

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE  
**BACA GRANDE WATER AND SANITATION DISTRICT**

**June 18, 2025 - 9:00 AM**

District Office – 57 Baca Grant Way South  
Crestone, Colorado 81131

**Meeting held in person and via Zoom**

**ATTENDANCE**

Directors in Attendance:

Vivia Lawson  
Rick Hart  
Mike Smith  
David Karas  
Michael Plotnick

Also in Attendance:

Marcus Lock, District Legal Counsel  
Diego Martinez, District Manager  
Chad Tate, Director of Utilities  
Natalie DeBon, Administrative Manager

Community Members and Guests:

Dan Gray  
Michael Scully  
Steven-Raymond-Arne Johnson  
LeRoy West  
Norah Charles  
Chip Horner  
Pamela Uhlenkamp  
David Lindsey  
Anya Kaats  
Adam Escobar  
Brandon DeHoff

**CALL TO ORDER**

President Lawson called the meeting to order at 9:00 AM.

**DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST**

*Members of the Board were requested to disclose any potential conflicts of interest with regard to any matters scheduled for discussion at this meeting.*

Vivia Lawson recused herself from agenda item VIII.a due to a conflict of interest. Petition for Exclusion Dark Sky Dunes Resort, LLC.

No other conflicts of interest were disclosed by Board members.

Chad Tate, Director of Utilities asked to be excused from the Yeshe Khorlo Board request and any related discussion, to which the Board agreed.

**AGENDA**

MOTION: FOLLOWING DISCUSSION, UPON MOTION DULY MADE BY DIRECTOR HART, SECONDED BY DIRECTOR SMITH AND UPON VOTE, UNANIMOUSLY CARRIED, THE BOARD APPROVED THE AGENDA.

**CONSENT AGENDA**

The Board considered the following consent agenda items:

- REVIEW AND ACCEPT UNAUDITED FINANCIAL STATEMENTS FOR THE PERIOD ENDING MAY 31, 2025 AND CURRENT SCHEDULE OF CASH POSITION.
- APPROVE MINUTES FROM THE MAY, 2025 REGULAR MEETING.

MOTION: FOLLOWING DISCUSSION, UPON MOTION DULY MADE BY DIRECTOR HART, SECONDED BY DIRECTOR SMITH AND UPON VOTE, UNANIMOUSLY CARRIED, THE BOARD APPROVED THE CONSENT AGENDA.

**PUBLIC COMMENT (ITEMS NOT ON THE AGENDA ONLY. NO ACTION MAY BE TAKEN).** *In accordance with the Colorado Open Meetings Law, no Board action will take place until a later date, if necessary. Please limit your comments to three minutes or less.*

None.

**FINANCIAL MATTERS**

Check Register: The Board discussed and considered approval of the check register through the period ending June 18, 2025 as follows:

General	\$7,724.75
Capital	\$10,150.00
<u>Enterprise</u>	<u>\$48,098.84</u>
	\$65,991.59

MOTION: FOLLOWING DISCUSSION, UPON MOTION DULY MADE BY DIRECTOR SMITH, SECONDED BY DIRECTOR PLOTNICK AND, UPON VOTE, UNANIMOUSLY CARRIED, THE BOARD APPROVED THE CHECK REGISTER FOR THE PERIOD ENDING JUNE 18, 2025.

**BOARD OF DIRECTOR MATTERS**

**Board Retreat Discussion:** President Lawson commented that the last Board retreat was very helpful, with a strong focus on board education, staff presentations, and future planning. She proposed to hold another board retreat this fall and consider a public-focused event next spring. Suggested dates for the fall retreat are between September 22nd and October 1st.

**STAFF REPORTS**

The Board reviewed and discussed the reports incorporated in the Board packet; the staff reports are attached to the minutes as supporting documents.

## **BOARD REQUESTS**

David Lindsey and Pamela Uhlenkamp spoke on behalf of Yeshe Khorlo, a nonprofit organization, and the Yeshe Khorlo Landowners Association. Mr. Lindsey read a prepared statement outlining the history of their water and sewer lines, and past billing related to Yeshe Khorlo landowners. The statement is incorporated with these minutes. As part of their request, they asked for an approximate refund of \$42,000 and for their account to be billed based on a 1" meter. They have consulted legal counsel, but their preference to resolve the matter without litigation.

Additional comments were made by Mr. Johnson and Ms. Kaats, landowners in the Yeshe Khorlo Landowners Association, related to the same matter.

District legal counsel, Mr. Lock, provided background information, noting that in 2010 the District offered Yeshe Khorlo the option to install individual meters or continue using a shared water line. They chose a shared line. In 2022, the District conducted a comprehensive review of the issue, investing significant time and resources. Mr. Lock recommended that the Board deny the request for a refund, as circumstances have not changed since the 2022 review. Mr. Lock added that if Yeshe Khorlo chooses to pursue legal action, their attorney may contact him directly.

The Board acknowledged the complexity of the situation. Several directors expressed interest in continuing the conversation with Yeshe Khorlo, and separately discussing the matter further in executive session with the District's legal counsel. No motion was made at this time.

## **LEGAL**

### **Petition for Exclusion – Dark Sky Dunes Resort, LLC**

Staff confirmed that the legal notice for the petition for exclusion was published in the Saguache Crescent & Crestone Eagle newspapers, and posted at the District office and on the District's website.

The petitioner, Dark Sky Dunes Resort, LLC, requested to withdraw the exclusion application at this time.

MOTION: FOLLOWING DISCUSSION, UPON MOTION DULY MADE BY DIRECTOR SMITH, SECONDED BY DIRECTOR PLOTNICK AND, UPON VOTE, UNANIMOUSLY CARRIED, THE BOARD CONSENTED TO THE WITHDRAWAL OF THE PETITION FOR EXCLUSION SUBMITTED BY DARK SKY DUNES RESORT, LLC.

## **EXECUTIVE SESSION**

MOTION: UPON MOTION DULY MADE BY DIRECTOR HART, SECONDED BY DIRECTOR SMITH AND UPON VOTE, UNANIMOUSLY CARRIED, THE BOARD ENTERED EXECUTIVE SESSION AT 10:53AM, PURSUANT TO C.R.S. 24-6-402 (4)(B) FOR THE PURPOSE OF RECEIVING LEGAL ADVICE ON SPECIFIC LEGAL QUESTIONS FROM THE DISTRICT’S LEGAL COUNSEL REGARDING (1) THE EXCLUSION PETITION OF DARK SKY DUNES RESORT, LLC; AND (2) THE JUNE 5,2025 LETTER FROM AND CORRESPONDING PRESENTATION OF YESHE KHORLO AND THE YESHE KHORLO LAND OWNERS ASSOCIATION.

MOTION: UPON MOTION DULY MADE BY DIRECTOR HART, SECONDED BY DIRECTOR SMITH AND UPON VOTE, UNANIMOUSLY CARRIED, THE BOARD EXITED EXECUTIVE SESSION AT 11:15AM.

**ADJOURNMENT:**

THERE BEING NO FURTHER BUSINESS TO DISCUSS, UPON MOTION DULY MADE DIRECTOR SMITH SECONDED BY DIRECTOR PLOTNICK AND UPON VOTE, UNANIMOUSLY CARRIED, THE MEETING WAS ADJOURNED AT 11:18AM.

**THE NEXT REGULAR MEETING IS SCHEDULED FOR**

**July 16, 2025**

Drafted by

Natalie DeBon

Respectfully submitted,

\_\_\_\_\_  
Diego Martinez

THESE MINUTES ARE APPROVED AS THE OFFICIAL June 18<sup>th</sup> , 2025 MINUTES OF THE BACA GRANDE WATER AND SANITATION DISTRICT BY THE BOARD OF DIRECTORS SIGNING BELOW:

Vivia Lawson

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Rick Hart

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Mike Smith

David Karas

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Michael Plotnick

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ATTORNEY STATEMENT

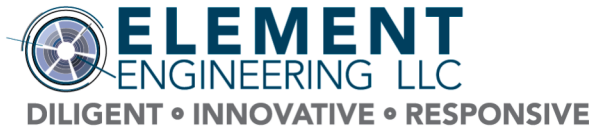
Regarding Privileged Attorney-Client Communication Pursuant to §24-6-402(2) (d.5) (II)(B), C.R.S., I attest that, in my capacity as the attorney representing the Baca Grande Water and Sanitation District, I attended the executive session on June 18, 2025 and it is my opinion that any portion of the executive session that was not recorded constituted attorney-client privileged communications.

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Marcus Lock

General Counsel

Baca Grande Water and Sanitation District



## MONTHLY ENGINEER'S REPORT

**DATE OF MEETING:** JUNE 18, 2025  
**CLIENT:** BACA GRANGE WATER & SANITATION DISTRICT (BGWSD)  
**SUBJECT:** MONTHLY ENGINEER'S REPORT **NEW ITEMS IN BOLD**

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### GENERAL ENGINEERING (PROJECT NO. 0001)

The district's discharge permit expires on November 30, 2024. A discharge permit application must be filed six months prior to the termination of the permit. Therefore, the permit application is due on May 30, 2024. Element will assist the district with the discharge permit application. Currently the district has an individual permit. If it is possible, Element recommends the district apply for a general permit as there are several benefits of a general over an individual. We are currently reviewing if the district is eligible for a general permit.

We are currently working on the general permit renewal application and plan to have that sent to the district for review by the end of February.

Element is assisting the district with an application for the FY2024 Water Smart grant. This application will be written in support of a project to replace outdated water meters and install meters and meter pits where meters are located in homes. The grant is due by February 22<sup>nd</sup>.

The Water Smart grant application for meter replacements was submitted. Element continues to work with the district on compiling the discharge permit renewal application and associated documentation.

**No items to report.**

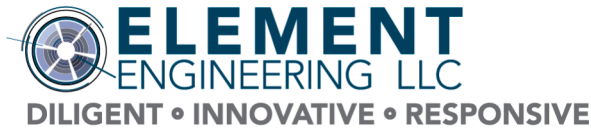
### WATER AND WASTEWATER MASTER PLAN UPDATE (PROJECT NO. 0009)

The Water and Wastewater Master Plan Update document has been finalized in draft format and provided to the BGWSD staff and board for review.

The master plan was approved by the district board in September 2022. The district approved Water and Wastewater Master Plan culminated in recommendations for water and wastewater system improvements. These recommendations are being included in the Wastewater Treatment Plant Improvements (Project No. 0010) and Water Treatment Plant Improvements (Project No. 0011) projects. Status reports on these projects are presented under their respective project numbers.

The master plan also included recommendations for water loss reduction. Reporting on progress for this item is listed under General Engineering (Project No. 0001). As the master plan document itself has been approved, and action is being taken on the master plan recommendations, no additional updates will be included on this project number.

**No items to report.**



### WASTEWATER TREATMENT PLANT IMPROVEMENTS (PROJECT NO. 0010)

A draft of the alternatives analysis was submitted to district staff and a meeting held to review and discuss. The updated alternatives analysis memorandum has been completed and submitted to district staff. This document was reviewed with the district at the board retreat. It was recommended that the WWTP should be put on hold based on the most recent influent loading data.

Element is conducting a search for a contractor/consultant to provide a structural and environmental analysis of the wastewater treatment plant building. It was determined that the facility may need structural and/or environmental (mold) remediation and an inspection and report should be generated.

Element has solicited a proposal from our subconsultant for a mechanical, electrical, and structural review of the existing WWTP building. This proposal was forwarded to district staff for review.

The district has retained a firm to provide an MEP analysis of the WWTP. We will work with the district on estimating costs for the improvements outlined in the recommended improvements.

We are currently assisting the district in providing updated cost estimates for the necessary improvements to the district's WWTP including those recommended in the MEP analysis. We have provided a proposal to update the PER and ER to district staff. This proposal has been approved and we are updating the PER and ER per USDA requirements to include the upgrades to the existing facility without expansion.

A draft of the master plan document has been compiled and submitted to district staff for review and comment.

**No items to report.**

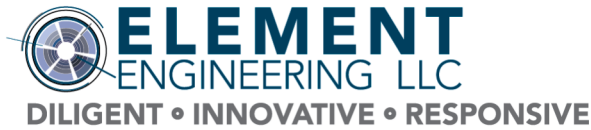
### WATER TREATMENT SYSTEM IMPROVEMENTS (PROJECT NO. 0011)

The Water and Wastewater Master Plan Update recommended a water project be completed including the following:

- Integrate the Motel Well and Booster Pump Station into the large BGWSD system.
- Increase Water Treatment Plant (WTP) Pumping Capacity
- Add Administrative Building for district.

