

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE BACA GRANDE WATER AND SANITATION DISTRICT HELD AUGUST 21, 2015

A Regular Meeting of the Board of Directors (referred to hereafter as "Board") of the Baca Grande Water and Sanitation District (referred to hereafter as "District") was held on Friday, the 21st day of August, 2015, at 8:00 a.m. at the offices of the District, BGWSD Shop, 57 Baca Grant Way South, Crestone, Colorado. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Cindy Reinhardt
Martin Macaulay
Michael Scully
Kyle Grote
Judy DeLuca

Also In Attendance Were:

Lisa A. Johnson and Lindsay Ross (for a portion of the meeting): Special District Management Services, Inc. (via speakerphone)

Zachary White, Esq.: White Bear Ankele Tanaka & Waldron, (via speakerphone)

JoAnn Slivka; Administrative Services Manager

Justin DeBon; Operations Manager

Brad Simons; TZA Water Engineers, Inc. (via speakerphone for a portion of the meeting)

Marcus Lock, Esq.; Law of the Rockies (via speakerphone for a portion of the meeting)

Judith Swota; Resident (for a portion of the meeting)

DISCLOSURE OF POTENTIAL

Disclosure of Potential Conflicts of Interest: The Board discussed the requirements pursuant to Colorado law to disclose any potential conflicts of

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CONFLICTS OF INTEREST

interest or potential breaches of fiduciary duty to the Board of Directors and to the Secretary of State. Attorney White noted that conflicts were filed for applicable Directors at least 72-hours prior to the meeting. Director Reinhardt noted that a quorum was present and requested members of the Board to disclose any potential conflicts of interest with regard to any matters scheduled for discussion at this meeting. No new disclosures were made.

ADMINISTRATIVE MATTERS

Agenda: Director Reinhardt reviewed the proposed Agenda for the District's Regular Meeting with the Board.

Following discussion, upon motion duly made by Director Macaulay, seconded by Director Scully and, upon vote, unanimously carried, the Agenda was approved, as amended.

Consent Agenda: The Board considered the following actions:

- Approve Minutes from the July 23, 2015 Special Meeting/Board Retreat and the July 24, 2015 Special Meeting
- Review and accept unaudited financial statements for the period ending July 31, 2015 and current schedule of cash position

Following discussion, upon motion duly made by Director DeLuca, seconded by Director Scully and, upon vote, unanimously carried, the Board approved the Consent Agenda.

Board and Staff Reports: The Board reviewed and discussed the staff reports which are attached hereto and incorporated herein by this reference.

Status of Amended and Restated Intergovernmental Agreement with Town of Crestone: Ms. Johnson updated the Board. She sent an email communication to the Town Manager on August 18, 2015, requesting status on the Town Board's review of the letter and proposed rate. She did not receive a response prior to the board meeting. The proposed new sewer rate went into effect on August 1, 2015.

The Board directed Mr. DeBon to contact the Town Manager and schedule a meeting to discuss the District's Rules and Regulations regarding grease trap maintenance and inspections.

Conditional Use Permit at 3926 Cordial Way: The Board reviewed the response letter received from the Applicant, Mr. Baer and updated the group with a summary of the discussions at the Saguache County Planning Commission

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meeting held on August 12, 2015. The Planning Commission's recommendation to the Board of County Commissioners was to not approve the conditional use permit.

PUBLIC COMMENT

There was no public comment received.

OFFICE ADMINISTRATION

Administrative Follow-Ups: Ms. Slivka presented the Board with a copy of the Notice Regarding Meeting on Certification of Delinquent Account that will be mailed to all account holders with qualifying delinquent accounts.

OPERATIONS

Operational Follow-Ups: Mr. DeBon updated the Board on staff's recent efforts towards leak detection and repairs. The new leak detection equipment is working well. Three major leaks were detected using the equipment and repairs were made saving thousands of gallons of water loss per day. Mr. DeBon then explained how the equipment functions to detect leaks.

Meeting with Fire Department Regarding Hydrant Maintenance and Use: Mr. DeBon recently met with the Fire Chief and discussed ways that the District and Fire Department can work together with regard to testing of fire hydrants. They agreed to share hydrant use maintenance and use data and maps on a more regular basis.

Dharma Ocean request to Maintain Lift Station: The Board reviewed a request received from Dharma Ocean soliciting maintenance of their lift station by District staff. Mr. DeBon reported that the maintenance of their lift station could be scheduled at the same time the District's lift station is maintained. He confirmed that a reasonable fee for this service is \$200 per occurrence.

Following discussion, upon motion duly made by Director Macaulay, seconded by Director Grote and, upon vote, unanimously carried, the Board approved the request from Dharma Ocean for lift station maintenance for a fee of \$200 per occurrence. Ms. Slivka will notify Dharma Ocean of the Board's decision.

