

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF
THE BOARD OF DIRECTORS OF THE
BACA GRANDE WATER AND SANITATION DISTRICT
HELD
SEPTEMBER 17, 2010

A regular meeting of the Board of Directors of the Baca Grande Water and Sanitation District (referred to hereafter as "Board") was held on Friday, the 17th day of September, 2010, at 9:00 a.m. at the offices of the District, BGWS&D Shop, 57 Baca Grant Way South, Crestone, Colorado. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:
Christine Canaly, President
Vicki Matthews, Vice President
Martin Macaulay, Secretary/Treasurer
Philip Madonna, Assistant Secretary

Following discussion, upon motion duly made by Director Madonna, seconded by Director Matthew and, upon vote, unanimously carried, the absence of Parvin J. Johnson was excused.

Also In Attendance Were:
AJ Beckman; Special District Management Services, Inc.

Meric Lallier; Special District Management Services, Inc. - Via speakerphone

Jennifer Gruber Tanaka, Esq.; White, Bear and Ankele Professional Corporation

Steven Harrell; District General Manager

Brad Simons; Olsson Associates

Josh Magden; George K. Baum & Company - Via speakerphone

Blake Jordan, Sherman & Howard, P.C. - Via speakerphone

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Marcus Lock, Esq.; Bratton Hill Wilderson & Lock, LLC
- Via speakerphone

Michael Scully; Casita Park Action Committee

Tom Tucker; Biosphere Coalition

Ralph Abrams, Darlene Yarborough and Warren Stevens;
Member of the Public

Mike George, North Line GIS.

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

The Board discussed the requirements pursuant to the Colorado Revised Statutes to disclose any potential conflicts of interest or potential breaches of fiduciary duty to the Board of Directors and to the Secretary of State. Attorney Tanaka noted that conflicts were filed for applicable Directors at least 72 hours prior to the meeting. President Canaly 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 further conflicts were disclosed.

ADMINISTRATIVE MATTERS

Agenda: Mr. Beckman reviewed the proposed agenda for the District's Regular Board meeting.

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

Minutes: The Board reviewed the minutes of the August 20, 2010 regular meeting.

Following discussion, upon motion duly made by Director Macaulay, seconded by Director Matthews and, upon vote, unanimously carried, the Board approved the minutes of the July 16, 2010 regular meeting.

PUBLIC COMMENT

Tom Tucker: Mr. Tucker addressed the Board regarding the status of riparian wetland areas. He discussed the loss of ponds due to the impounding of water by certain parties in the past. He requested that the Board

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consider addressing the re-establishment of such ponds as part of the District's augmentation plan and general support for wetland conservation.

CUSTOMER REQUESTS

Ralph Abrams: Mr. Abrams distributed an exhibit showing District easements that are no longer needed by the District on property he owns and requested that the District consider relocating a sludge overflow pond located on his property. Mr. Harrell discussed the installation of a generator in lieu of the discharge pond and reported that additional cost research should be conducted.

Following discussion, made by Director Matthews, seconded by Director Macaulay and, upon vote, unanimously carried, Board authorized the vacation of the easement discussed and directed Attorney Tanaka to prepare the necessary documentation and record it with the County.

The Board determined to further discuss a potential cost share when additional information is known.

WATER MATTERS

Outstanding Water Matters with Water Counsel: Attorney Lock reported that the next meeting for the Division Three Rules meeting is scheduled for October 8th. He and Attorney Burgmeister will deliver the Board a draft presentation to the U.S. Fish and Wildlife Service based on the information gathered at the rules meeting.

OPERATIONS

Mobile Home Estates Wastewater Treatment Facility: Mr. Harrell reported that there were no violations for August.

Aspen Wastewater Treatment Facility: Mr. Harrell reported that there was one violation related to an ultraviolet light disinfection system failure. The plant had a similar failure in September. Mr. Harrell reported that he would prefer to install a redundant system. Mr. Simons reported that he will provide a technical recommendations memorandum for the next board meeting.

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Corrosion Control Study and Compliance Requirements:

Mr. Harrell reported that 11 of the 20 samples have been taken. He expects to have the remaining samples by the end of November.

