



551 Hot Springs Boulevard
Post Office Box 1859
Pagosa Springs, CO 81147
Phone: 970.264.4151
Fax: 970.264.4634

**PAGOSA SPRINGS SANITATION GENERAL
IMPROVEMENT DISTRICT MEETING MINUTES
THURSDAY, MAY 19, 2011
Town Hall Council Chambers
12:00 P.M.**

I. CALL MEETING TO ORDER – Board President Aragon, Board Member Cotton, Board Member Jackson, Board Member Lattin, Board Member Pierce, Board Member Volger

II. NEW BUSINESS

1. Approval of Engagement Letter with Kutak Rock LLP as Bond Counsel for CWRPDA and USDA Loans - The GID's Attorney, Robert Cole, is recommending Kutak Rock LLP to assist the District as local bond counsel in connection with the interim loan agreement and issuance by the District of a Governmental Agency Bond to the CWRPDA and as special counsel to the District in connection with permanent financing with the USDA loan. The USDA loan includes amounts sufficient to pay up to \$75,000 in District legal fees; this amount includes the \$22,000 for bond counsel fees from Kutak Rock LLP. Board Member Volger moved to authorize the Board President to sign the engagement letter with Kutak Rock LLP accepting their firm as local bond counsel for the Town of Pagosa Springs Sanitation General Improvement District, acting by and through its Water Activity Enterprise for the interim loan from Colorado Water Resources and Power Development Authority and the Permanent Loan from the United State Department of Agriculture Rural Development, Board Member Lattin seconded, motion carried.

III. OLD BUSINESS

1. Ordinance No. 09, (Series 2011) Second Reading, Authorizing the Execution of a Loan Agreement with CWRPDA and Issuance of Bond - On March 24, 2011 the District Board passed Resolution 2011-03 approving the interim loan agreement with CWPRDA. The first reading of Ordinance No. 09, Series 2011, was approved by the board April 14, 2011. The Ordinance authorizes the execution and delivery of the interim loan agreement with CWPRDA, as well as the issuance of the bond under the loan agreement. The District's legal counsel has included changes reflecting terms that were included in the loan agreement, these changes in the ordinance are in Section 4 (a) and Section 5. Board Member Jackson moved to approve the second reading of Ordinance No. 9, 2011 Series, An Ordinance Authorizing the Execution and Delivery By the Town of Pagosa Springs Sanitation General Improvement District, Acting by and through its Wastewater Activity Enterprise of a Loan Agreement with the Colorado Water Resources and Power Development Authority, and the Issuance of a Governmental Agency Bond in an Aggregate Principal Amount not to exceed \$3,145,000, Evidencing the Obligation of the Enterprise under the Loan Agreement; Providing the Form of the Bond and Other Details in Connection Therewith and amend the section Certification of Publication changing the duly elected secretary to the duly appointed secretary, Board Member Volger seconded, motion carried.

- IV. APPROVAL OF APRIL FINANCIAL STATEMENT AND ACCOMPANYING PAYMENTS** – Board Member Volger moved to approve the April financial statement and accompanying payments, Board Member Jackson seconded, unanimously approved.
- V. NEXT BOARD MEETING JUNE 7, 2011 AT 5:00PM**
- VI. ADJOURNMENT** – Upon motion duly made, the meeting adjourned at 12:56pm.