Request from Ninyo & Moore to Test Samples: Mr. DeBon presented a recent request he received from Ninyo & Moore, the geotechnical consultant for the Moffatt School. They have asked if the District could test the samples that are needed in conjunction with the school's monitoring wells in the District's lab. Mr. DeBon calculated a fee for this service in the amount of \$150 based on time and materials.

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Following discussion, upon motion duly made by Director Scully, seconded by Director DeLuca and, upon vote, with Directors Scully, Reinhardt, Grote and DeLuca voting yes and Director Macaulay voting no, the Board approved the request from Ninyo & Moore for lab testing services in the amount of \$150. Mr. DeBon will communicate the Board's decision to Ninyo & Moore.

CAPITAL IMPROVEMENTS

Capital Funding Sources and Uses: The Board reviewed the Capital Funding Sources and Uses worksheet. Ms. Johnson informed the Board that she has scheduled a meeting with Mr. DeBon and Mr. Simons to review the approved and pending approval projects included in the worksheet. Updates to the worksheet will be completed after that meeting.

Status of 2015 Capital Projects:

Casita Park Interconnect Project: Mr. Simons reviewed with the Board his memo regarding the status of the Casita Park Interconnect Project. Pre-construction meeting was held on August 13, 2015. Project scheduled to begin on August 31, 2015.

Mr. Simons then presented Change Order No. 1 to the RMS Utilities Contract to relocate an existing blow off assembly to County Road T to facilitate future operation and maintenance for an amount not to exceed \$5,115.00.

Following discussion, upon motion duly made by Director Macaulay, seconded by Director Grote and, upon vote, unanimously carried, the Board approved Changer Order No. 1 in the amount not to exceed \$5,115.00.

Flow Equalization Basin Project: Mr. Simons continues to work with Mountain Engineering and Testing on this project. Mr. Simons would like to re-submit this project for grant funding consideration in September or October of 2015.

District Office Capital Improvement Needs: Director Scully recently toured the District offices and identified the following concerns:

- poor indoor air quality
- temperature control issues
- potential mold in certain areas
- concerns with storage area above garage

Director Scully feels that a new building is needed.

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The Board discussed the information presented as well as other details provided by Ms. Slivka and Mr. DeBon. Ms. Johnson summarized the comments received and noted that a full evaluation of the existing building seems to be in order to determine if the existing building can be rehabilitated or a new building needs to be constructed.

The Board directed Mr. DeBon and Ms. Slivka to solicit proposals for building inspection services. In addition, the Board directed Ms. Slivka to prepare a list of immediate needs and budget related to improving the current office environment.

FINANCIAL MATTERS

Check Register: The Board considered approval of the revised check register through the period ending August 21, 2015, as follows:

General Fund	\$	29,241.18
Debt Service Fund	\$	-0-
Capital Projects Fund	\$	13,196.78
Enterprise Fund	\$	88,168.75
Total Claims:	\$	130,606.71

Following discussion, upon motion duly made by Director Scully, seconded by Director DeLuca and, upon vote, unanimously carried, the Board approved the revised check register for the period ending August 21, 2015.

Financial Summary: Ms. Ross presented areas of interest contained within the July 31, 2015 financial statements.

2016 Budget Committee Meetings: The first budget committee meeting is scheduled for August 27, 2015 at 2 pm.

LEGAL MATTERS

Discuss Resolution No. 2015-08-01 Implementing a Policy Regarding Water Usage for the Cultivation of Marijuana: Attorney White presented a memo regarding a policy regulating water usage for the cultivation of marijuana. The Board discussed the information and provided comments. Attorney Lock provided additional comments regarding the language to be considered to be included in the resolution. Attorney White will incorporate the comments received from the Board and Attorney Lock into the draft resolution and recirculate to the Board prior to the September board meeting.

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Well 18 Pump/Motor Failure Demand Letter to Royal Electric: Attorney White recently received a response letter from the attorney representing Royal Electric. The letter does not deny any liability at this time and instead requests additional information. Attorney White communicated the request to Mr. Simons who indicated that the records may exist but cannot be certain and he could not speak to their reliability. Given this information, Attorney White recommends not sharing the information with Royal Electric.

The Board agreed with this recommendation and directed Attorney White to communicate to the attorney representing Royal Electric that the information is unavailable and include a final demand for payment.

EXECUTIVE SESSION

EXECUTIVE SESSION: Pursuant to Sections 24-6-402(4)(b)(e) and (f), C.R.S., upon motion duly made by Director Macaulay, seconded by Director Grote and, upon an affirmative vote of at least two-thirds of the quorum present, the Board convened in executive session at 11:12 a.m. for the purpose of receiving legal advice, as authorized by Sections 24-6-402(4)(b) and (f), C.R.S.