Proposal from North Line GIS: Mr. George from North Line GIS provided the Board with a presentation on the GIS data prepared for the District as well as an overview of ongoing GIS services to keep the District's data updated. The Board thanked Mr. George for his presentation and will review the proposal for ongoing services at its next meeting.

Line for Sludge Settling Pond: Mr. Harrell reported he received a quote for hand-cleaning the lagoon in the amount of \$9,000 from RMS Inc. Mr. Harrell will look into additional options with Mr. Simons. The Board discussed the replacement of the pond liner versus repair. Mr. Harrell will research further and report to the Board at the next meeting.

Consider EQR for Lot 93: Mr. Harrell reported that the property owner currently has a rental unit within the dwelling. He reported that he advised the owner that the District's policy requires that the owner pay a sewer fee according to the District's EQR fee schedule.

Update on 1647 Kingshill Overlook: Mr. Harrell reported that the District's main line serving the property has a low point which contributed to a recent backup. The owner incurred approximately \$3,000 in damages from the recent backup.

Following discussion, upon motion duly made by Director Macaulay, seconded by Director Madonna and, upon vote, unanimously carried, the Board directed Mr. Harrell to install a backflow preventer as an interim measure, and to pursue a long term solution which may include replacing lines serving the property.

EXECUTIVE SESSION

Litigation Matters and Matters Subject to Negotiation with Third Parties: EXECUTIVE SESSION: Pursuant to Sections 24-6-402(4) (b) and (e) of the Colorado Revised Statutes, upon motion duly made by Director Macaulay, seconded by Director Madonna and, upon an affirmative

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vote of at least two-thirds of the quorum present, the Board convened in executive session at 12:26 p.m. for the purpose of discussions relating to third party negotiations and determining positions relative to matters that may be subject to negotiations; developing strategy for negotiations; and instructing negotiators as authorized by Section 24-6-402(4)(e), C.R.S. and receiving from the Board's attorney legal advice on specific legal questions as authorized by Section 24-6-402(4)(b), C.R.S.

Furthermore, pursuant to Section 24-6-402(2)(d.5) (II)(B), C.R.S., no record will be kept of those portions of the executive session that, in the opinion of the District's attorney, constitute privileged attorney-client communication pursuant to Section 24-6-402(4)(b), C.R.S.

The Board reconvened in regular session at 1:03 p.m.

Following discussion, upon motion duly made by Director Macaulay, seconded by Director Matthews and, upon vote, unanimously carried, the Board authorized the engagement of Tom Satchel for Consulting Services for the review of design drawings and specifications and for the provision of a certification pursuant thereto.

FINANCIAL MATTERS

Claims: Mr. Beckman distributed and reviewed the payment of claims with the Board through the period ending September 17, 2010 as follows:

General Fund	\$ 26,567.07
Capital Projects Fund	370,981.71
Enterprise Fund	<u>69,801.01</u>
Total Claims:	<u>\$ 474,175.79</u>

Following review and discussion, upon motion duly made by Director Matthews, seconded by Director Macaulay and, upon vote, unanimously carried, the Board approved the payment of the claims for the period ending September 17, 2010.

Financial Statements: Mr. Beckman and Mr. Lallier reviewed the unaudited financial statements of the

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District setting forth the cash deposits, investments, and budget analysis and accounts payable vouchers for the period ending August 31, 2010.

Following discussion, upon motion duly made by Director Matthews, seconded by Director Macaulay and, upon vote, unanimously carried, the Board accepted the financial statements for the period ending August 31, 2010.

Cash Flow Analysis: Mr. Lallier reviewed the current cash flow analysis with the Board.

Lockbox Services: Mr. Beckman reported that Vectra Bank is currently processing the receipt of payments; however the District's Office is unable to process the electronic files being transmitted by the Bank due to software limitations. Upgrades to the software will cost approximately \$2,100. The Board discussed purchasing the software upgrades.

Following discussion, upon motion duly made by Director Matthews, seconded by Director Macaulay and, upon vote, unanimously carried, the Board authorized the purchase of software upgrades in an amount not to exceed \$2,100.

