideration of executive session to discuss draft Employment Agreement for District Manager position pursuant to C.R.S. Section 24-6-402 (4)(e)(I), to determine positions relative to matters that may be subject to negotiations, developing strategy for negotiations, and instructing negotiators.
6. Consideration of Employment Agreement for District Manager Position – Andrew Connor
7. Updates Regarding October and November 2026 Flooding Events

PAGOSA AREA WATER AND SANITATION DISTRICT

By /s/ Andrew Connor
For the Board of Directors



EMPLOYMENT AGREEMENT

THIS AGREEMENT is made and entered into this 513th day of November, 20265 by and between the Pagosa Area Water and Sanitation District ("PAWSD" or "District"), acting by and through its Board of Directors, hereinafter called "Employer" and Andrew Connor, hereinafter called "Employee." Employer and Employee are individually "party" and collectively "parties."

WHEREAS, the District desires to employ Employee as District Manager of PAWSD; and

WHEREAS, it is the desire of the District to provide certain benefits, establish certain conditions of employment, and to set working conditions of the Employee; and

WHEREAS, the Employee desires to accept employment as the District Manager of PAWSD on the terms and conditions of this Agreement.

NOW THEREFORE in consideration of the mutual promises contained herein, the parties agree as follows:

1. **DUTIES**. Employee shall be employed by the District as its District Manager, and shall professionally perform all duties necessary for effective management of the District's facilities and personnel, and ensure effective operations and provision of District services to its customers. No actions of the Employee shall diminish the vested power or authority of the Board of Directors to direct the duties of the Employee.

2. **TERM**. The term of employment shall begin November 143, 20265, and shall extend through November 143, 20276, and then shall thereafter be subject to renewal upon mutual agreement of the parties herein, all subject to the suspension, termination, and resignation provisions hereof. Employee may resign his position upon giving written notice to the Board of Directors at least thirty (30) days prior to the effective date of his resignation.

3. **SUSPENSION AND TERMINATION**. Employer can terminate Employee "for cause" or "without cause." In the event that Employer terminates the Employee for cause, Employee will be entitled to receive only accrued pay and accrued benefits to the date of termination. In the event Employer terminates Employee without cause, Employee shall be entitled to threewo (32) months' severance pay. Such severance pay, if applicable, shall constitute the total liquidated damages arising out of the termination of Employee's employment. Employee, upon receipt of such severance pay, shall be deemed to have waived any and all demands, claims, suits, causes of action, or any legal proceedings against PAWSD, its Board of Directors, or any of its officers, agents, employees or assigns.

4. **FOR CAUSE**. For purposes of this Agreement, suspension or termination "for cause" is defined as material non-performance of Employee's duties, a material violation of Employer's rules or Employee Handbook as amended from time to time, theft, conviction of a felony or a crime of dishonesty, engaging in conduct that jeopardizes Employer's image or operations, or dereliction of duty. Prior to taking final action to terminate Employee for cause, the Board of Directors shall hold a meeting, either special or regular, for the purpose of discussing the existence of cause. Prior to the meeting, Employee shall be informed in writing of the date and time of the meeting and the cause alleged. At the meeting, Employee shall have an opportunity to rebut the allegations of cause prior to the final vote by the Board of Directors regarding the existence of cause.

5. **SALARY**. Employer agrees to pay Employee, for services rendered, an annual salary of One Hundred Fiftyorty Thousand, eight hundred and 0/100ths Dollars ($15040,8000.00), payable in installments at the same time as other employees of the Employer are paid. Upon the resignation of Justin Ramsey, Employer agrees to pay Employee an annual salary of One Hundred Forty-Five Thousand and 0/100ths Dollars ($145,000.00), effective the first day of the month after Mr. Ramsey's resignation. If this Agreement is renewed in subsequent years at the discretion of Employer, Employer agrees to consider increases in salary

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and/or other benefits for the District Manager on the basis of performance reviews of the District Manager and not based upon the salary increases that may be provided to the rest of the PAWSD's employees. Normal withholding of FICA, medical, federal and state taxes shall be deducted from Employee's gross salary by Employer.

6. **RESIDENCY**. Employee must reside within the boundaries of PAWSD during his term of employment.

7. **HOURS OF WORK**. It is recognized that the District Manager must devote a considerable amount of time outside normal office hours for that position (from 6:30 a.m. to 5:00 p.m. Monday through Thursday and as needed all other days) in excess of Forty (40) hours per week to PAWSD business. As an FLSA exempt Employee, the District Manager shall not be eligible for overtime or compensatory pay. The District Manager will be eligible for Administrative Leave, as prescribed by the PAWSD Employee Handbook and as amended from time to time. Employee shall not engage in any non-PAWSD connected business during the hours of work without the expressed prior approval of the Board of Directors.