Pursuant to Section 24-6-402(2)(d.5)(II)(B), C.R.S., no record will be kept of the remaining portion of this executive session that, in the opinion of the Board's attorney, constitutes privileged attorney-client communication pursuant to Section 24-6-402(4)(b), C.R.S.

The Board reconvened in regular session at 11:52 a.m.

OTHER BUSINESS

2016 Board Goals: Ms. Johnson discussed with the Board the desire to set 2016 Board of Director Goals. President Reinhardt suggested that the Board review the goals included in the July 23, 2015 Special Meeting/ Board Retreat minutes and come prepared to the September meeting to set Board of Director Goals for 2016. She will work with Ms. Johnson to determine what if any materials will be provided to the Board in advance of the meeting to help facilitate their efforts.

Discuss Policy Regarding Board Interaction with Staff Related to Potential Policy Issues: Ms. Johnson summarized the current policy regarding the protocol to be followed by Board Members as well as staff and consultants regarding potential policy issues. Policy issues are to be identified and discussed at the Board level with direction given to the District Manager and then, if appropriate funneled to staff. Director Macaulay provided some historical information on what precipitated the need for this policy.

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Discuss Potential Drug and Alcohol Enforcement Policy: Director DeLuca reported that she recently reviewed the employee manual regarding the District's drug and alcohol in the workplace policy. She has concerns that the current policy does not adequately protect the District. She would like to conduct additional research on potential revisions to the policy and present her findings and recommendations at a future meeting. Ms. Johnson will provide contact information for the District's employment attorney to Director DeLuca.

ADJOURNMENT

There being no further business to come before the Board at this time, upon motion duly made, seconded, and upon vote, unanimously carried the meeting was adjourned.

Respectfully submitted,

By


Secretary for the Meeting

THESE MINUTES ARE APPROVED AS THE OFFICIAL AUGUST 21, 2015
MINUTES OF THE BACA GRANDE WATER AND SANITATION DISTRICT
BY THE BOARD OF DIRECTORS SIGNING BELOW:

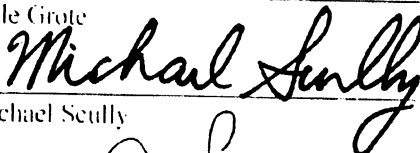


Martin Macaulay



Cindy Reinhardt

Kyle Grote



Michael Scully

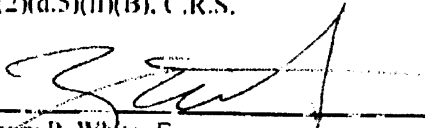


Judy DeLuca

RECORD OF PROCEEDINGS

Attorney Statement Regarding Privileged Attorney-Client Communication

Pursuant to §24-6-402(2)(d.5)(II)(B), C.R.S., I attest that, in my capacity as the attorney representing the Baca Grande Water and Sanitation District, I attended the executive session on August 21, 2015, for the sole purpose of providing legal advice and developing strategy for negotiations, as authorized by §§24-6-402(4)(b) and (c), C.R.S. I further attest that it is my opinion that a portion of the executive session discussion constituted attorney-client privileged communication as provided by §24-6-402(4)(b), C.R.S., and, based on that opinion, no further record, written or electronic, was kept or required by be kept pursuant to §24-6-402(2)(d.5)(II)(B), C.R.S.



Zachary P. White, Esq.
General Counsel
Baca Grande Water and Sanitation District



Baca Grande Water and Sanitation District
P.O. Box 520 | 57 Baca Grant Way S
Crestone, CO 81131-0520

August 21, 2015

Board of Directors Sign-in

Cindy Reinhardt <i>Cindy Reinhardt</i>	
Martin Macaulay <i>M. Macaulay</i>	
Kyle Grote <i>Kyle Grote</i>	
Michael Scully <i>Michael Scully</i>	
Judy Deluca <i>J. De Luca</i>	



Baca Grande Water and Sanitation District
P.O. Box 520 | 57 Baca Grant Way S
Crestone, CO 81131-0520

August 21, 2015

Please print your name, address and contact information along with any issues you are interested in addressing at today's Board Meeting.

Name	Address	Telephone/Email	Would you like to speak?	Issues to be addressed
Justin Smith	1468 Bridge	256-4087		



Baca Grande Water and Sanitation District
P.O. Box 520 | 57 Baca Grant Way S
Crestone, CO 81131-0520

Date: August 11, 2015
To: Baca Grande Water and Sanitation District, Board of Directors
From: Lisa A. Johnson, District Manager
Re: August 21, 2015 District Manager's Report

Agenda Action Items

I.C. Consent Agenda

1. Approve Minutes from the July 23, 2015 Special Meeting/Board Retreat meeting and the July 24, 2015 Special Meeting.
2. July 31, 2015 Financial Statements and current cash position.