It is recommended that these projects be funded through the Colorado Department of Health and Environment (CDPHE) State Revolving Fund (SRF) Loan Program. Upon completion of the WWTP PER and ER the funding process for the water system improvement project should begin. A preliminary schedule for the proposed project is shown below. Note that this schedule may vary widely based on review time by CDPHE.

- |   |                            |
|---|----------------------------|
| • Compile and submit pre-qualification form (CDPHE funding) | December 2022              |
| • Compile and submit Project Needs Assessment               | April 2023                 |
| • CDPHE review and design and engineering grant execution   | July 2023                  |
| • Design, CDPHE permitting                                  | August 2023 – March 2024   |
| • CDPHE funding coordination and loan execution             | February 2024 – April 2024 |
| • Bidding   | April 2024                 |



- Construction

June 2024 – December 2024

The pre-qualification form was submitted in December of 2022. A pre-qualification meeting has been scheduled with CDPHE, DOLA, BGWSD, and Element staff on Tuesday January 31<sup>st</sup> at 10:00. The pre-qualification meeting is the next step in the CDPHE funding process where all entities discuss the proposed project and review the steps in the funding process.

The prequalification meeting was held to discuss the CDPHE funding process specific to the BGWSD water project. The district qualifies for a planning grant of \$10,000 to support compilation of the Project Needs Assessment. The planning grant requires a local match of \$2,500, for total funding of \$12,500 for the Project Needs Assessment. The Project Needs Assessment (PNA) is an engineering planning document similar to the PER but compiled in a format and form acceptable to CDPHE. Element has compiled a proposal to complete the PNA on behalf of the district.

The draft PNA is nearly complete with an internal (Element) review by the middle of April. We are on target to provide the draft to district staff by the end of April.

CDPHE has provided a pre-qualification review letter after our January pre-qualification meeting. The review letter (dated April 19, 2023) is attached to this report. This letter clarifies that the district is eligible for a planning grant (already obtained), a design and engineering grant, and Bipartisan Infrastructure Law (BIL) funding.

Element finalized a draft of the PNA and transmitted it to district staff on May 9, 2023. It is recommended the district board schedule a work session or special meeting to review the final PNA during the month of June. In the meantime, Element and district staff will work to resolve any initial questions and/or comments.

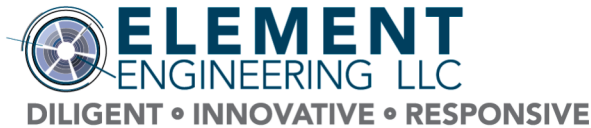
The draft PNA is scheduled to be reviewed by the district at an August 23<sup>rd</sup> meeting. A handout summarizing the PNA has been transmitted to district staff for board distribution.

The district approved submittal of the PNA at the August 23<sup>rd</sup> meeting. Element has coordinated with district staff and the PNA has been submitted to CDPHE. We are awaiting CDPHE review of the document. Element will respond to any questions or CDPHE comments.

The PNA has been approved. See the attached approval letter.

We have been exchanging email correspondence with CDPHE regarding the district's potential Design and Engineering grant (D/E grant) for the drinking water project. The proposed budget from the US Congress is significantly cutting the EPA capitalization grants to the various state SRF programs. Therefore, CDPHE is unsure if they will have D/E grants available and may not know the available amount until September of 2024.

CDPHE will, however, allow the district to recoup funds spent on design and engineering costs from the construction loan, when it is issued to build the project. This would mean funding the design of the project



upfront and recouping the costs at the time of construction. The district may apply for a DOLA grant to fund up to half of the design related costs. Therefore, the two options moving forward are as follows:

1. Self-fund the design of the water project and reimburse yourself with funds from the construction loan when the project design is completed and goes to construction. In this case we could potentially apply to DOLA for a 50/50 match grant for design.
2. Wait to see if D/E grant funds become available later in the year and proceed accordingly if one is awarded. If those funds are not available, re-consider item number 1 above.

The design and engineering costs associated with the water system project is \$108,370.00. Therefore, the district could apply for a DOLA grant in the amount of \$54,185.00, which would be a Tier II grant. The upcoming DOLA cycle begins accepting applications on March 1 and closes on April 1. Awards are estimated to be made by July of 2024. Note that if the district intends to use this grant, no work can begin until the grant contract is executed.

The district has selected to apply for a DOLA grant during the March 1 – April 1 application period to support design. Element will assist the district in completing the grant application. This application has been submitted by the project team.

CDPHE has reached out to Element and indicated that funding for a design and engineering grant in the necessary amount is available. CDPHE is currently working on this grant paperwork with the district.

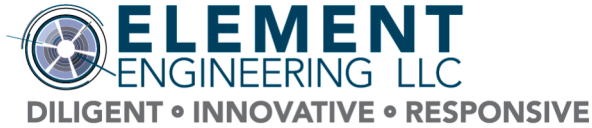
The district has approved Element to begin the design phase of the project. Our internal project kickoff meeting has been scheduled and we are starting survey coordination. Our goal is to have the survey work completed prior to significant snowfall. Our team will meet with district staff onsite and walk the project locations and review the project scope. A kickoff meeting with the client will be held prior to the surveyor being onsite.

We have solicited proposals for survey firms to complete the survey work and hope to have that field work completed early in 2025. We held an onsite meeting to discuss the project and tour each facility with district staff. We are corresponding with the district on layout items and questions. Our surveyor has been given the notice to proceed and we are awaiting notification for the date of the field work.

Survey field work has been completed and we are awaiting the final survey data. Element has completed PNA update to include a water fill station in the project. The fill station will require additional field survey, electrical, and structural engineering work.

Survey work has been completed and a second field visit was completed to verify survey information. A process and instrumentation diagram (PID) has been completed and we are now working on the hydraulic profile.

Design work on the project is currently ongoing. We are finalizing pump selection at the Mobile Home Estates proposed booster pump station. The Basis of Design (BDR) report work has been completed and the internal review is complete. We anticipate delivering the BDR to district staff the week of 5/19.



Also, we are currently working on the loan application for construction funding that is due 6/5. **The Basis of Design Report and Loan Application have been submitted for CDPHE review. We are currently working with our electrical subconsultant on their design.**

2023 WATER LOSS PREVENTION PROJECT (PROJECT NO. 0013)

**No items to report. This project is in the warranty period.**

## **District Manager Report – June 18, 2025**

### **United States Fish and Wildlife Service (USFWS) – Water lease negotiations**

- Short term extension complete
- Next steps – consider water right purchase or trade to acquire the water rights

### **Town of Crestone (ToC) – Sewer Service Negotiations**

- Complete

### **Aspen Wastewater Treatment Facility (AWWTF)**

- Some issues are present – Health or Safety hazards prioritized
  - Structural engineer inspection of foundation
  - Industrial health & safety inspection
- Inspections are underway
  - An initial property inspection identified several deficiencies
  - Initial quote for structural, mechanical/plumbing, and electrical inspections were much higher than expected (\$9,000), will be reviewing other options.
  - Met with structural engineer – recommended laser measurements
- Met with BOCC at AWWTF to discuss widening the relief route.
  - Looking for copy - Will be getting a survey completed at AWWTF and Stables Lift Station to determine boundaries and easements
- Foundation and Structure are satisfactory – HVAC/mechanical and Electrical inspections are pending
- Element Engineering is working on the updated PER
  - Once complete it will be submitted to USDA

### **Grant Opportunities**

- **Congressman Jeff Hurd – Community Project Funding**
  - Submitted in April 2025
  - Request for \$1,250,000 to help with water loss and meter replacement
  - **DENIED**
- **Energy/Mineral Impact Fund (EIAF) Grant**
  - Approved for \$750k to help fund Water System Improvement Project
- **State Revolving Fund (SRF)**
  - Submitted on 6/4/25
  - Funding will be used as the District’s match to the EIAF grant
  - Rate increase may not be necessary, but will depend on the analysis conducted by Colorado Water Resource and Power Development Authority (CWRPDA)

### **2024 Audit**

- Will be conducted by Fiscal Focus Partners - Scheduled to begin the on-site portion during the week of June 23<sup>rd</sup>

### **Special District Association of Colorado (SDA)**

- Reminder - Workshop in Salida, CO on 6/23/25 from 8am -12:30pm
  - 220 W Sackett Ave, Salida, CO 81201

### **Tax List**

- Saguache County is still taxing numerous houses in the District as vacant land
  - A list covering 2017 through 2025 with over 130 properties was sent to Saguache County Assessor on 5/29.
    - Added to the Commissioner Meeting agenda on 6/24/25 at 1pm

### **Electrical Service – Stables Lift Station**

- Saguache County continues their efforts to improve the evacuation route
  - In order to widen the road near Stables Lift Station they requested that we get a quote to relocate our electrical service. Relocation will require removal of an electrical pole and installation of conduit to take service underground.
  - The County said they will cover all costs of the project.

### **Generator**

- The City of Greeley posted a classified ad for a free used 600kW diesel generator in Colorado Rural Water Association. The cost of a new generator of this type is around \$65,000 to \$90,000
  - The generator will be a great back up at the treatment plant, but will require some transportation and installation costs of approximately \$7,000

### **Payroll Provider**

- The District has been using Paychex Flex for payroll service for the last several years
  - Every pay period there have been the same discrepancies when processing our payroll. The representatives have been unresponsive/unable to fix the issues. The discrepancies result in much more time spent doing quality control and corrections.
  - Starting with the pay period beginning 6/2/25 the district will be transitioning to ADP for payroll services.

### **Waterworth Water and Sewer Model**

- Currently working on providing all data for the model
  - Current model results indicate a discrepancy in what commercial customers pay vs. what they use (does not include POA irrigation) - currently paying less for the amount of water used compared to residential taps
    - Consider changing commercial customers a different/higher rate/base rate

# Administrative Monthly Report

June 18, 2025

## Board of Directors Meeting

### UTILITY BILLING ACTIVITY FOR THE MONTH OF MAY 2025

Customer Utility Billing		
Billing Category	Number of Accts	Amount Billed
Usage Customers Billed - SEWER	850	41,221.25
Usage Customers Billed - WATER	872	56,619.67
ON/OFF Service	5	150.00
LATE FEE	46	920.00
TRANSFER	10	3,500.00
CONSOLIDATIONS	2	2,000.00
NSF	2	60.00
Water & Sewer Hook UP	1	3,100.00

### MAY - XPRESS BILL PAY TRANSACTION AND CHARGES ACTIVITY

Product / Service Description	Qty	Unit Price	Line Total
EFT Web Transactions	261	\$0.74	\$193.14
EFT Returned Item Basic	1	\$7.00	\$7.00
EFT Return NSF or Account Closed	1	\$14.00	\$14.00
Credit/Debit Card Web Transactions	403	\$0.74	\$298.22
Online Banking - Bank Bill Pay Transactions	18	\$0.25	\$4.50
Lock Box Service Transactions	147	\$0.74	\$108.78
Toll Free Operator Assisted Transactions	3	\$2.00	\$6.00
Toll Free IVR Transactions	12	\$1.25	\$15.00
Support, Maintenance, Hosting - Fee	1	\$100.00	\$100.00