Resolution Certifying Delinquent Water and Sewer Fees to Saguache County Treasurer for Collection: The Board considered adoption of the Resolution 2010-09-01 Certifying Delinquent Water and Sewer Fees to Saguache County Treasurer for Collection.

Following discussion, upon motion duly made by Director Matthews, seconded by Director Macaulay and, upon vote, unanimously carried, the Board approved Resolution 2010-09-01 Certifying Delinquent Water and Sewer Fees to Saguache County Treasurer for Collection. A copy of the adopted Resolution is attached hereto and incorporated herein by this reference.

2011 Budget: The Board discussed the 2011 Budget.

Following discussion, upon motion duly made by Director Macaulay, seconded by Director Matthews and, upon vote, unanimously carried, the Board appointed the District

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Accountant to prepare the 2011 Budget. The Board determined to hold the public hearing to consider adoption of the 2011 budget on Friday, November 15, 2010 at 9:00 a.m. at the regular meeting place.

Resolution Authorizing the Issuance of General Obligation Refunding and Improvement Bonds, Series 2010: Mr. Magden, Attorney Jordan and Mr. Lallier joined the meeting by speakerphone. Mr. Magden reviewed a financial plan with the Board detailing a refunding of the Districts current bonds with Vectra Bank and with additional financing of \$1.5 million in project funding. The Board determined to conduct a special meeting to consider adoption of a bond resolution.

Termination of Letter Agreement with D.A. Davidson. The Board considered ratifying approval of the termination of the Letter Agreement with D.A. Davidson.

Following discussion, upon motion duly made by Director Matthews, seconded by Director Macaulay and, upon vote, unanimously carried, the Board ratified approval of the termination of the Letter Agreement with D.A. Davidson.

Engagement of George K. Baum & Company. The Board reviewed and discussed the engagement letter from George K. Baum & Company for 2010 Investment Banking Services.

Following discussion, upon motion duly made by Director Matthews, seconded by Director Macaulay and, upon vote, unanimously carried, the approved the engagement letter from George K. Baum & Company for 2010 Investment Banking Services.

LEGAL MATTERS

Cottonwood Creek Plant Waterline and Road Access Easements: Attorney Tanaka reported that she, Mr. Beckman and Mr. Harrell met with the members of the POA Board and Keith Teehan, the representative of the Greenways, at the easement site. She reported that the parties were in agreement that the access matter is between the property owners and the POA. The District is only interested in the water line easement. The Board directed Attorney Tanaka to conduct additional research into utility easements dedicated by plat.

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Greenway Easement. Attorney Tanaka reported that she, Mr. Beckman and Mr. Harrell met with the members of the POA Board and Keith Teehan, the representative of the Greenways. She reported that the parties were in agreement that the access matter is between the property owners and the POA. The District is only interested in the water line easement. The Board directed Attorney Tanaka to conduct additional research into utility easements dedicated by plat.

Property Owners' Association Easement. Attorney Tanaka reported that she, Mr. Beckman and Mr. Harrell met with the members of the POA Board and Keith Teehan, the representative of the Greenways. She reported that the parties were in agreement that the access matter is between the property owners and the POA. The District is only interested in the water line easement. The Board directed Attorney Tanaka to conduct additional research into utility easements dedicated by plat.

Rules and Regulations: Attorney Tanaka reported that the rules and regulations are in process.

Amendment to Intergovernmental Agreement with Town of Crestone and Fees for Treatment and Additional Customer Taps: Attorney Tanaka reported that she, Mr. Beckman and Mr. Harrell met with the Town Council regarding the wastewater Intergovernmental Agreement. The District learned that the Town was instrumental in obtaining grant funds to construct the Aspen Wastewater Treatment Facility. District staff will research further the initial capital contributions of each party and internally review tap fee analysis.

Discussions with Hanne Strong Regarding Well 18 Water Line Easement: Attorney Tanaka reported that she is awaiting information from Ms. Strong's Attorney.