I recommend approval of the consent agenda items.

I.E. Town of Crestone IGA

A second response was received by the Town of Crestone. The Town Board of Trustees was scheduled to meet on August 10, 2015 to discuss the revised sewer rate, etc. To date, I have not received a summary of the discussions from that meeting.

I.F. Conditional Use Permit – Saguache County

Mr. Baer provided a written response to the District's comment letter (copy enclosed with Board packet). Saguache County Planning Commission will hear the request on August 12, 2015.

VI.A. August 21, 2015 Check Register

The August 21, 2015 check register is included in the packet. Mr. DeBon and Ms. Slivka have reviewed and approved the invoices and are recommending payment.

I recommend approval of the August 21, 2015 check register.

VI. C. Budget Committee Meeting

The Budget Committee is scheduled to meet on August 27, 2015 at 2 pm.

Updates on Other District Related Items

Sewer Back-Up Insurance Claim

The claim has been settled with the affected party.

Other Insurance Claims

The District's insurance provider has made several attempts to contact the affected party of the truck accident. Ms. Slivka verified contact information on August 7, 2015 and transmitted the information to the insurance provider.

Weekly Administrative and Operations Updates

Mr. DeBon and Ms. Slivka are providing me weekly updates on the activities from the previous week in each of their departments. This information is helpful for me to understand the daily activities in the district and provide support and or direction. I believe the information gleaned from each report is valuable to both me and to Baca staff.

Xpress Bill Pay

Ms. Ross and I recently attended an information session with both Caselle and Xpress Bill Pay regarding online options for reviewing and paying utility bills. Ms. Slivka has provided me updates to the information gathered last year regarding this service. The information and cost will be shared during the budget committee meetings and if positive responses are received, the cost will be included in the 2016 budget presentation to the Board.



AUGUST 2015

OPERATIONS MANAGER REPORT

To: Board of Directors, Baca Grande Water and Sanitation District
From: Justin DeBon
Date: August 21, 2015

Fire Hydrant Maintenance: The annual fire hydrant maintenance program started on July 6 and is 95% complete as of August 6, 2015. Two out of service hydrants have been identified, the same two from last year and once the hydrants have all been inspected then hydrants with issues will be addressed.

Collection System Cleaning: Collection system cleaning started on July 6 and is 70% complete as of August 6, 2015. Cleaning has been moving along as expected with no surprises.

Water Main Breaks: July 13th at 2:30 AM a 6" water main broke on Al Fresco Way draining the Cottonwood tank but was quickly located and repaired. July 17th at 4:00 PM a 2" water main broke on Baca Grant Way S, the line was repaired but when the line was put back into service a second leak was discovered further up the line. The 2nd break was repaired the following morning.

Updated Pressure Zone Consumption: Staff have worked to update the billing to define customers into groups depending on which pressure zone they live in, this along with 98% of the meters working correctly, gives the District the ability to see how much water is being pumped into different pressure zones and the metered consumption of that zone to figure out loss and which zones need to be focused on for leak detection.

2015 Projects: The following is list of projects that will be worked on in 2015.

1. ~~Completion of Facility Maintenance GIS Layer Project~~
2. ~~Completion of Water Meter Upgrade Project~~
3. Fire Hydrant Maintenance Project
4. Collection System Cleaning Project
5. ~~Manhole Infiltration Prevention Project on Cotton Wood Creek~~
6. Stables Lift Station Upgrade Project
7. Capital Improvement Projects

Projects In Process:

1. ~~Water Meter MXUM upgrade project and DOLA grant reporting~~
2. Well-18 motor failures and resolution with Royal Electrical Services
3. Wagon Wheel lift station pump repair and failure report and resolution with Royal Electric Services. The pump was originally repaired by Royal Electrical Service. The pump was placed into service for 3 months of operation before the pump failed and was sent to Denver Electric Motor for repair.
4. ~~Yeshi Korlo service line reduction project~~
5. 2015 Capital Improvement projects
6. ~~GIS Facilities Maintenance Project~~



Report On District Operations



Fire Hydrant

Operations Report
Baca Grande Water and Sanitation District
August 2015

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District Operations

SSO-Sanitary Sewer Overflow	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	
Fire Hydrant Maintenance	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	Hydrant Maintenance Started July 6
Water Main Repairs	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	6" Main Break Al Fresco Way 2" Main Break Baca Grant Way S
Collection System Cleaning	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	Collection System Cleaning Started July 6
GPS/GIS	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	GIS Maps Were Cleaned and Updated
Water/Sewer Hookups	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	
Accidents	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	