## Town of Crestone Sewer 2025

### Town of Crestone Sewer Billing - 2025

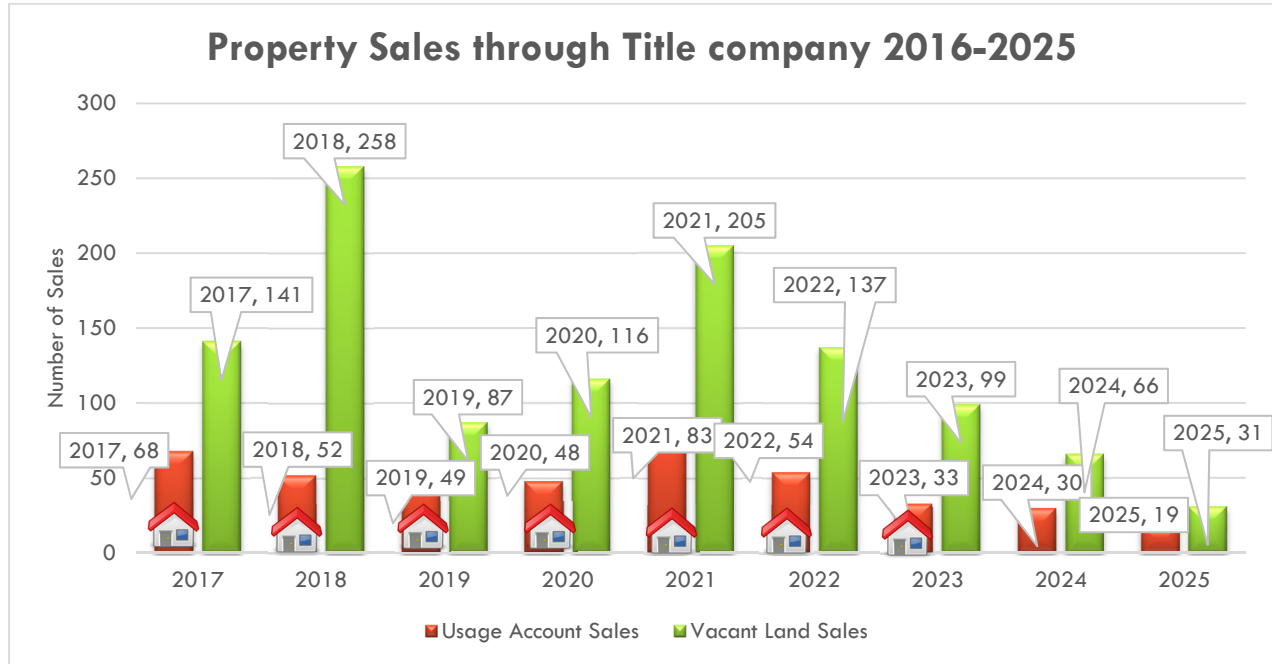
Date	Monthly Total	Monthly Flow	Flow Charges	Average Daily BOD	Monthly BOD	BOD Charges	Paid	Balance Due
January	432,940	3,420,226.00	3,420.23	41	1230	1,218.93	Check 14463	\$4,639.16- 02/28/2025
February	609,575	5,077,759.75	5,077.76	98	2842	2,984.10	Check 14507	\$8,061.86- 03/31/2025
March	485,072	4,040,649.76	4,040.65	48	1584	1,663.20	Check 14535	\$5,7803.85- 04/30/2025
April	398,701	3,321,181.11	3,321.18	45	1305	1,370.25	Check 14550	\$4,691.43- 05/31/2025
May	420,128	3,499,666.24	3,499.67	34	1020	1,071.00		\$4,570.67- 06/30/2025
June								
July								
August								
September								
October								
November								
December								
<b>2025 Totals</b>	<b>2,346,416</b>		<b>19,359.48</b>	<b>266</b>	<b>7981</b>	<b>8,307.48</b>		

Rate per 1,000 Gallons of Flow: \$7.900 / 1,000  
 gallons  
 Rate per Pound of BOD: \$0.991 /  
 pounds BOD

### New Rate Effective February 1<sup>st</sup>, 2025:

**\$8.33 – per 1,000 gallons of flow**  
**\$1.05 – per pound of Biochemical Oxygen Demand (BOD)**

May - 2025- Property Sales: 3- Homes, 7- Lots



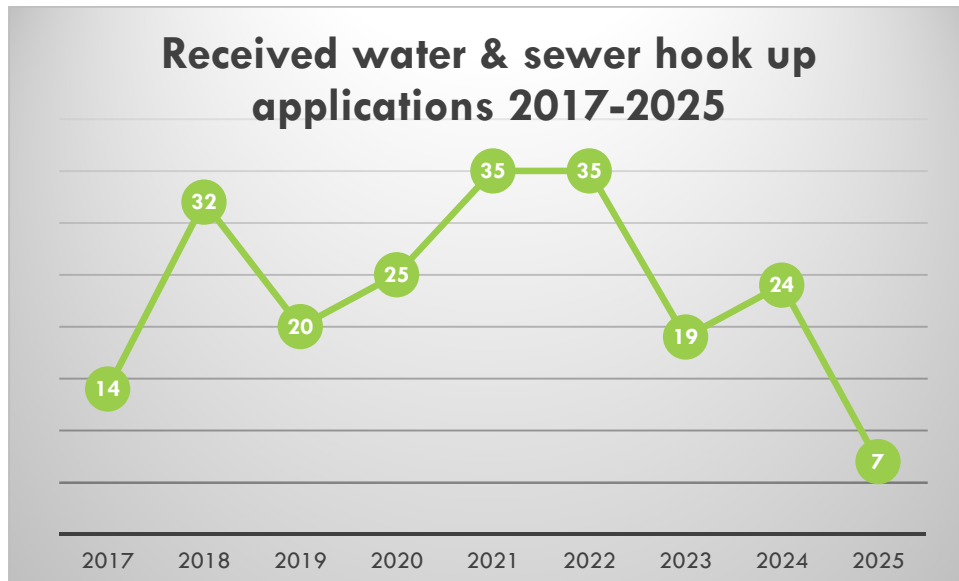
May - 2025– Other Sales Statistic Including Name Changes Only

Prepared by Greg Hess

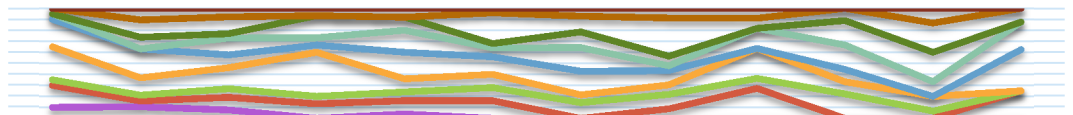
Type	Vacant Lot	House	Total Charges
Quit Claim Deed	0	0	\$0.00
Warranty Deed	0	0	\$0.00
Treasurer's Deed	0	0	\$0.00
Bargain & Sale Deed	0	0	\$0.00
Special Warranty Deed	0	0	\$0.00
Treasurer's Deed	1	0	\$0.00
			<b>Total: \$0.00</b>

## 2017- 2025- Water and Sewer Hook up Applications

1 - Application (s) received in May, – 7 Total application (s) received in 2025



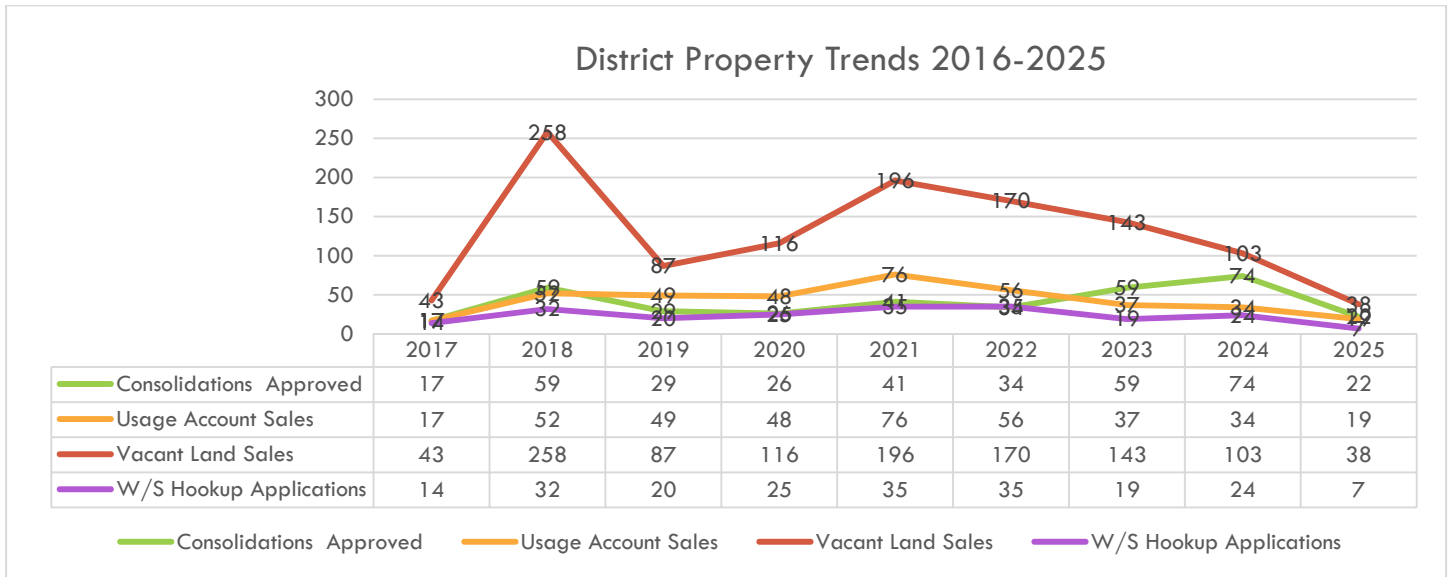
### Water-Sewer Hookups 2017-2025



	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
2017= 14 applications	0	2	2	1	2	1	1	2	1	0	2	0
2018= 32 applications	1	3	4	0	0	7	2	8	1	1	4	1
2019 = 20 applications	0	2	1	3	3	1	2	2	0	2	4	0
2020=25 applications	1	0	4	1	5	2	3	1	2	2	2	2
2021=35 applications	5	5	3	1	6	4	3	3	0	1	0	3
2022=35 applications	6	3	5	6	3	3	1	2	3	1	2	0
2023=19 applications	1	1	2	1	2	3	2	3	1	2	1	0
2024 = 24 applications	4	1	3	2	3	4	0	2	3	0	0	2
2025= 7 applications	2	2	2	0	1							

- 2025= 7 applications
- 2024 = 24 applications
- 2023=19 applications
- 2022=35 applications
- 2021=35 applications
- 2020=25 applications
- 2019 = 20 applications
- 2018= 32 applications
- 2017= 14 applications

## 2016-2025 PROPERTY TRENDS



### ADMINISTRATIVE UPDATES

#### 2025 Consolidations

- 9 consolidation requests were approved by the Board of County Commissioners (BOCC), involving a total of 22 lots.

#### SDA Annual Conference

- A three-day conference covering district governance, finance, legal updates, and more.
- Registration opens in early July. Event Dates: September 16–18, 2025 in Keystone.

#### Consumer Confidence Report (CCR)

- The 2024 CCR was mailed to District customers during the week of May 26, 2025.

#### Water Outages

- Two water main breaks occurred: one on May 28 and another on June 2.
- Affected customers were notified by phone and notices were posted on the BGWSD website.

#### Waterworth Rate Design

- Compiled and prepared billing data reports for both water and sewer services covering the 2024 year.

#### Assessor's Report

- Updated list of previously vacant properties within the District that now include residential improvements.

#### ADP – New Payroll Company

- ✦ Together with the District Manger worked on transitioning the District’s payroll services from Paychex to ADP, due to ongoing processing issues and stress with Paychex.

### Amazon Business Prime

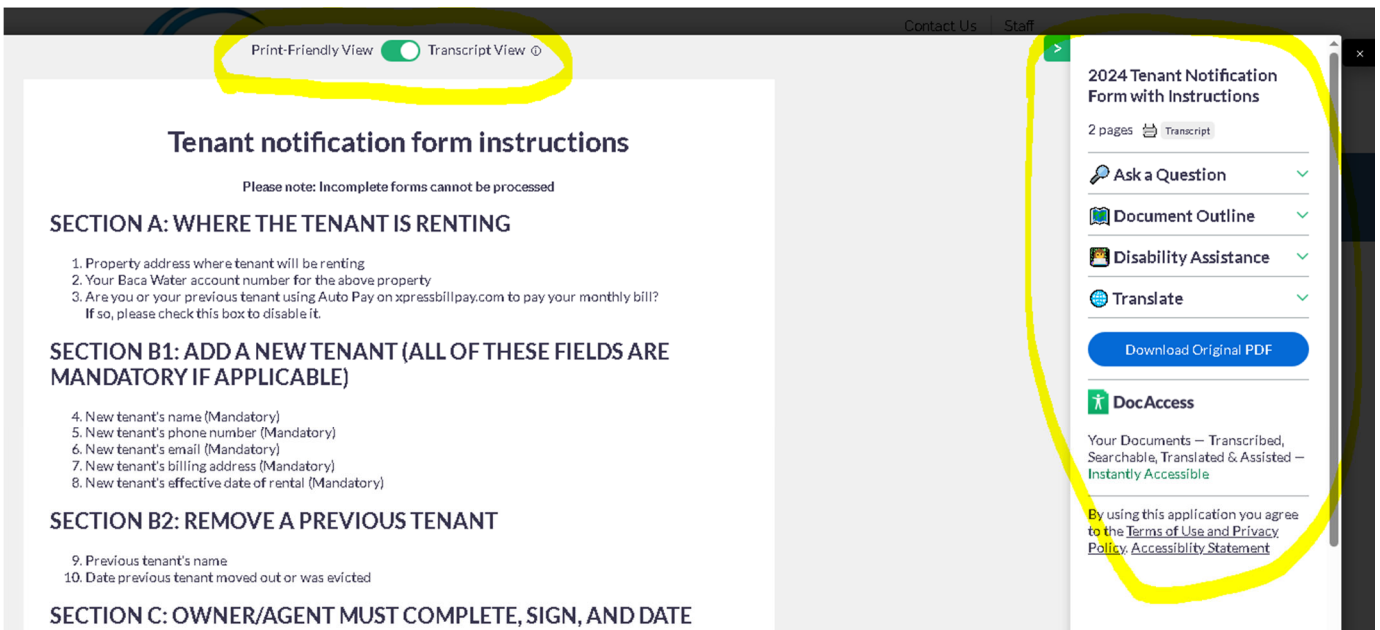
- ✦ Attended an SDA-hosted webinar and successfully enrolled the District in Amazon Business Prime at no cost for two years (normally \$500/year).
- ✦ Membership includes free shipping and product discounts.