Second Amendment to February 19, 2010 Employee Handbook for On-Call Minimum Compensation for Employees: The Board discussed the Second Amendment to the February 19, 2010 Employee Handbook for On-Call Minimum Compensation for Employees.

Following discussion, upon motion duly made by Director Macaulay, seconded by Director Matthews and, upon vote,

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unanimously carried, the Board approved the Second Amendment to the February 19, 2010 Employee Handbook for On-Call Minimum Compensation for Employees.

CAPITAL IMPROVEMENTS

Status of Capital Projects: Mr. Simons reported that the Skyview main is approximately 90% complete. He also reported that the pipe has been staged for the Mobile Home Estates Force main. The contractor was able to bore under the road rather than cut the pavement at the point where the line crosses the road. He further reported that he and Mr. Harrell are meeting with EPPI today to discuss the telemetry installation. He discussed potential changes to the Casita Park lift station that are currently being addressed. Director Matthews inquired as to public relations. Mr. Harrell reported that there have been no issues and expressed his gratitude for the project management being provided by Olsson Associates

Project Status Summary: Mr. Beckman distributed and reviewed the Project Status Summary sheet with the Board.

East Dream Way Water and Wastewater Design Options: Mr. Simons reported that he will meet with Deb Downs regarding the use of Department of Local Affairs grant funding for changes in the design for the East Dream Way project.

Water/Wastewater Facilities Audit by Olsson Associates: Mr. Simons distributed and discussed a Technical Memorandum dated September 15, 2010 regarding recommendations for the Water/Wastewater Facilities Audit. The Technical Memorandum is attached hereto and incorporated herein by this reference.

Ultra Violet Disinfection at Aspen Wastewater Treatment Facility: Mr. Simons will review options for capital improvements and issue a technical memorandum with recommendations to address the Board at the next meeting.

Electrical Work at Aspen Wastewater Treatment Facility: Mr. Harrell reported that the electrical work is complete and the plant can be operated by the backup

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generator.

August 13, 2010 Memorandum Regarding Project Manager's Recommendations for Contract Change Orders: The Board reviewed and discussed the August 13, 2010 Memorandum Regarding Project Manager's Recommendations for Contract Change Orders.

Change Order No. 1 to the Contract with Farner Enterprises, Inc. for the Well 18 Project. The Board considered ratifying approval of Change Order No. 1 with Farner Enterprises, Inc. for a change to the Scope of Work for the Well 18 Project and no change to the contract value.

Following discussion, upon motion duly made by Director Matthews, seconded by Director Madonna and, upon vote, unanimously carried, the Board ratified approval of Change Order No. 1 with Farner Enterprises, Inc. for a change to the Scope of Work for the Well 18 Project and no change to the contract value.

Change Order No. 2 to the Contract with Farner Enterprises, Inc. for the Well 18 Project. The Board considered ratifying approval of Change Order No. 2 with Farner Enterprises, Inc. for an increase to the contract value in the amount of \$10,766.80 and an increase to the project schedule of three days for an automatic transfer switch at Well 18.

Following discussion, upon motion duly made by Director Matthews, seconded by Director Madonna and, upon vote, unanimously carried, the Board ratified approval of Change Order No. 2 with Farner Enterprises, Inc. for an increase to the contract value in the amount of \$10,766.80 and an increase to the project schedule of three days for an automatic transfer switch at Well 18.

Change Order No. 3 to the Contract with Farner Enterprises, Inc. for the Well 18 Project. The Board considered ratifying approval of Change Order No. 3 with Farner Enterprises, Inc. for a decrease to the contract value in the amount of \$8,178.04 and no change to the project schedule to change the back-up generator at the Casita Park Lift Station.

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Following discussion, upon motion duly made by Director Matthews, seconded by Director Madonna and, upon vote, unanimously carried, the Board ratified approval of Change Order No. 3 with Farner Enterprises, Inc. for a decrease to the contract value in the amount of \$8,178.04 and no change to the project schedule to change the back-up generator at the Casita Park Lift Station.

Change Order No. 4 to the Contract with Farner Enterprises, Inc. for the Well 18 Project. The Board considered ratifying approval of Change Order No. 4 with Farner Enterprises, Inc. for an increase to the contract value in the amount of \$27,188.55 and an increase to the project schedule of three days for additional telemetry and system controls.