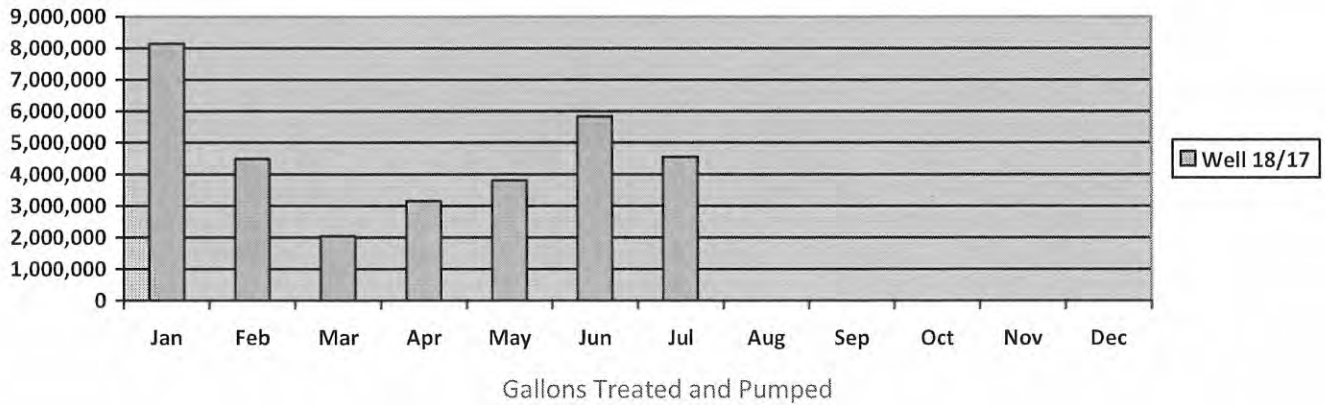
Total Water Treated

Total Gallons Treated For Month	Finished Water Combined Well-18 & Motel Well	Finished Water Metered Combined Well-18 & Motel Well	Wastewater Treated	Estimated Unaccounted Water
January 2015	9,123,828		2,473,000	6,650,828
February 2015	5,292,000	93% Reading 1,180,000	1,630,000	4,112,000
March 2015	4,631,000	93% Reading 1,310,000	2,014,000	3,321,000
April 2015	5,270,000	95% Reading 2,651,000	1,685,000	2,619,000
May 2015	5,815,000	95% Reading 2,949,000	2,036,000	2,866,000
June 2015	8,550,000	97% Reading 3,823,000	3,381,000	4,727,000
July 2015	7,207,000	98% Reading 5,216,000	2,853,000	1,991,000
August 2015				
September 2015				
October 2015				
November 2015				
December 2015				
Total Treated 2015	45,888,828	17,129,000	16,072,000	26,286,828

Golf Course Well

April 2015	May 2015	June 2015	July 2015	August 2015	September 2015	October 2015
6,517,028	6,517,028	9,123,828	8,797,988			

Baca Grande Chalet

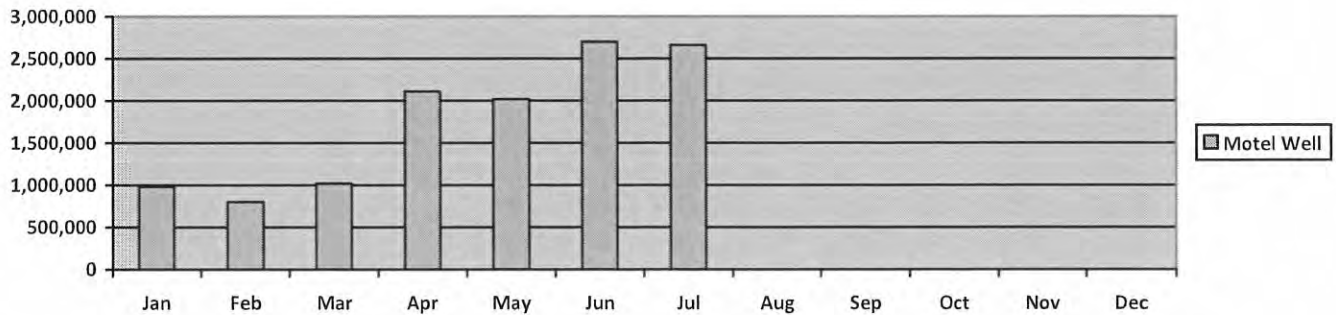


January	February	March	April	May	June
8,146,272	4,490,000	2,040,000	3,156,000	3,797,000	5,850,000

July	August	September	October	November	December
4,547,000					

Month	Chlorine Residual	Total Coliform E. Coli Result	Compliant	Well Water Level
January	0.30	Absent	Yes	35'
February	0.25	Absent	Yes	36'
March	0.26	Absent	Yes	35'
April	0.19	Absent	Yes	35'
May	0.19	Absent	Yes	35'
June	0.14	Absent	Yes	36'
July	0.29	Absent	Yes	36'
August				
September				
October				
November				
December				