### CSDPLP Credit Program though Vector Platform

- ✦ Enrolled the District in the training program. Upon completion, the District will receive a 10% credit on its 2026 insurance invoice.

### DocAccess

- ✦ Attended a webinar and signed up the District for a free one-month trial.
- ✦ Features include: accessible PDF viewing, in-document search, translation into 150+ languages, live visual interpreter connection, accessible transcripts, document outline navigation. See the example below from our website:



### May Billing Message: In observance of Juneteenth 2025, our office will be closed on Thursday, June 19th. We will resume normal business hours on Monday, June 23rd. Happy Juneteenth!

In case of a water emergency, please call 719-256-4310. A friendly reminder the 2025 Availability of Service (AOS) annual fee for vacant properties is due 6/30/2025. Please remit payment before the due date to avoid late charges.

### AOS Billing

- ✦ Due Date: June 30, 2025
- ✦ Scheduled XBP blast reminder to go out on June 16, 2025.

# Baca Grande Water and Sanitation District Monthly Operations Report

June 18<sup>th</sup> , 2025



Main Break on Camino Real the two rocks in the photo were directly under the pipe and caused the break

## Facilities and Staff Updates

In Service

Repaired  
last month

Out of  
Service

Water Facilities											
Well 18		Moonlight Transfer Station		Ridgeview Transfer Station		Fallen Tree Transfer Station		Pinecone Booster Station		Shumei Booster Station	
Pump 1	Pump 2	Pump 1	Pump 2	Pump 1	Pump 2	Pump 1	Pump 2	Pump 1	Pump 2	Pump 1	Pump 2

Wastewater Facilities									
Aspen WWTP		Stables Lift Station		Wagon Wheel Lift Station		MHE Lift Station		Dharma Ocean Lift Station	
Pump 1	Pump 2	Pump 1	Pump 2	Pump 1	Pump 2	Pump 1	Pump 2	Pump 1	Pump 2

Service Vehicles				
Truck 1	Truck 2	Truck 3	Truck 4	Truck 5

Equipment				
Vactor Truck	Dump Truck	Backhoe	Skid steer	Excavator

➤ No equipment failures or vehicle failures to report

➤ Accidents

- No accidents to report.

## Operations Updates

### ➤ 2 Leaks to report

- 1 Main break on Camino real we were able to isolate with minimal interruption of service.
- 1 leak on Rarity way that a customer called in. Both the main break and leak have been repaired.

### ➤ Projects

#### Summer Project List

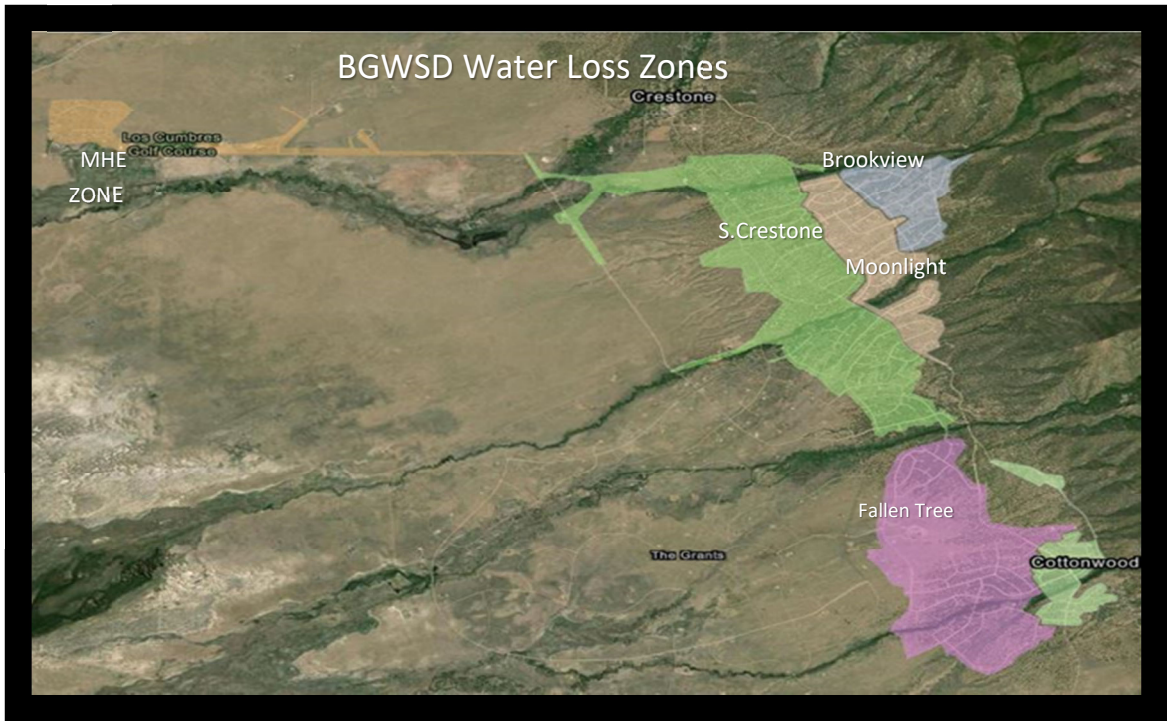
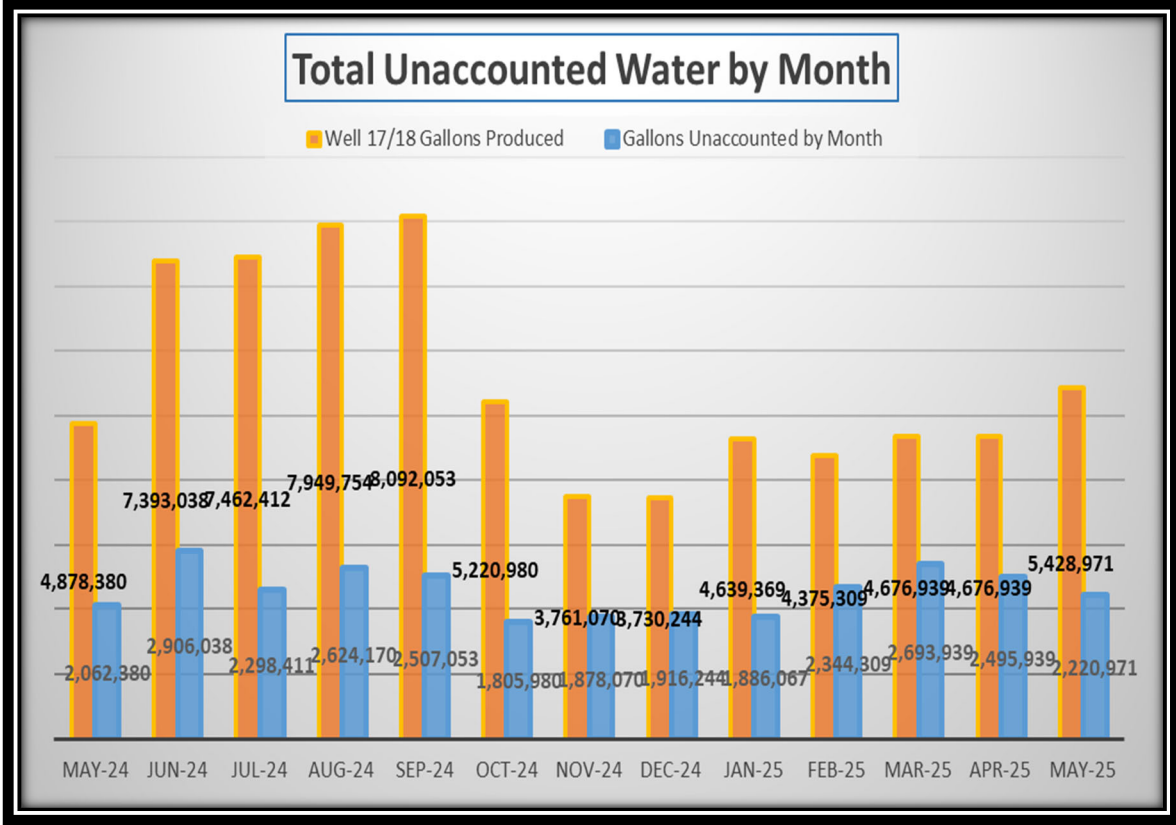
- Fire Hydrant Maintenance (In Process)
- Valve Maintenance (In Process)
- Collection system cleaning (In Process)
- Collection system inspections (In Process)
- Grounds Maintenance and weed control (In Process)
- Dig list (A variety of excavation projects)
- Leak Detection (On Going)

### ➤ Unaccounted Water

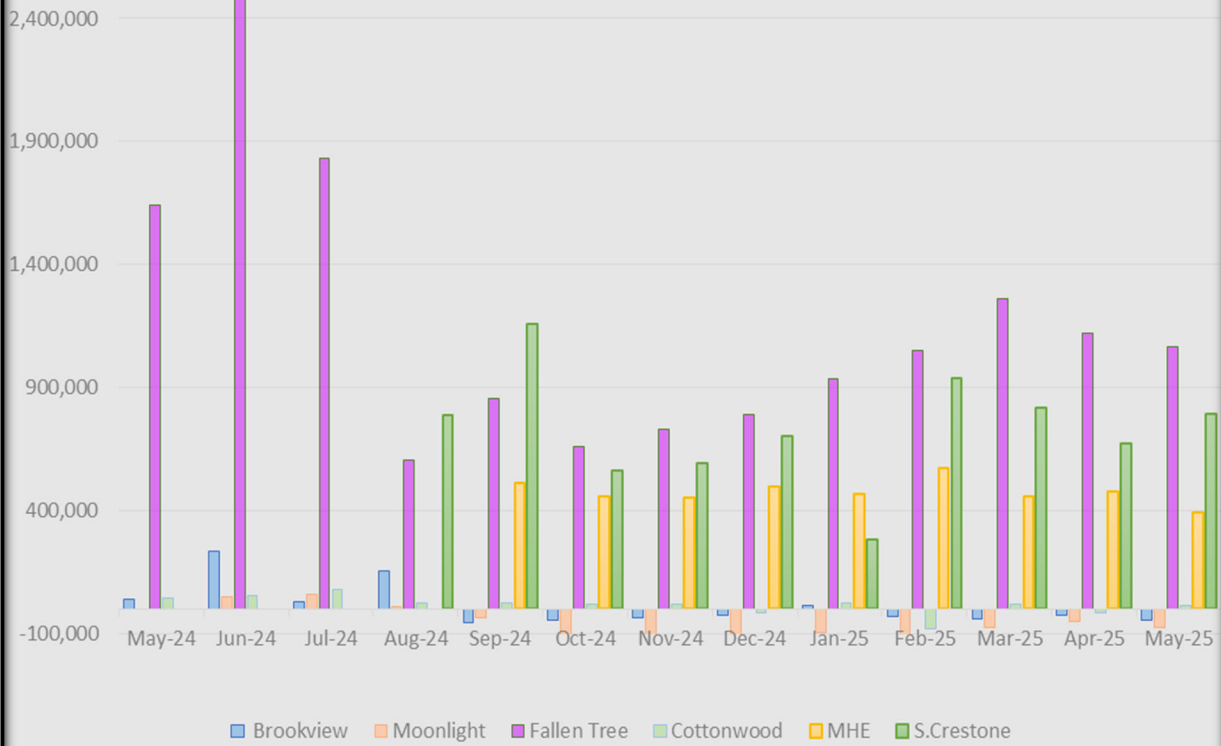
- Wells 17 and 18 produced 5,444,970 gallons of water in the month of May.
- The District sold its customers 3,208,000 gallons of water in the month of May, leaving 2,143,470 gallons unaccounted for.
- 39% of the water produced is unaccounted for in the month of May.