Following discussion, upon motion duly made by Director Matthews, seconded by Director Madonna and, upon vote, unanimously carried, the Board ratified approval of Change Order No. 4 with Farner Enterprises, Inc. for an increase to the contract value in the amount of \$27,188.55 and an increase to the project schedule of three days for additional telemetry and system controls.

OTHER MATTERS

Crestone Eagle Article for October Publication: The Board discussed the Crestone Eagle Article for October publication. Following discussion, the Board requested that Director Johnson draft the next monthly article. Mr. Scully recommended that the October article focus on introducing Mr. Harrell to the community.

ADJOURNMENT

Upon motion duly made, seconded and, upon vote, unanimously carried, the meeting was adjourned.

Respectfully submitted,


By




Secretary for the Meeting

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THESE MINUTES ARE APPROVED AS THE OFFICIAL
SEPTEMBER 17, 2010 MINUTES OF THE BACA GRANDE WATER AND
SANITATION DISTRICT BY THE BOARD OF DIRECTORS SIGNING
BELOW:



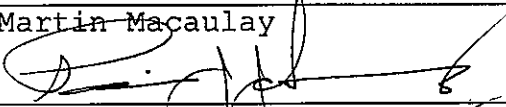
Christine Canaly



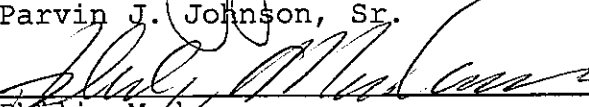
Vicki Matthews



Martin Macaulay



Parvin J. Johnson, Sr.



Philip Madonna

September 17, 2010

Name	Address	Telephone/Email	Would you like to speak?	Issues to be addressed
MICHAEL SCULLY	PO Box 952 CRESTONE	256-5728		
Elydes	POB 351 Crestone	256 4006	✓	Riparian areas
Audene	PO BOX 117 Crestone	256-4198	✓	Riparian Areas - SLT
Lynbrook	PO Box 70 Crestone	4373	✓	Riparian Areas
Kurtan Stephen	PO Box 704 Crestone	256 4264		
M. K. Spoor				

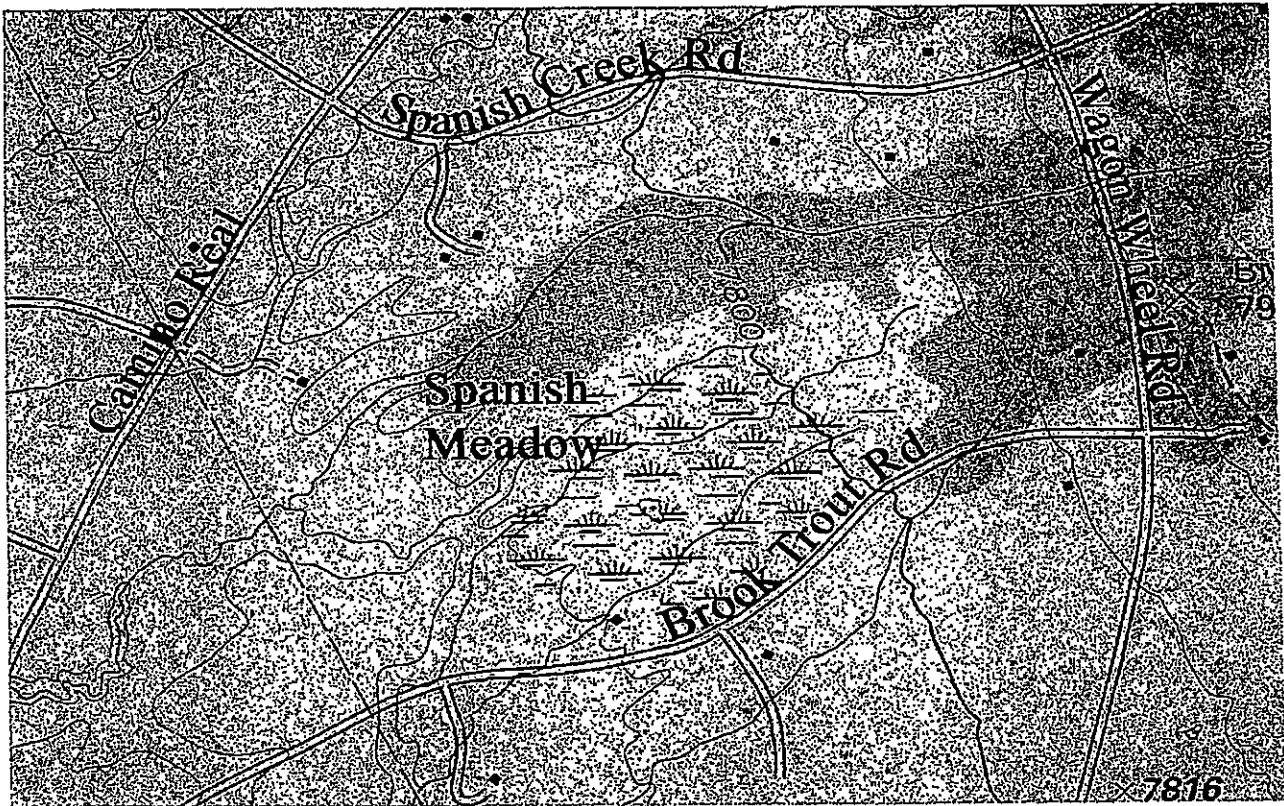
CONTACT: 256-498-6100 / 256-498-6101 / 256-498-6102 / 256-498-6103 / 256-498-6104 / 256-498-6105 / 256-498-6106 / 256-498-6107 / 256-498-6108 / 256-498-6109 / 256-498-6110