Casita Park



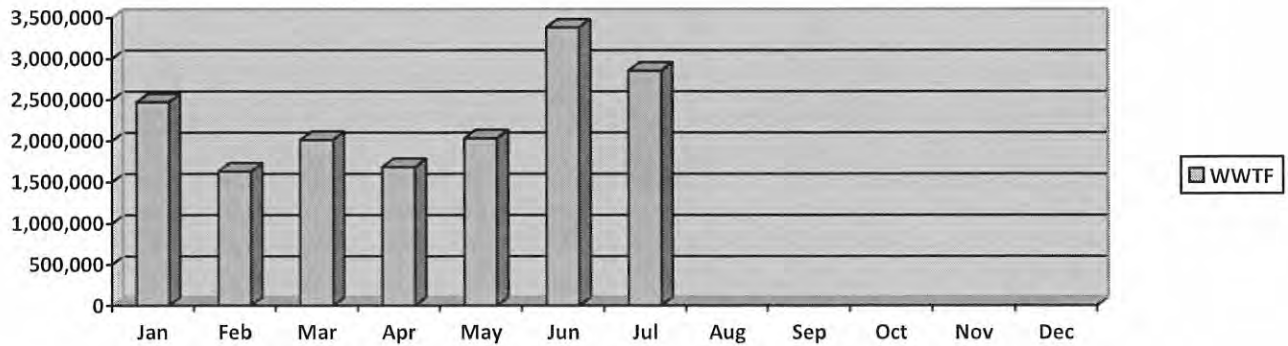
Gallons Treated and Pumped

January	February	March	April	May	June
977,553	802,000	1,018,000	2,114,000	2,018,000	2,700,000

July	August	September	October	November	December
2,660,000					

Month	Chlorine Residual	Total Coliform E. Coli Result	Compliant
January	0.31	Absent	Yes
February	0.28	Absent	Yes
March	0.29	Absent	Yes
April	0.26	Absent	Yes
May	0.28	Absent	Yes
June	0.28	Absent	Yes
July	0.26	Absent	Yes
August			
September			
October			
November			
December			

Aspen Wastewater Treatment Facility



Wastewater Treated in Gallons

January	February	March	April	May	June
2,473,000	1,630,000	2,014,000	1,685,000	2,036,000	3,381,000

July	August	September	October	November	December
2,853,000					

Month	Total Ammonia Result	E. Coli Result	Effluent BOD5 Result	Total BOD5 Removal Result	Compliant for Month
January	2.8 mg/L	2/100	5.02 mg/L	94.3%	Yes
February	0.81 mg/L	2/100	24.9 mg/L	89.0%	Yes
March	0.86 mg/L	2/100	3.6 mg/L	97.8%	Yes
April	0.68 mg/L	23/100	3.6 mg/L	98.0%	Yes
May	0.72 mg/L	2/100	3.07 mg/L	97.8%	Yes
June	0.77 mg/L	2/100	3.00 mg/L	97.4%	Yes
July	1.10 mg/L	2/100	1.51 mg/L	89.0%	Yes
August					
September					
October					
November					
December					

Bio Solids	Quantity
Stored Bio Solids – Aspen Storage Lagoon	168,000 Gallons
Bio Solids pumped and applied to land application site. YTD 8/6/15	0 Gallons
Bio Solids pumped into Aspen Storage Lagoon. YTD 8/6/15	28,800 Gallons

Other Reporting

Monthly Safety Meeting	Fall Safety
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Infrastructure Fixed Assets

Transfer Stations	Booster Stations
Fallen Tree – Operational	Pine Cone Booster – Operational
Ridgeview Transfer Station – Operational	Shumei Booster Station – Operational
Moonlight Transfer Station – Operational	Motel Well Booster Station – Operational

Drinking Water Distribution System	Wastewater Collection System
Water Mains = 64 Miles	Sewer Mains = 45 Miles
Gate Valves = 517 Units	Manholes = 798
Service Accounts = 695	
Curb Stops = 695	Lift Stations = 5
Fire Hydrants = 278	MHE LS – Operational
Well 17/18 Water Treatment Plant- Facility Fully Operational.	Stables LS – Operational
MHE Motel Well Water Treatment Facility- Facility Fully Operational.	Wagon Wheel LS – Operational
Water Transfer Stations = 3	Dharma Ocean LS – Operational
Booster Stations = 3	Aspen LS – Operational
	Aspen WWTF – Facility Fully Operational. <u>Operating at 60% of Capacity</u>