### ➤ Aspen WWTP and Town of Crestone Loading

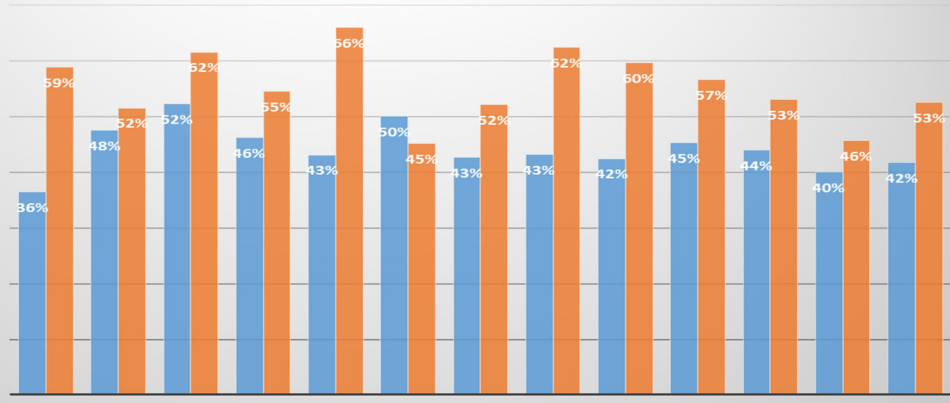
- Aspen WWTP averaged 46% of hydraulic loading capacity in the month of May, the Town of Crestone contributed an average of 14% of the treatment plants hydraulic load.
- Aspen WWTP averaged 53% of organic loading capacity in the month of May. The Town of Crestone contributed an average of 21% of the treatment plants organic load.



## Total Monthly Unaccounted in Gallons by Water Loss Zone



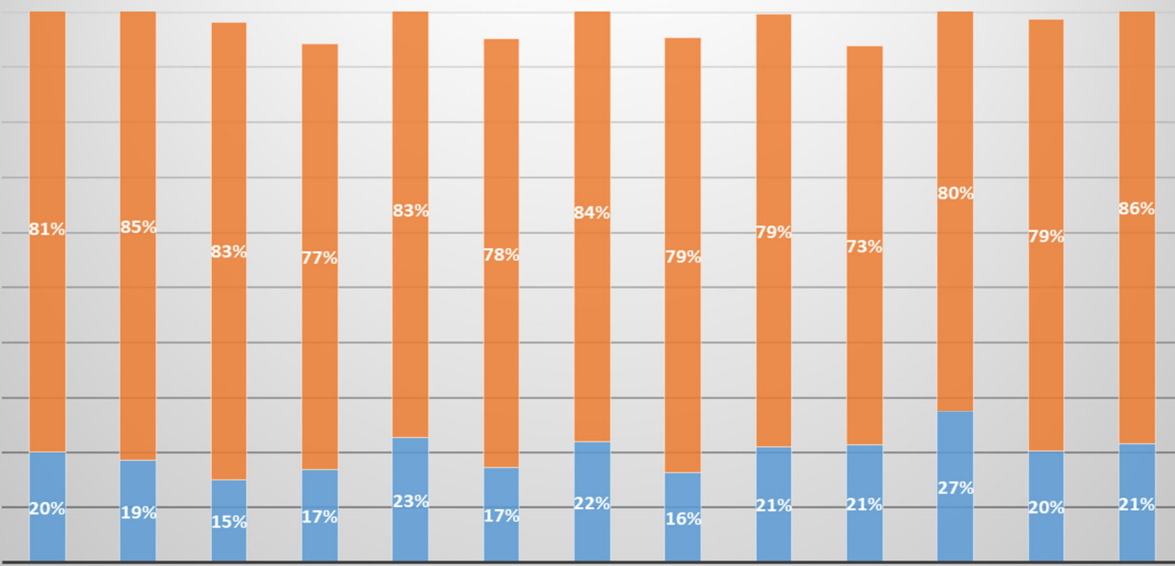
### Percentage of Plant Capacities by Month at Aspen Wastewater Treatment Plant



	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25
Plant % of Hydraulic Capacity	36%	48%	52%	46%	43%	50%	43%	43%	42%	45%	44%	40%	42%
Plant % of Organic Capacity	59%	52%	62%	55%	66%	45%	52%	62%	60%	57%	53%	46%	53%

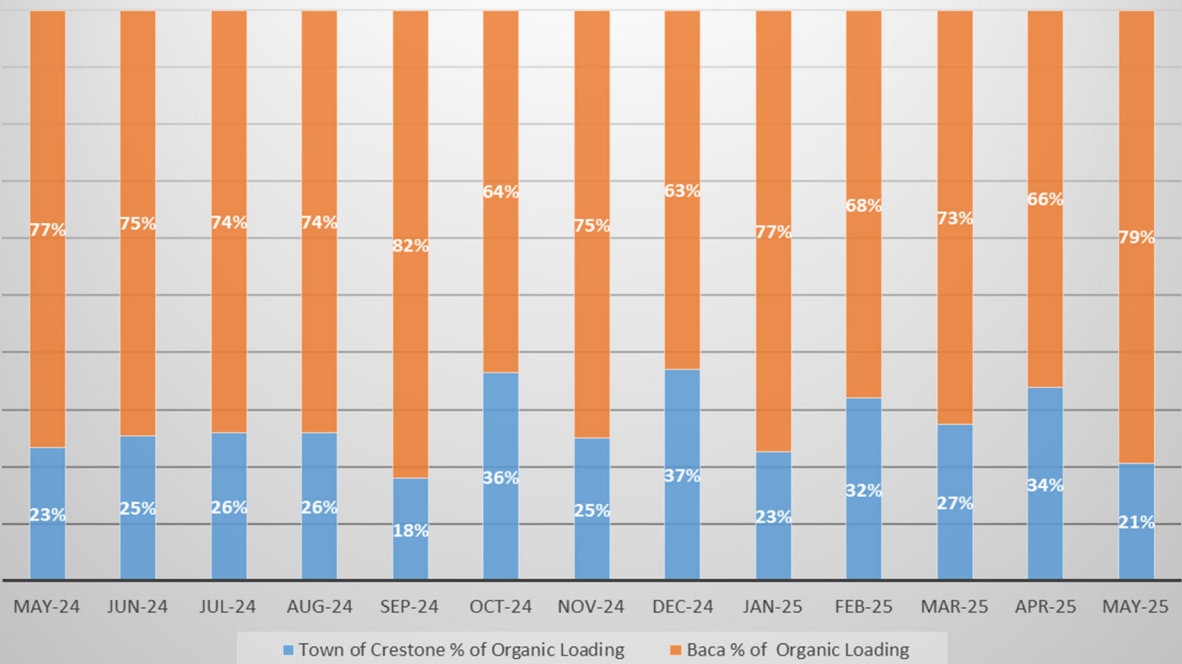
■ Plant % of Hydraulic Capacity   ■ Plant % of Organic Capacity

### Average % of Total Hydraulic Loading of Aspen Wastewater Treatment Plant by Month 2025



■ Town of Crestone % of Hydraulic Loading   ■ Baca % of Hydraulic Loading

### Average % of Total Organic Loading of Aspen Wastewater Treatment Plant by Month of 2025





## AGENDA ITEM REQUEST FORM

This form must be completed and attached to all supporting documentation for items to be included in the Board of Director's agenda. One (1) form per agenda item.

Date: 6/5/2025

Submitted By: David Lindsey, representative for Yeshe Khorlo

Contact Phone # 719.256.4400

Email: davidlindsey1111@gmail.com

Date of Board Meeting to consider this item: June 18, 2025

Board of Directors Action Requested:  for Action  for Information

### Summary of Information:

#### Request for Repayment

YK is requesting the return of the following:

- Tap Fees: \$10,000
- Transfer Fees: \$2,000
- AOS Fees: \$21,350

Total Requested: \$33,350



## AGENDA ITEM REQUEST FORM

This form must be completed and attached to all supporting documentation for items to be included in the Board of Director's agenda. One (1) form per agenda item.

Date: 6/5/2025

Submitted By: David Lindsey, representative for Yeshe Khorlo

Contact Phone # 719.256.4400

Email: davidlindsey1111@gmail.com

Date of Board Meeting to consider this item: June 18, 2025

Board of Directors Action Requested:  for Action  for Information

### Summary of Information:

Request for Repayment of billing overcharges

YK is requesting the return of the following:  
\$9,008



## AGENDA ITEM REQUEST FORM

This form must be completed and attached to all supporting documentation for items to be included in the Board of Director's agenda. One (1) form per agenda item.

Date: 6/5/2025

Submitted By: David Lindsey, Yeshe Khorlo Inc representative

Contact Phone # 719.256.4400

Email: davidlindsey1111@gmail.com

Date of Board Meeting to consider this item: 6/18/2025

Board of Directors Action Requested:  for Action       for Information

### Summary of Information:

Yeshe Khorlo would like BGWS to bill appropriately for our 1" line size going forward.



**YESHE KHORLO**  
NYINGMA BUDDHIST MEDITATION CENTER  
**H.E. GANGTENG TULKU RINPOCHE**  
FOUNDER AND SPIRITUAL DIRECTOR

June 5, 2025

Attn: Baca Grande Water and Sanitation (BGWS) Board of Directors,

On behalf of Yeshe Khorlo (YK) and the Yeshe Khorlo Land Owners Association (YKLOA), I am writing to formally raise a long-standing and unresolved issue regarding our water and sewer service relationship with BGWS. For over two decades, YK and YKLOA have been placed in a difficult and inequitable position concerning our service lines, billing structure, and associated fees.

**Background and Context**

Since its installation over 20 years ago—an installation overseen by then-District Manager Scott Johnson—our water line has been treated by BGWS as a “private line within the District,” and YK has been labeled a “unique situation.” Despite repeated requests from YK for BGWS to formally assume responsibility for these lines, BGWS has consistently refused, citing lack of inspection records. YK has likewise found no documentation for the installation, although a tap fee was paid at that time.

Nevertheless, BGWS has continued to levy multiple types of fees—including tap fees, Availability of Service (AOS) fees, and transfer fees—while simultaneously disclaiming ownership or responsibility for the infrastructure. BGWS has also filed liens against YKLOA lot owners based on these charges. YK has never had the option to dispute or withhold payment without consequence.

All YKLOA properties are connected via a single meter at the base of Happy Day Overlook, our private road. No individual meters or pits exist on the line. Despite this, BGWS collected four additional \$2,500 tap fees from lot owners. These fees were entirely inappropriate, given the single-meter configuration and the private nature of the line.

**AOS Fees and Board Action**

BGWS’s AOS fees are applied to properties within 100 feet of a district line. None of YKLOA’s properties meet this condition. The closest YKLOA lot is 650 feet from the district line. Despite this, AOS fees were imposed until the June 15, 2022 BGWS Board meeting, when the District instructed their staff to discontinue these charges for YKLOA. YK was not informed of this decision and only became aware through a lot owner’s email on September 12, 2022. This decision positively affirmed that the water and sewer lines were not District-owned.

Thus, BGWS has unjustly collected these various fees while refusing responsibility for the system in question. If it had been made clear that YK was fully responsible for the infrastructure, we would have collected and managed these funds internally to support repairs, maintenance, and emergency reserves. As a result, YK currently has no such funds available.

**YESHE KHORLO USA**  
P.O. BOX 87, CRESTONE, COLORADO 81131  
719.256.5224 • EMAIL: YESHEKHORLOUSA@GMAIL.COM

## **Billing Irregularities**

In addition to the unjustified fees, YK has also been subjected to inconsistent and excessive billing practices:

- In 2014, BGWS attempted to implement a 700% rate increase, citing the size of the water line (2"). To avoid this, BGWS recommended we install a 1" line reducer, which we did. Billing proceeded at the 1" rate for two years.
- In 2017, BGWS began billing for a 1.5" line instead, shifting to a structure-based billing method rather than line size.
- In 2021, during an in-person meeting, BGWS demanded that YKLOA must be billed like all Baca residents at \$67.20 per lot. By 2023, this rose to \$88.86.

