



**PAGOSA AREA GEOTHERMAL WATER AND POWER AUTHORITY
REGULAR MONTHLY MEETING MINUTES
Monday, May 9th, 2016 @ 5:00 p.m.
County Admin Building
398 Lewis Street, Pagosa Springs, CO**

1. Call To Order

Meeting called to order by Chairman Lucero at 5:00 pm

Present:

Don Volger

Steve Wadley

John Egan

David Schanzenbaker

Michael Whiting at 5:04 pm

2. Approval of April 18th Minutes

Motion to approve by Wadley

Second by Volger

Approved unanimously

3. Update on Time Extension Contract Amendment

Town Manager Schulte explained that at the last meeting the Board had requested some clarification on some of the terms within the amended contract. Those terms were clarified and the revised contract was delivered.

4. Update on Clarification of Change to DOLA Match Requirements – Decision on execution of Amended Contract

Schulte explained that there was discussion at a previous meeting on whether the Board wanted to accept DoLA's offer of a 50% split on the match and whether or not that match split was for a particular project or for the remaining balance (\$1.4 million) of the grant. Volger indicated that he was in support of the grant amendment as it enables PAGWAPA to keep its options open with regard to additional exploration. Wadley - nobody has agreed to spend any money and the amendment does not bind them to anything. Lucero – no real downside to accepting the amendment.

Motion to approve by Volger to accept the contract extension with a 50/50 match for the remaining balance of the funds available.

Second – Egan

Motion approved unanimously

5. Pagosa Waters Manager's Update

Jerry Smith indicated that he has spoken to Geothermal Resources Group they will be providing a new well design the budget is now about ½ of what they said it would be a week ago. The budget for a drilling project is \$700k for a 1500' well and another \$250k to go to 5000'. Smith indicated that if Sandia Labs participate in the project that the DOE will pay for 80% of a "demonstration project," and with DoLA paying 50% it won't cost us anything. Smith continued to say that if it is determined by the first well that there is production level heat and flow that there is a new program out with the DOE that might have funds available for a production well.

The lease on the Fairway trust property expires in June and will need to be addressed moving forward.

6. Other Items of Mutual Interest

Lucero - Is the Board in a place where the meeting frequency can be changed? With not a lot going on it might make sense to push the meetings out to once every other month. Smith indicated that he would be happy to prepare an update that could be distributed on a monthly basis to be distributed via email.

A motion was made by Wadley to change the PAGWAPA Board meeting schedule to every other month starting with a July meeting.

Second Volger

Lucero – There have been some citizens who have indicated that they would like to evaluate the data that has been generated and is there a website that they can go to for that info. Smith stated that they can go to pagosaverde.com and much of the data is there, as well as links to federal sites where the balance can be found.

7. Adjourn

The meeting was adjourned at 5:33