Operators



Justin DeBon
Operations Manager

Class C Water Operator
Class C Wastewater Operator
Class 1 Distributions Operator
Class 1 Collections Operator
Nationally Certified Heavy
Equipment Operator

Chad Tate
Operator

Class S Water Operator
Class S Wastewater Operator

Tim Allen
Operator

Class S Water Operator
Class S Wastewater Operator

William Welty
Operator

In Training

Latasha Ruiz
Operator

In Training



Administrative Report - August 21, 2015

August 10, 2015

To: Baca Grande Water and Sanitation District, Board of Directors

From: JoAnn Slivka, District Administrative Services Manager

Meter Activity	<ul style="list-style-type: none">• Meters:<ul style="list-style-type: none">▪ Route 3 currently has 676 meters▪ Currently 17 accounts remain that are not in route 3:<ul style="list-style-type: none">• 13- known issues• 1- new issue• 1 -unmetered water service (ambulance bay)• 1 - condemned (White Eagle)• 1 - special read (townhouses)• Totals:<ul style="list-style-type: none">▪ 682 total metered accounts▪ 664 successful reads▪ 97.4%
Billing Activity	<ul style="list-style-type: none">• Delinquent account summary:<ul style="list-style-type: none">▪ 21 - Delinquent notices mailed - 16 owners, 5 tenants▪ 6 - Paid in full▪ 9 - Paid delinquent balance▪ 1 - Shut off• Tap Fees:<ul style="list-style-type: none">▪ 34 - Customers billed = \$1747.67• Payments:<ul style="list-style-type: none">▪ ACH: 176 accounts paid = \$9638.09▪ Credit Cards: 81accounts paid = \$7167.96
Property Activity	<ul style="list-style-type: none">• Transferred Properties = 9<ul style="list-style-type: none">▪ 6 lots▪ 3 SFR• Consolidations:<ul style="list-style-type: none">▪ 5 new applications received in July

August 21, 2015

PROJECTS

Utility Billing	<ul style="list-style-type: none"> Utility Billing Lockbox: <ul style="list-style-type: none"> FirstBank has changed the remit address for the lockbox. New envelopes and billing statements have been reprinted to reflect the change. Notices were inserted into the July and August billing statements, no further special notice will be given. Admin staff continues to work with FirstBank lockbox to test the files for import. The second half of the 2015 annual AOS billing went out August 3.
Rate Study Project	<ul style="list-style-type: none"> Staff continues to work with TZA Engineers on the rate study project. Our Customer Billing Specialist, Sandy Skibinski has developed a spreadsheet to capture billing trends and will continue to monitor accounts throughout the budget planning season.
Insurance	<ul style="list-style-type: none"> Attended CIA Leavitt Insurance Annual seminar: Speaker topics included Drugs and Alcohol in the Workplace and Drive to Survive Continued research into health insurance options
2015 Certification of Delinquent Accounts	<ul style="list-style-type: none"> Staff will begin initial investigations into accounts that fit the criteria for certification. 2015 certification dates are as follows- <ul style="list-style-type: none"> November 1, 2015: Certifications must be submitted to the Saguache County Treasurer's office Dec. 9, 2015: Last day we can accept customer payments on certified accounts Dec 10, 2015: Last date to notify the Saguache County Treasurer's office of any changes/updates to our certification list
SSO- 2015-0503	<ul style="list-style-type: none"> Monday August 11, @ ~ 4:25 P.M. customer reported a loose manhole cover with water oozing around the edges; Ops staff were dispatched ; Chad Tate who returned to the office from home, picked up the Vactor, investigated the site, verified it was an SSO; Admin staff left message with CDPHE for the 24 hour reporting notice; operations staff Tim Allen and Latasha Ruiz also responded; all checked out by 6:00 P.M. Tuesday morning August 12: C.Tate communicates plan; all Ops staff deploy to SSO site, Admin staff continues communication with CDPHE, completes 5-day incident report with best information available. Spill is contained, cleared and disinfected by mid-day. The leaking manhole was located in a field away from homes and normal foot traffic. An upper manhole was blocked causing a clog at the lower manhole. Once the upper manhole was cleared all flowed well. The manhole cover was dislodged by the upward pressure of the water from the clog.
Fire Extinguishers	<ul style="list-style-type: none"> The 2015 annual fire extinguisher maintenance has been performed. The District coordinated with the Baca POA Fire Department and split the trip charges with the Fire Dept.
2016 Budget Planning	<ul style="list-style-type: none"> Staff has begun gathering data for the 2016 Budget process
Indoor Pollution	<ul style="list-style-type: none"> Admin staff have begun investigation into companies that test indoor air quality. To date there have been no vendors located that service our area.