At every stage, the billing structure has been arbitrarily changed—first by line size, then by number of structures, and now by a standard rate—despite YK's unique infrastructure and arrangement.

No other customer in the Baca has been treated similarly. BGWS has effectively charged as though it owns the line, while expressly denying ownership when it comes to responsibility or repairs. This is an unacceptable and inconsistent policy that has materially harmed our nonprofit.

## **Request for Repayment**

This is an official complaint and demand for the repayment of fees wrongfully collected over the last 23 years. YK is requesting the return of the following:

- Tap Fees: \$10,000
- Transfer Fees: \$2,000
- AOS Fees: \$21,350
- Overcharges: \$9,008

**Total Requested: \$42,358**

## **Conclusion**

We sincerely urge BGWS to resolve this matter amicably without the need for legal action.

We have consulted with an attorney on this matter. Our primary goal is to reach a fair and just resolution that acknowledges the concerns raised and provides appropriate restitution.

We strongly prefer to avoid the time, expense, and uncertainty of litigation. We are hopeful that BGWS will recognize the value of resolving this matter collaboratively and in good faith. We are eager to settle this issue promptly and equitably, without the added burden of legal proceedings. Thank you for your understanding and cooperation.

Sincerely,



David Lindsey

Representative, Yeshe Khorlo & YKLOA

**YESHE KHORLO USA**

P.O. BOX 87, CRESTONE, COLORADO 81131

719.256.5224 • EMAIL: YESHEKHORLOUSA@GMAIL.COM



# LAW OF THE ROCKIES

**Members**  
Marcus J. Lock  
Jacob A. With  
Kendall K. Burgemeister

**Special Counsel**  
Daniel P. Spivey

525 N. Main Street, Gunnison, CO 81230 | 970.641.1903  
lawoftherockies.com | Fax: 970.641.1943  
Email: [mlock@lawoftherockies.com](mailto:mlock@lawoftherockies.com)

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September 8, 2022

**VIA ELECTRONIC MAIL AND CERTIFIED UNITED STATES MAIL**

Michaël Van Broekhoven  
PO BOX 778  
CRESTONE, CO 81131  
[Michael.vanbroekhoven@yahoo.com](mailto:Michael.vanbroekhoven@yahoo.com)

***Re: Baca Grande Water and Sanitation District***

Dear Mr. Van Broekhoven,

I am writing to you on behalf of the Baca Grande Water and Sanitation District (the “District”) to provide you with the District’s current position and a final response to your various inquiries regarding water service to your property located at 2277 Happy Day Overlook Road (the “Property”).

The Property is subject to the Yeshe Khorlo, Inc., Declaration of Covenants and Road Maintenance Agreement recorded in the Saguache County real property records under reception number 339411 and is referred to therein as one of the “Yeshe Khorlo Replat Lots” in reference to the Yeshe Khorlo Replat of Lots 2275 – 2284 recorded in the Saguache County real property records under reception number 338445.

The Property currently receives water and sewer service from a private water and sewer service lines owned and maintained by Yeshe Khorlo, Inc. (the “Private Lines”). The District does not own or maintain the Private Lines, and the District is not responsible for them. This has been the case for many, many years, and certainly since well before you bought the Property. I have enclosed a 2010 letter from then District Manager Steven Harrell addressed to “Yeshe Khorlo, Inc. Directors and Residents.” In this letter, Mr. Harrell acknowledged that this situation is a historical anomaly and that it was atypical for multiple properties to share a water meter. However, because the Private Lines “were not constructed or inspected by the District, the District cannot operate and maintain them.” Mr. Harrell offered the residents along Happy Look Overlook Road two options: keep the current configuration with a shared water meter or install separate meters. In order to avoid significant infrastructure costs associated with the latter

option, the residents along the road decided to continue relying on a shared water meter. You were aware, or should have been aware, of the shared water meter five years later when you acquired the Property.

Indeed, in a May 9, 2022 email to various District representatives, you acknowledged that you were aware of this arrangement and that it was “part of the appeal” of buying the Property because tapping into the Private Lines did not require you to pay a tap fee to the District. Any further concerns you have regarding the provision of water and sewer service to your Property from the Private Lines does not involve the District and should be directed to Yeshe Khorlo, Inc.

In reviewing this matter at its June 2022 meeting, the District Board of Directors decided that going forward, it would no longer charge availability of service fees within the Yeshe Khorlo Replat Lots unless a lot is within the one hundred feet of a water or sewer main line owned by the District and ready for connection to any such lot. I understand your Property is approximately 650 feet away from the closest District owned water and sewer main lines on Camino Baca Grande, and therefore, the District is no longer charging availability of service fees to the Property. In the interest of fairness, the District is willing to credit any past availability of service fees paid by an individual owner within the Yeshe Khorlo Replat Lots against any future tap fees owed to the District by that same individual owner. Please understand that this offer is made gratuitously, as a courtesy, and in the spirit of compromise; it does not arise out of any obligation of the District; it is an offer that is specific to current individual owners within the Yeshe Khorlo Replat Lots; it does not run with these properties, and it is not available to any future owner of these lots.

You also have inquired about drilling a well and installing an onsite wastewater treatment system on your Property. Based on the location and size of the Property, I do not believe the Colorado Division of Water Resources will issue you a well permit for the Property or that Saguache County would allow you to install an onsite wastewater treatment system for the Property. In any event, the District would oppose both a well and an onsite septic system.

You have inquired about the option of disconnecting from the Private Lines and obtaining water and sewer service directly from the District. In response, you received instructions from the District Manager on August 2, 2022, on how to commence the process of extending District service directly to your property from the District owned water and sewer main lines located along Camino Baca Grande. As the District Manager indicated, this extension would be done at your expense, in conformance with the District’s rules and regulations, and require you to pay all of the requisite application, tap, and connection fees.

The bottom line is that you can connect your property directly to the District’s main lines at your expense or you can keep receiving water and sewer service from the Private Lines owned and maintained by Yeshe Khorlo, Inc. I am sorry you do not like these options, but they are the only options available to you at this time.

September 8, 2022  
Michaël Van Broekhoven  
Page 3 of 3

**LAW OF THE ROCKIES**

Sincerely,

A handwritten signature in blue ink, appearing to read 'M. Lock', with a long horizontal flourish extending to the right.

Marcus Lock  
**LAW OF THE ROCKIES**

Enclosure (1)



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

July 14, 2010

Yeshe Khorlo, Inc.  
Director and Residents  
P.O. Box 87  
Crestone, CO 81131

RE: Water Meter Options for 2281 Happy Day Overlook

Dear Director and Residents,

Over the course of the past several months, the Baca Grande Water and Sanitation District (the "District") has conducted an audit of customer accounts. In reviewing your account it was discovered that your property has a unique situation with regards to the water meter. During a site visit the District was made aware that there are three residences and one temple on the property but only one water meter. We understand from talking with Shauna Ianson that, at the time the residences were hooked up to the District's system, you contacted the District in an effort to ensure that you would be appropriately charged for the services received. It appears that the District did not follow through on this request. In an effort to resolve the matter now, we have reviewed your situation and have two options that we would like to offer you.

Given the original design and construction of the infrastructure, the first option is for the District to allow the current configuration of one water meter for metering all four structures, soon to be five structures, at the property. However, in an effort to charge fairly for the water and sanitation services provided to you, and overall impact on the District's system, the District will apply an equivalent rate ("EQR") to your account. The District's current EQR rate structure will be attached for your review of the calculations that will develop your new rate. It is important to note that as the number of residents increases, the water pressure issues you are currently experiencing will eventually need to be addressed. However, this is a temporary solution to the problem that will keep infrastructure costs to a minimum at this time.

The second option is the installation of water meters at each residence as well as the temple. This requires a large infrastructure improvement which will include design engineering, surveying, the installation of coil pit water meter boxes installed at each residence, and a booster station that would be installed at the entrance of the driveway. This option would include District operation and maintenance of the booster station after construction. All costs associated with the new infrastructure would be charged to you subject to a line extension agreement which would enable you to recoup some of the infrastructure costs in the event a subsequent property taps onto the line that you have installed. It is estimated that this option will cost between \$65,000 and \$85,000.

In meeting on the site with Ms. Ianson, she inquired into whether the District would be able to operate and maintain the existing water and sewer infrastructure. Unfortunately, because these improvements were not constructed or inspected by the District, the District cannot operate and maintain them.

On a related note, upon reviewing your account, we discovered that your property is being assessed an availability of service charge for three of the four residences. This is an error that the District will correct moving forward.

We appreciate your willingness to address this matter. Please feel free to contact me if you have any questions.

Best regards,

Steven Harrell  
General Manager  
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

### Yeshe Khorlo Lot 2279,2280,2282,2283

Lot #	Currently Billed	Proposed Action	New Base Rate
2279	\$20.00 Sewer	Terminate account	\$0
2280	\$42 sewer and water base rate	Base amount adjusted for EQR to \$168/month* for sewer and water	\$168/month base rate for all properties combined + \$1.50 per 1,000 gallons used
2282	\$70.00 a Year AOS	Terminate account	\$0
2283	\$70.00 a Year AOS	Terminate account	\$0

Note: New rate is comprised of \$42.00 a month plus \$126.00 EQR for a total bill of \$168.00 a month plus any water used over 4,000 gallons will be billed for a fee of \$1.50 per 1,000 gallons.

**PETITION FOR THE EXCLUSION OF REAL PROPERTY  
FROM THE BOUNDARIES OF  
BACA GRANDE WATER AND SANITATION DISTRICT**

**TO: THE BOARD OF DIRECTORS OF  
BACA GRANDE WATER AND SANITATION DISTRICT  
SAGUACHE COUNTY, COLORADO**

Pursuant to §32-1-501, *et seq.*, C.R.S., the undersigned Petitioner hereby respectfully petitions the above named District, acting by and through its Board of Directors, for the exclusion of real property from the boundaries of the District, subject to the conditions described herein.

The real property sought to be excluded from the above-named District is described in Exhibit A attached hereto and incorporated herein by this reference (the "Property").

The Petitioner hereby consents that the Property be excluded from the District and hereby request that an Order may be entered in the District Court in and for the County of Saguache, State of Colorado, excluding the Property from the District's boundaries.

By its signatures, below, the Petitioner represents to the District that it is the one hundred percent (100%) fee owner of the Property, which is located wholly within the District's boundaries, and that no other person, persons, entity or entities own an interest therein except as beneficial owners of encumbrances.

The name and address of the Petitioner is as follows:

Adam Escobar  
Dark Sky Dunes Resort, LLC  
410 Acoma St. Unit 103,  
Denver, CO 80204

Brandon DeHoff  
Dark Sky Dunes Resort, LLC  
410 Acoma St. Unit 103,  
Denver, CO 80204

*[Remainder of page intentionally left blank]*

**PETITIONER:**

**Adam Escobar, Dark Sky Dunes Resort, LLC**

410 Acoma St. Unit 103,

Denver, CO 80204

**Brandon DeHoff, Dark Sky Dunes Resort, LLC**

410 Acoma St. Unit 103,

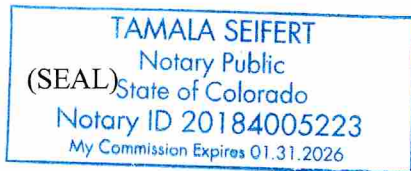
Denver, CO 80204

STATE OF COLORADO     )) ss.

COUNTY OF Denver )

The foregoing instrument was acknowledged before me this 7 day of May, 2025 by Adam Escobar, and Brandon Dehoff, as owners of Dark Sky Dunes Resort, LLC.

WITNESS my hand and official seal.



Notary Public

My commission expires: \_\_\_\_\_

**EXHIBIT A**  
**TO PETITION FOR EXCLUSION OF REAL PROPERTY**  
**FROM BACA GRANDE WATER AND SANITATION DISTRICT**

Following our review of available options and discussions with the Baca Grande Water and Sanitation District, the determination is that excluding from the District is the best option. According to the district the nearest water and sewer lines are nearly 1,000 ft. from the property. Extending the District's water and sewer lines is estimated to cost over \$250,000. It would be cost prohibitive for us as the landowners to incur this cost, and it would prevent us from proceeding with our plans for the parcel of land. Therefore it is recommended that I research more cost-effective options.