256 4986

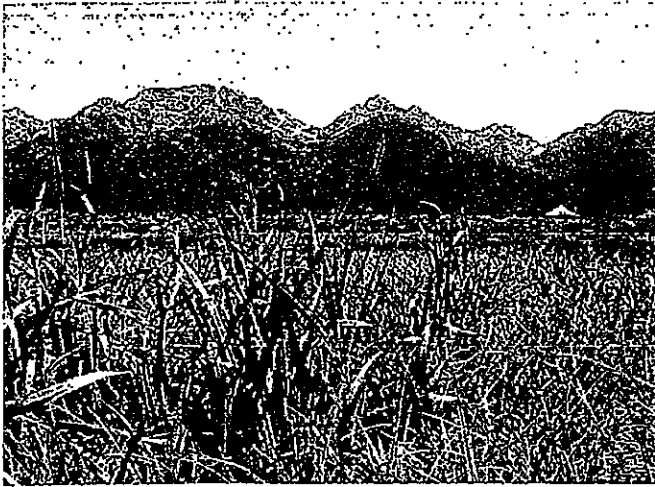
256 4988



BGPOA Protected Wildlife Habitat (Spanish Meadow).
A riparian zone drying up due to lack of water.



USGS Map showing historical marsh within Spanish Meadow.