8. **BENEFITS**. Employee shall be entitled to all the benefits applicable to PAWSD employees as are incident to their employment relationship with PAWSD, including, but not limited to Four Hundred Sixty Four (464) hours of Paid Time Off (PTO) carried over and capped in accordance with the Personnel Handbook and as amended from time to time, Three (3) days of Reserve Sick Bank, any other forms of life insurance protection, retirement program, disability insurance, and other employee benefits as provided in the PAWSD Employee Handbook and as amended from to time. He shall also be entitled to such other benefits as agreed to in this Agreement.

   a. PAWSD shall pay the Employee's fees to the proper licensing authority of the State and national certification in which he is employed and other professional groups in which the Employee feels it is necessary to maintain and improve his professional skills, as permitted by State law.

   b. PAWSD shall pay dues, membership fees, and related expenses for membership in professional and civic organizations up to an annual maximum of Eight Hundred and 0/100th Dollars ($800.00). For such expenses that, in aggregate with other such expenses, would exceed this annual cap, the Employee shall obtain consent of the Board of Directors prior to such expenditure.

   c. As allowed by Colorado law and provided for in the Personnel Handbook as amended from time to time, the Employee shall be credited with accumulated and unused PTO at the termination of this Agreement.

9. **EXPENSES**. PAWSD shall pay or reimburse Employee for reasonable expenses that have been budgeted by PAWSD and subsequently incurred by Employee in the continuing performance of his duties under this employment contract. Employee must provide documentation of all expenses prior to payment or reimbursement.

10. **PROFESSIONAL GROWTH OF DISTRICT MANAGER**. PAWSD encourages the professional growth of Employee through his participation in educational programs as he recommends to the Board of Directors in light of his responsibilities as Employee. The District Manager will seek the professional ratings of Class A Water and Class B Wastewater through his participation in educational programs. Employee may participate in the activities listed below in his discretion so long as the expense to the PAWSD does not exceed Two Thousand Five Hundred and 0/100th Dollars ($2500.00) per year in travel, registration fees, and related expenses. For activities that would, in aggregate with other activities, exceed the annual cap herein, Employee shall obtain consent of the Board of Directors prior to such expenditure. Such professional growth may include:

    a. Seminars and courses offered by public or private educational institutions.

    b. Programs and activities conducted or sponsored by local, state, and national managers' organizations or Districts.

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c. Informational meetings with other persons whose particular skills and backgrounds would serve to improve the capacity of the Employee to perform his professional responsibilities for the District.

d. Visits to other Districts.

Employer shall permit a reasonable amount of release time for Employee as he deems appropriate to attend to such matters and will pay the necessary fees for continuing education necessary to keep Employee's license valid or professional accreditation.

11. **PERFORMANCE EVALUATION**. The Board of Directors shall endeavor to conduct a performance evaluation with the District Manager within the last month of employment under this Agreement. The evaluation shall be on the basis of mutually agreed performance indicators and standards that reflect the specific job duties of the position. The purposes of the evaluation shall be:

a. To determine mutually acceptable goals for the next twelve months;

b. To review the performance of the District Manager based on the previously agreed job indicators; and

c. To use as the basis for determining the compensation of the District Manager for the succeeding year.

12. **DISABILITY**. If Employee is permanently disabled or is otherwise unable to perform his duties because of sickness, accident, injury, mental capacity, or health for a period of four successive weeks beyond any accrued PTO or Reserve Sick Bank, the Board of Directors shall have the option to terminate this Agreement immediately. The amount of salary associated with any unused PTO existing as of the last day upon which Employee performed the duties of District Manager shall be computed and paid to Employee in a lump sum settlement.

13. **RETIREMENT**. Employee shall be eligible for the District's retirement plan and Employer agrees to contribute as provided for in the Personnel Handbook and as amended from time to time-. The Employee shall be vested in the PAWSD contribution amount according to the vesting schedule per the Employee Handbook.

14. **AUTOMOBILE**. Employer shall provide Employee a PAWSD vehicle to be used for District business and moderate personal use. Employee or other PAWSD employees are the only permitted vehicle operators, and Employee shall maintain a valid Colorado driver's license.

15. **PAWSD EMPLOYEE HANDBOOK**. Employee's employment is also governed by the provisions of the PAWSD Employee Handbook as amended from time to time. Where the provisions of this Agreement conflict with the PAWSD Employee Handbook, this Agreement shall govern.

16. **GENERAL PROVISIONS**.

a. The text herein shall constitute the entire agreement between the parties and supersedes any and all negotiations relating to the subject matter hereof.

b. This Agreement shall become effective commencing on the date first above written.

c. If any provision, or any portion thereof, contained in this Agreement is held to be unconstitutional, invalid or unenforceable, the remainder of this Agreement shall be deemed severable, shall not be affected, and shall remain in full force and effect.

d. A waiver by PAWSD of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach by the Employee.

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e. Financial obligations of PAWSD payable after the current fiscal year are contingent upon funds for that purpose being appropriated, budgeted, and otherwise made available.

f. No change, modification, or amendment of any provision of this Agreement shall be valid unless made in writing and signed by both parties.

g. This Agreement may be executed in counterparts. The parties agree to accept electronic or facsimile signatures as original signatures.

h. The parties agree that in the event of any dispute between Employer and Employee arising under this Agreement, Colorado law shall exclusively control to the extent that it is not superseded by any applicable federal law. Venue for such a dispute shall lie exclusively in the courts of the State of Colorado located in Archuleta County, Colorado.

PAGOSA AREA WATER AND SANITATION DISTRICT

By:_____
Gene Tautges, Chairman Board of Directors

Attest:

_____
Bill Hudson, Secretary Board of Directors

DISTRICT MANAGER

_____
Andrew Connor

DONE and **SIGNED** this ____ day of _____, 20__.

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