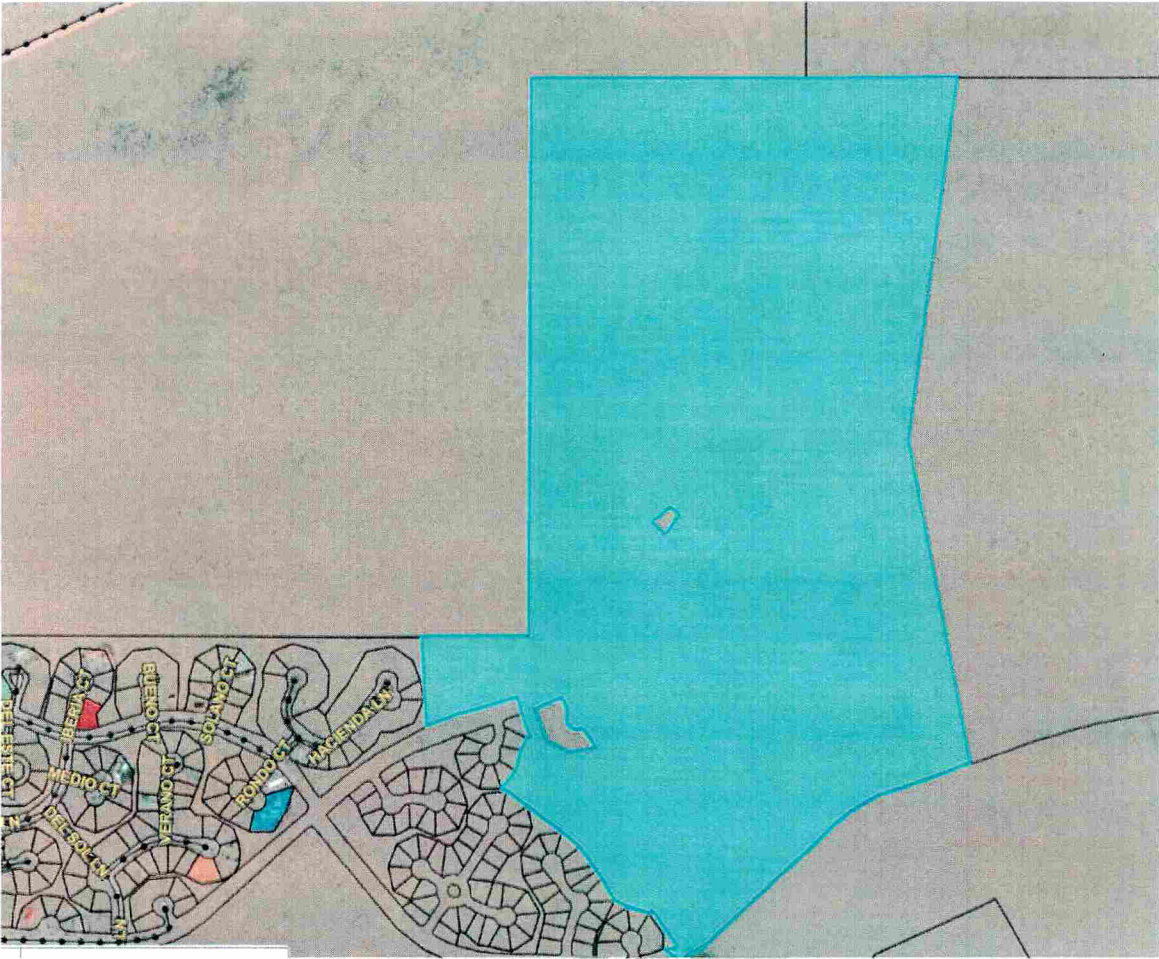
We are deeply drawn to Crestone's dark sky protections, its commitment to natural beauty, and the contemplative environment it fosters. Our plans to build a family retreat reflects these values through low-impact development, eco-conscious infrastructure (including solar energy and composting systems), and a strong focus on preserving the integrity of the landscape.

In addition to contributing to the region's economy, we believe this project will provide local employment opportunities in areas such as construction, property maintenance, and cleaning services—jobs we hope to fill by working with members of the Crestone and Saguache County community. Being excluded from the district would allow for us to proceed and it would create a positive economic impact for the local area.

We've worked with well-drilling consultant and are prepared to move forward with a domestic well permit. Based on these factors, it is in the best interest of the District and myself, property owner, that the Property be excluded from the District.

**Parcel No. 460210100041**

Legal Description: A PARCEL OF LAND LOCATED IN 10-43-11 CONTAINING 171.068 ACRES  
REC# 353775 LESS MOBILE HOME ESTATES LOTS 576 C & 1568 A/K/A  
Calculated Acres: 171.18



Dark Sky Dunes Resort, LLC  
410 Acoma St Unit 103  
Denver CO 80204

DATE: 5-7-2015

1001  
23-8992  
1020

PAY TO THE  
ORDER OF

Five Hundred Dollars even

\$ 500.00

DOLLARS

 MIDFIRST BANK

2805 South Colorado Blvd., Denver, CO 80222  
midfirst.com (303) 322-8002

MEMO:

Exclusion Fee

*[Signature]*

⑆ 102089929⑆ 01001 ⑆ 5040090765 ⑆

NOTICE OF PUBLIC HEARING ON  
PETITION FOR EXCLUSION OF REAL PROPERTY

FROM THE BACA GRANDE WATER and SANITATION DISTRICT

NOTICE is hereby given to all interested persons that a Petition for Exclusion of Real Property has been filed with the Board of Directors of the Baca Grande Water and Sanitation District on the 7<sup>th</sup> day of May, 2025.

The Board of Directors has set Wednesday, June 18, 2025, at the hour of 9:00 A.M. during its regularly scheduled Board meeting held through a video conferencing at:

<https://us02web.zoom.us/j/87269124750?pwd=ZmZVcTd2Y0UycW0vRmFWNS9wTU5WQT09>

and physically at: 57 Baca Grant Way, S. Crestone, CO 81131, as the date and time of an open meeting, at which said Petition shall be heard.

The property to be excluded is described in the Special Warranty Deed attached hereto as **Exhibit A**.

The name and address of the Petitioner is: Dark Sky Dunes Resort, LLC, c/o Adam Escobar and Brandon DeHoff, 410 Acoma St. Unit 103 Denver, CO 80204

All interested persons shall appear at said time and place to show cause in writing why such Petition should not be granted.

By Order of the Board of Directors of Baca Grande Water and Sanitation District.

BACA GRANDE WATER and SANITATION DISTRICT

By: s/ Vivia Lawson

Board President

# Exhibit A

## SPECIAL WARRANTY DEED

**BRYAN MALOUFF**

with an address of **6349 CR 106.65 South, Alamosa, CO 81101**, for the consideration of **\$350,000.00** in hand paid, hereby sell(s) and convey(s) to

**DARK SKY DUNES RESORT LLC,**  
a Colorado Limited Liability Company

with an address of **410 Acoma St. Unit 103, Denver, CO 80204** the following real property in the County of Saguache, State of Colorado, to-wit:

**See Attached Exhibit "A"**

Street Address: 0 Camino de Oro, Moffat, CO 81143

with all its appurtenances, and warrants the title to the same, subject to "statutory exceptions" as defined in §38-30-113(5)(a), C.R.S.

SIGNED this 1st May day of April, 2025

*Bryan Malouff*  
BRYAN MALOUFF

STATE OF Florida }  
County of Miami Dade } ss.

The foregoing instrument was acknowledged before me this 1st day of May, 2025 by **BRYAN MALOUFF**.

Witness my hand and official seal.

*Armando Smith*  
Notary Public

My Commission Expires:

11/06/2028

SWT - 22856

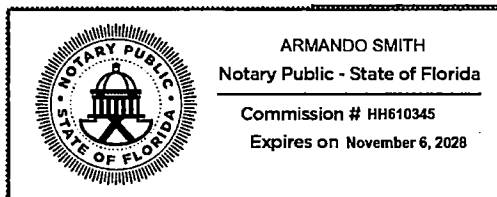


EXHIBIT "A"

Parcel No. 1:

A parcel of land located in Section 10, Township 43 North, Range 11 East, N.M.P.M., and being a portion of The Baca Grande, Mobile Homes Estates, previously vacated, and being more particularly described as follows:

Beginning at point N-4 of the Mobile Home Estates as shown on the Baca Grande Boundary Map, T-2 of 2, recorded November 24, 1986, under Reception No. 267551 and in Book 433 at Page 188 of the Saguache County, Colorado, records;  
Thence North 89°31'13" East 524.27 feet to N-4A, an angle point;  
Thence North 89°33'55" East 1532.64 feet to an angle point and the most Northerly corner of this parcel;  
Thence South 07°56'25" West 1738.24 feet to an angle point;  
Thence South 10°38'09" East 1571.90 feet to an angle point and on the Southerly right-of-way of Camino De La Plata;  
Thence South 71°12'47" West 414.33 feet along said right-of-way to a point of curve;  
Thence 284.36 feet along the arc of a curve to the left with a central angle of 24°06'52" and a radius of 675.63 feet to a point of tangency;  
Thence South 47°05'55" West 778.30 feet to a point of curve;  
Thence 191.90 feet along the arc of a curve to the right with a central angle of 15°42'26" and a radius of 700.00 feet to an angle point;  
Thence North 60°45'20" West 98.89 feet to a point on the Northerly right-of-way line of Camino De La Plata that is the Southeast corner of Lot 495, The Baca Grande, Mobile Home Estates;  
Thence North 00°00'42" West along the East line of said Lot 495 a distance of 71.37 feet to an angle point at the Southeast corner of Lot 496, The Baca Grande, Mobile Home Estates;  
Thence North 32°50'02" West along the Easterly line of said Lot 496 a distance of 120.08 feet to an angle point at the Northeast corner of Lot 497, The Baca Grande, Mobile Home Estates;  
Thence North 75°05'07" West along the Northerly line of said Lot 497 a distance of 114.52 feet to an angle point at the Northwest corner of said Lot 497;  
Thence North 66°54'36" West 70.59 feet to an angle point at the Southeast corner of Lot 505, The Baca Grande, Mobile Home Estates;  
Thence North 32°02'02" West along the Easterly line of said Lot 505 a distance of 117.22 feet to an angle point at the Southeasterly corner of Lot 506, The Baca Grande, Mobile Home Estates;  
Thence North 36°04'38" West along the Easterly lines of Lots 506, 507 and 508, The Baca Grande, Mobile Home Estates a distance of 183.85 feet to an angle point at the Southeast corner of Lot 509, The Baca Grande, Mobile Home Estates;  
Thence North 48°32'33" West along the Easterly line of said Lot 509 a distance of 112.48 feet to an angle point at the most Northerly corner of said Lot 509;  
Thence North 54°34'24" West 208.82 feet to an angle point at the most Easterly corner of Lot 536, The Baca Grande, Mobile Home Estates;  
Thence North 53°19'21" West along the Northeasterly line of said Lot 536 a distance of 122.49 feet to an angle point at the most Northerly corner of said Lot 536;  
Thence North 22°06'45" East 107.55 feet to an angle point at the Southeasterly corner

of Lot 573, The Baca Grande, Mobile Home Estates;  
Thence North 14°23'20" East along the Easterly line of said Lot 573 a distance of 97.31 feet to an angle point at the Southeasterly corner of Lot 574, The Baca Grande, Mobile Home Estates;  
Thence North 30°39'40" East along the Southeasterly line of said Lot 574 a distance of 65.10 feet to an angle point at the Southwest corner of Lot 575, The Baca Grande, Mobile Home Estates;  
Thence North 70°51'34" East 10.48 feet to an angle point at the Southeast corner of said Lot 575;  
Thence North 19°08'26" West along the Easterly line of said Lot 575 a distance of 119.82 feet to an angle point on the Southerly right-of-way of Camino Del Oro West;  
Thence North 19°06'46" West 80.00 feet to an angle point at the Southeast corner of Lot 1472, The Baca Grande, Mobile Home Estates on the Northerly right-of-way of Camino Del Oro West;  
Thence South 70°51'34" West along said Northerly right-of-way line of Camino Del Oro West 254.71 feet to an angle point at the most Southerly corner of Lot 1731, The Baca Grande, Mobile Home Estates;  
Thence North 21°51'35" West along the Southwesterly line of said Lot 1731 a distance of 18.30 feet to an angle point at the Southeasterly corner of Lot 1732, The Baca Grande, Mobile Home Estates;  
Thence South 74°16'49" West along the most Southerly lines of Lots 1732 and 1733, The Baca Grande, Mobile Home Estates, a distance of 74.41 feet to an angle point on the Southerly line of said Lot 1733;  
Thence North 85°36'44" West along the Southwesterly line of said Lot 1733 a distance of 71.66 feet to an angle point at the most Southerly corner of Lot 1734, The Baca Grande, Mobile Home Estates;  
Thence North 43°15'48" West along the Westerly line of said Lot 1734 a distance of 120.60 feet to an angle point at the Southwest corner of Lot 1735, The Baca Grande, Mobile Home Estates;  
Thence North 04°02'32" West along the West line of said Lot 1735 and beyond a distance of 268.07 feet to an angle point on the boundary line of The Baca Grande, Mobile Home Estates;  
Thence North 89°58'15" East 533.75 feet to N-3, an angle point;  
Thence North 00°18'14" East 250.00 feet to N-3A, an angle point;  
Thence North 00°27'37" East 2407.58 feet to the point of beginning;

a/k/a the Johnson / Malouff Tract as shown on the Plat thereof filed January 11, 2006, under Reception No. 353773 of the Saguache County, Colorado, records;