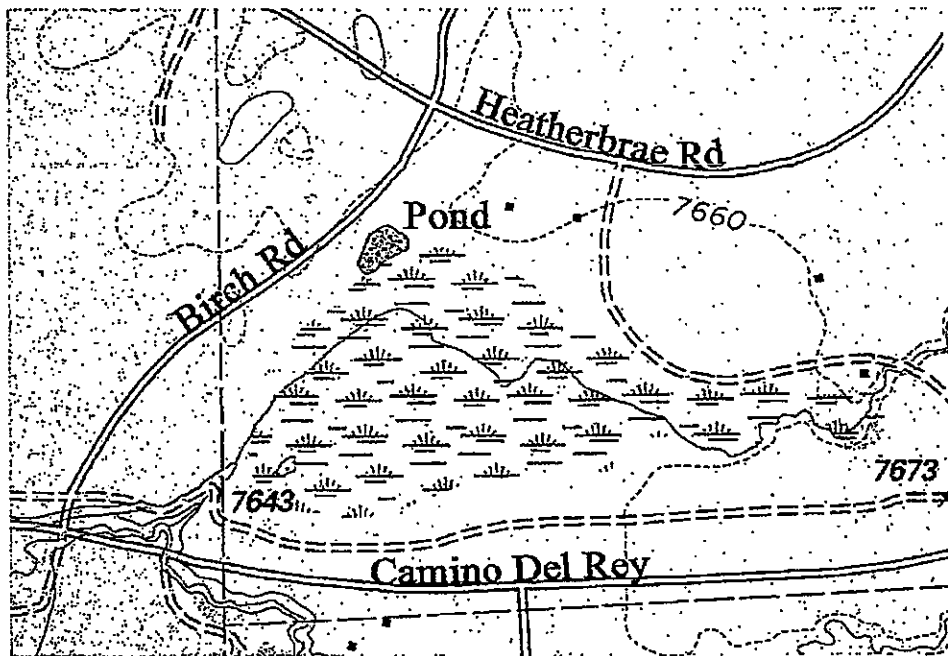


2005



2010

Dissappearance of cattails in pond, indicating a reduction of water. What used to be a pond is now marsh grassland. This used to be a CDOW site of significance because of its very high biodiversity.



Crestone Baca Land Trust
Bill Sutherland 256 4808

Map of area

Contact : Glyder
Biosphere Coalition
Biospherecc@gmail
256-4086

RESOLUTION NO. 2010-09-01

RESOLUTION
OF THE BOARD OF DIRECTORS
OF THE
BACA GRANDE WATER AND SANITATION DISTRICT

CERTIFYING DELINQUENT WATER AND SEWER FEES TO SAGUACHE COUNTY
TREASURER FOR COLLECTION

WHEREAS, the Baca Grande Water and Sanitation District (the "District") was duly organized and validly exists pursuant to and in accordance with the Special District Act, §§ 32-1-101, *et seq.*, C.R.S.; and

WHEREAS, pursuant to § 32-1-1001(1)(j), C.R.S., the Board of Directors of the District (the "Board") is empowered to fix and from time to time increase or decrease certain fees, rates, tolls, penalties or charges for services, programs or facilities furnished by the District; and

WHEREAS, the District currently imposes various water and sewer fees upon properties receiving services furnished by the District; and

WHEREAS, pursuant to §32-1-1101(1)(e), C.R.S., the District is permitted to have certain delinquent fees, rates, tolls, penalties, charges or assessments made or levied by the District certified to the County Treasurer for collection in the same manner as taxes; and

WHEREAS, the properties reflected on **Exhibit A**, attached hereto and incorporated herein by this reference (the "Delinquent Properties"), are delinquent in their water and sewer fees by at least six (6) months and by more than One Hundred Fifty Dollars (\$150); and

WHEREAS, the Delinquent Properties have outstanding delinquent fees rates, tolls, penalties, charges or assessments in the amounts set forth in **Exhibit A** (the "Delinquent Fees"); and

WHEREAS, pursuant to §32-1101(1)(e), C.R.S., the District may elect, by resolution, at a public meeting held after receipt of notice by the Delinquent Properties, to certify the Delinquent Fees to the County Treasurer for collection; and

WHEREAS, the District has provided notice to the Delinquent Properties and considers adoption of this Resolution at a public meeting; and

WHEREAS, the District, by this Resolution, desires to certify the Delinquent Fees to the County Treasurer for collection.

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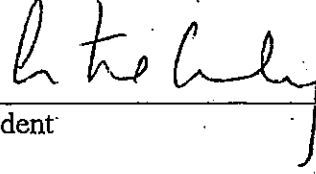
NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE BACA GRANDE WATER AND SANITATION DISTRICT AS FOLLOWS:

1. CERTIFICATION OF DELINQUENT FEES. The Board hereby elects to have the Delinquent Fees certified to the County Treasurer be collected and paid over by the County Treasurer in the same manner as taxes are authorized to be collected and paid over pursuant to § 39-10-107, C.R.S. The Board hereby directs the District's General Manager to certify to the County Treasurer the Delinquent Fees set forth in **Exhibit A**, attached hereto and incorporated herein by this reference (the "Certification"). Such Delinquent Fees shall be certified by no later than October 29, 2010 in order to comply with State statutory and County certification deadlines.