BACA GRANDE WATER AND SANITATION DISTRICT
ENGINEER'S REPORT
August 13, 2015

ADMINISTRATIVE MATTERS

Funding Opportunities – TZA Water Engineers will be working with the District's management, administration, and operations team on opportunities for planning, design, and construction monies, including the Colorado Water Conservation Board Water Efficiency Grant Program and the USDA Rural Utilities Service SEARCH Grant Program. I also recently learned that the "Small Community Water and Wastewater Grants" may be available this Fall and will contact WQCD's Grants and Loans Unit.

Water Billing Registers – TZA will continue to review the monthly water billing registers and meter proof reports to better understand meter reading issues, as well as water usage trends.

Water and Wastewater Rates – Information on a basis for revised rates for the Town of Crestone sewer charges has been provided to the District Manager. I will continue to work with Sandy to evaluate the system for assessing the current and proposed water and wastewater rates and their revenue impacts.

OPERATIONAL MATTERS

Biosolids Removal - Justin DeBon has been managing the biosolids at the Aspen Institute Wastewater Treatment Facility with the existing ponds. Justin continues to reach out to Mr. Gaines regarding the details of a pilot program. TZA has initiated research into the solids management practices of other Fluidyne ISAM facilities of comparable capacity.

Well 18 Booster Pump Station Problems - Activities associated with this topic will be addressed separately due to attorney-client privileges, but an assessment of the 2014 and 2015 operations should be documented.

Nutrients Management Control Regulation (Regulation No. 85) - Justin DeBon is managing the 2015 sampling efforts.

CAPITAL PROJECTS

2014 Water Distribution System Improvement Project - The warranty inspection with RMS Utilities has been tentatively set for December 1, 2015. This item will remain on the Engineer's Report until the inspection has been completed.

LAMP RYNEARSON COMPANIES

Flow Equalization Basin - TZA Water Engineers is coordinating the geotechnical investigation and foundation recommendation for the proposed structure. Justin recently identified an alternative configuration that will be reviewed in August. Once a geotechnical investigation and foundation recommendation is complete, TZA will prepare a site application amendment and accompanying engineering report that will be reviewed by the Water Quality Control Division. This project is a possible candidate for the “Small Community Water and Wastewater Grants” program mentioned above.

Water Meter Transmitter Replacement Project - TZA has asked Justin DeBon to review the meter reading results with pump station metering reports in an effort to assess pressure zones that should be the focus of any future leak detection activities.

Cottonwood Creek Manhole Rehabilitation - In 2014, the District observed considerable infiltration and inflow in three manholes near Cottonwood Creek in the vicinity of Virtue Way. A review of the Discharge Monitoring Reports for the Aspen Institute Wastewater Treatment Plant indicated the following:

- The April influent flows averaged 65,600 gallons per day (gpd), with a high of 72,000 gpd and a low of 61,000 gpd.
- The influent flows began to increase in mid-May and were at 107,000 gpd on May 31.
- The flows continued to increase and peaked at 158,000 on June 16, then began to decrease. The influent flows returned to 65,000 gpd on June 29.
- The July influent flows averaged 63,500 gpd, with a high of 77,000 gpd and a low of 45,000 gpd.

The District self-performed the work to seal the suspect manholes and has monitored plant influent flows to assess effectiveness. It is my understanding the work has benefited the overall system and reduced the flows, but that other collection system deficiencies have been identified by the operations team. An assessment of the monthly flows for 2014 and 2015 should be documented.

Compliance Evaluation Inspection (Dharma Ocean and Stables Lift Station) – The Water Quality Control Division issued site location approvals for the Dharma Ocean and Stables lift stations on April 23, 2015. We have assessed the improvements made to date at Dharma Ocean and the improvements needed at Stables and will develop design submittal applications for both sites and submit to WQCD for review.

Casita Park Water Line Interconnect – TZA Water Engineers will conduct the pre-construction meeting on August 13. A construction schedule is pending and will be reviewed with Justin. Justin is working with Saguache County of a ROW permit for the work along Road T.

OTHER ACTIVITIES

Storage Tank Rule – The Water Quality Control Division has adopted a new version of the Colorado Primary Drinking Water Regulations (Regulation 11). Effective April 1, 2016, the District will be required to develop a written plan for finished water storage tank inspections. In addition to quarterly periodic (visual) inspections, the District will need comprehensive inspections to be scheduled at least every five years.

New Chlorine Residual Requirements – The Water Quality Control Division has adopted a new version of the Colorado Primary Drinking Water Regulations (Regulation 11). Effective April 1, 2016, the District will be required to maintain a minimum of 0.20 milligrams per liter chlorine residual throughout the distribution system. As discussed at the July Board retreat, the District should evaluate the chlorine residuals at the extents of the distribution system in advance of the December 31, 2015 deadline for requesting an extension for complying with the treatment techniques requirements.