SAVING AND EXCEPTING THEREFROM Lot 576-C and any portion of Huelga Court inuring thereto by reason of Resolution No. 2006-LU-1 of the Board of County Commissioners of Saguache County, Colorado, recorded January 11, 2006, under Reception No. 353773 of the Saguache County, Colorado, records;

ALSO SAVING AND EXCEPTING THEREFROM Parcel 3 as shown on the Vacation Plat filed October 6, 1983, under Reception No. 252650 of the Saguache County, Colorado, records and any portion of La Cienega Lane and Camino De La Plata inuring thereto by reason of Resolution No. 2006-LU-1 of the Board of County Commissioners of Saguache County, Colorado, recorded January 11, 2006, under Reception No. 353773 of the Saguache County, Colorado, records;

ALSO SAVING AND EXCEPTING THEREFROM Lot 1568, The Baca Grande, Mobile Home Estates;

containing 171.068 acres, more or less (not an insuring provision)

Parcel No. 2:

Lot 1568, The Baca Grande, Mobile Home Estates Unit One,  
all in Saguache County, Colorado

**Editor's note:** The provisions of this section are similar to provisions of several former sections as they existed prior to 1981. For a detailed comparison, see the comparative tables located in the back of the index.

## PART 5

### EXCLUSION OF TERRITORY

**32-1-501. Exclusion of property by fee owners or board - procedure.** (1) The boundaries of a special district, except health service districts, may be altered by the exclusion of real property by the fee owner or owners of one hundred percent of any real property situate in the special district filing with the board a petition requesting that such real property of the fee owner or owners be excluded and taken from the special district. The petition shall set forth a legal description of the property, shall state that assent to the exclusion of the property from the special district is given by the fee owner or owners thereof, and shall be acknowledged by the fee owner or owners in the same manner as required for conveyance of land. The petition shall be accompanied by a deposit of money sufficient to pay all costs of the exclusion proceedings.

(1.5) (a) In addition to the procedure specified in subsection (1) of this section, the board, through adoption of a resolution, may alter the boundaries of a fire protection district through the exclusion of real property from the district if the property to be excluded will be provided with the same service by another fire protection district or by a county fire improvement district and the board or governing body of that district has agreed by resolution to include the property into the district immediately after the effective date of the exclusion order.

(b) (I) Not more than forty-five days nor less than thirty days prior to a meeting of the board to consider final adoption of a resolution proposing property to be excluded, the secretary of the fire protection district shall send letter notification to the fee owner or owners of one hundred percent of all proposed real property to be excluded from the district as listed on the records of the county assessor on the date requested.

(II) The letter notification shall indicate that it is a notice of a meeting required to be held pursuant to subsection (2) of this section concerning the exclusion of the property from the district, shall indicate the date, time, and location of the meeting, and shall contain both a reference to the fire protection district or county fire improvement district proposed for inclusion and the current mill levy of the district, if any.

(III) The mailing of the letter notification to all addresses or post office box addresses within the area proposed to be excluded from the district shall constitute a good-faith effort to comply with this section, and failure to so notify all fee owners shall not provide grounds for a challenge to the meeting being held.

(2) The board shall hear the petition or resolution at a public meeting after publication of notice of the filing of the petition or preliminary adoption of the resolution, the place, time, and date of the meeting, the names and addresses of the petitioners, if applicable, a general description of the area proposed for exclusion, and notice that all persons interested shall appear at the designated time and place and show cause in writing why the petition should not be granted or the resolution should not be finally adopted. The board may continue the hearing to a subsequent meeting. There shall be no withdrawal from a petition after publication of notice by the board without the consent of the board. The failure of any person in the existing special

district to file a written objection shall be taken as an assent on his or her part to the exclusion of the area described in the notice.

(3) The board shall take into consideration and make a finding regarding all of the following factors when determining whether to grant or deny the petition or to finally adopt the resolution or any portion thereof:

(a) The best interests of all of the following:

(I) The property to be excluded;

(II) The special district from which the exclusion is proposed;

(III) The county or counties in which the special district is located;

(b) The relative cost and benefit to the property to be excluded from the provision of the special district's services;

(c) The ability of the special district to provide economical and sufficient service to both the property to be excluded and all of the properties within the special district's boundaries;

(d) Whether the special district is able to provide services at a reasonable cost compared with the cost that would be imposed by other entities in the surrounding area to provide similar services in the surrounding area or by the fire protection district or county fire improvement district that has agreed to include the property to be excluded from the special district;

(e) The effect of denying the petition on employment and other economic conditions in the special district and surrounding area;

(f) The economic impact on the region and on the special district, surrounding area, and state as a whole if the petition is denied or the resolution is finally adopted;

(g) Whether an economically feasible alternative service may be available; and

(h) The additional cost to be levied on other property within the special district if the exclusion is granted.

(4) (a) (I) Except as provided in subparagraph (II) of this paragraph (a) and if the board, after considering all of the factors set forth in subsection (3) of this section, determines that the property described in the petition or resolution or some portion thereof should be excluded from the special district, it shall order that the petition be granted or that the resolution be finally adopted, in whole or in part.

(II) (A) If the property to be excluded from the special district will be served by a special district not yet organized, the board shall not order that the petition be granted or that the resolution be finally adopted until the special district has been organized pursuant to part 3 of this article.

(B) If the property to be excluded from the special district will be served by a fire protection district or county fire improvement district as provided in subsection (1.5) of this section, the board shall not order that the petition be granted or that the resolution be finally adopted until the fire protection district or county fire improvement district has adopted a resolution agreeing to include the property in the district immediately after the effective date of the exclusion order and has filed the resolution with the court.

(C) Notwithstanding any other provision of this article to the contrary, the property to be excluded may be included within the boundaries of the proposed special district.

(b) Upon granting the petition or finally adopting the resolution, the board shall file a certified copy of the order of the board excluding the property from the district with the clerk of the court, and, except as provided in paragraph (c) of this subsection (4), the court shall order the property to be excluded from the special district and, if applicable, included into the fire

protection district or county fire improvement district that has previously agreed to include the property as provided in subsection (1.5) of this section.

(c) (I) If the property to be excluded from the special district will be served by a fire protection district or county fire improvement district that has previously agreed to include the property as provided in subsection (1.5) of this section and that has a higher mill levy than the special district and after the certified copy of the order of the board excluding the property from the district is filed with the clerk of the court, the court shall direct the question of excluding the area from the special district and including it in the fire protection district or county fire improvement district with a higher mill levy to the eligible electors of the area sought to be excluded. The court shall order the secretary to give published notice, as provided in part 2 of article 5 and article 13.5 of title 1, of the time and place of the election and of the question to be submitted, together with a summary of any conditions attached to the proposed exclusion. The election shall be held within the area sought to be excluded and shall be held and conducted, and the results thereof determined, in the manner provided in article 13.5 of title 1. The ballot shall be prepared by the designated election official and shall contain the following words:

"Shall the following described area be excluded from the \_\_\_\_\_ district, which has a current mill levy of \_\_\_\_\_, and become a part of the \_\_\_\_\_ district, which has a current mill levy of \_\_\_\_\_, and upon the following conditions, if any?

(Insert general description of area)

(Insert accurate summary of conditions)

For exclusion from \_\_\_\_\_ district and inclusion  
in \_\_\_\_\_ district \_\_\_\_\_  
Against exclusion from \_\_\_\_\_ district \_\_\_\_\_"

(II) If a majority of the votes cast at the election pursuant to subsection (4)(c)(I) of this section are in favor of exclusion to become a part of another district and the court determines the election was held in accordance with article 13.5 of title 1, the court shall enter an order with any conditions so prescribed excluding the area from the special district and including it in the fire protection district or county fire improvement district with a higher mill levy. The validity of the exclusion to become a part of another district may not be questioned directly or indirectly in any suit, action, or proceeding, except as provided in article 11 of title 1.

(d) The order of exclusion entered pursuant to paragraph (b) or (c) of this subsection (4) shall recite in the findings a description of any bonded indebtedness in existence immediately preceding the effective date of the order for which the excluded property is liable and the date that the bonded indebtedness is then scheduled to be retired. After July 1, 1993, failure of the order for exclusion to recite the existence and scheduled retirement date of the indebtedness, when due to error or omission by the special district, shall not constitute grounds for correction of the omission of a levy on the excluded property from the assessment roll pursuant to section 39-5-125, C.R.S.

(5) (a) If the board, after considering all of the factors set forth in subsection (3) of this section, determines that the property described in the petition or resolution should not be excluded from the special district, it shall order that the petition be denied or that the resolution be rescinded.

(b) (I) Any petition that is denied or resolution that is finally adopted may be appealed to the board of county commissioners of the county in which the special district's petition for organization was filed for review of the board's decision. The appeal shall be taken no later than thirty days after the decision.

(II) Upon appeal, the board shall consider the factors set forth in subsection (3) of this section and shall make a determination whether to exclude the properties mentioned in the petition or resolution based on the record developed at the hearing before the special district board.

(c) (I) Any decision of the board of county commissioners may be appealed for review to the district court of the county which has jurisdiction of the special district pursuant to section 32-1-303 within thirty days of such board's decision.

(II) On appeal, the court shall review the record developed at the hearing before the special district board and, after considering all of the factors set forth in subsection (3) of this section, shall make a determination whether to exclude the properties mentioned in the petition or resolution.

**Source:** **L. 81:** Entire article R&RE, p. 1558, § 1, effective July 1. **L. 88:** (3) R&RE and (4) and (5) added, pp. 1149, 1150, §§ 1, 2, effective June 11. **L. 93:** (4)(b) amended, p. 83, § 1, effective March 29. **L. 94:** (1.5) added and (2), IP(3), (3)(a)(I), (3)(a)(II), (3)(b) to (3)(d), (3)(f), (4), (5)(a), (5)(b), and (5)(c)(II) amended, p. 1347, § 1, effective July 1. **L. 96:** (1) amended, p. 474, § 13, effective July 1. **L. 2016:** (4)(c) amended, (SB 16-189), ch. 210, p. 784, § 83, effective June 6. **L. 2021:** (4)(c)(I) and (4)(c)(II) amended, (SB 21-160), ch. 133, p. 539, § 10, effective September 7.

**Editor's note:** (1) This section is similar to former § 32-2-122 as it existed prior to 1981.

(2) Section 2 of chapter 237, Session Laws of Colorado 1994, provides that, prior to the inclusion of any property into a fire district with a higher tax rate, an election pursuant to § 20 of article X of the Colorado constitution shall be held.

**32-1-502. Exclusion of property within municipality - procedure.** (1) (a) The governing body of any municipality wherein territory within a special district is located, the board of any special district with territory within the boundaries of any municipality, or fifty percent of the fee owners of real property in an area of any municipality in which territory within a special district is located may petition the court for exclusion of the territory described in the petition from the special district. Within ten days after the filing of any petition for exclusion, the governing body of the municipality and the board shall be notified of the exclusion proceedings. The taxing electors shall be notified of the exclusion proceedings by publication. The governing body of the municipality, the board, and the taxing electors, as a class, shall be parties to the exclusion proceedings.

(b) The provisions of this section shall not apply to health service districts.

(c) The provisions of this section shall not apply in the event that the territory described in the petition for exclusion constitutes the entire territory of the special district.