[Remainder of Page Intentionally Left Blank].

APPROVED AND ADOPTED THIS 17th DAY OF SEPTEMBER, 2010.

BACA GRANDE WATER AND
SANITATION DISTRICT



President

ATTEST:



EXHIBIT A
Delinquent Properties and Delinquent Fees

Elise LoSasso

From: Elise LoSasso
Sent: Wednesday, September 29, 2010 4:29 PM
To: frontdesk@bacawater.com
Cc: frontdesk2@bacawater.com; Jennifer Gruber Tanaka (jtanaka@wbapc.com); AJ Beckman
Subject: Resolution Certifying Delinquent Accounts - BACA
Attachments: Resolution 2010-09-01 Certifying Delinquent Accounts.pdf

Hi JoAnn,
Attached is the executed Baca Resolution Certifying Delinquent Accounts.
Will you please send me the exhibit (names of those delinquent) after you file with Saguache County? I'll need it to attach to my copy ☺

Thanks!

Elise LoSasso

Special District Management Services, Inc.

141 Union Boulevard| Suite 150

Lakewood | CO | 80228

elosasso@sdmsi.com

DID: 303.987.0835

Fax: 303.987.2032

TECHNICAL MEMORANDUM

To: Steven Harrell, General Manager
From: Brad Simons
Re: Water/Wastewater Facilities Audit
Date: September 15, 2010
Project #: 010-0727
Phase: 300
Cc: A.J. Beckman, District Manager

Olsson Associates (Olsson) has completed its audit of the water and wastewater facilities serving the Baca Grande Water and Sanitation District (District). This technical memorandum summarizes our findings.

Wastewater Facilities

The District currently operates two wastewater treatment facilities and three lift stations.

The wastewater treatment facilities are the Mobile Home Estates WWTF and the Aspen Institute WWTF. General information associated with each facility's discharge permit is tabulated below.

Facility	Permit No.	Issued	Effective	Expiration
Mobile Home Estates	CO-0043109	04/28/2009	06/01/2009	05/31/2014
Aspen Institute	CO-0046914	01/26/2005	03/01/2005	02/28/2010

On May 18, 2010, the Colorado Department of Public Health and Environment's Water Quality Control Division (Division) conducted a Compliance Sampling Inspection at the Mobile Home Estates WWTF. At the time of the inspection, the District learned that it was not operating the facility in accordance with the most recent discharge permit. The previous permit had been administratively extended prior to expiration and the District continued to operate under that extension. With the recent discovery of the discrepancy, Olsson recommends communicating the situation in writing to the Permits Section Manager.

Division records do not reflect any formal design approval for the Mobile Home Estates WWTF. However, based upon the District's Water and Wastewater System Improvements under construction, including the addition of the Casita Park lift station and the decommissioning of the lagoons, pursuit of design approval at this time is not recommended.

An application to renew the Aspen Institute WWTF discharge permit was submitted to the Division on February 26, 2010 and received by the Division on March 1, 2010. On March 3, 2010, the Division issued an administrative extension to the discharge permit.

One design approval remains to be obtained for the Aspen Institute WWTF. This approval is associated with the addition of chemical storage and feed facilities for supplemental alkalinity addition to facilitate the biological nitrification process and to assure compliance with the effluent pH requirements. The proposed improvements have been drafted for the District's review. Consideration should be given to the current electrical conditions at the Aspen Institute WWTF as they relate to the proposed improvements.

The three lift stations serving the District are Dharma Ocean, Wagon Wheel and Stables. Of these, only the Wagon Wheel lift station has obtained site location and design approval in accordance with Regulation No. 22 (Site Location and Design Approval Regulations for Domestic Wastewater Treatment Works). Olsson recommends the two remaining lift stations be evaluated for conformance with Policy 96-1 (Design Criteria Considered in the Review of Wastewater Treatment Facilities). Upon evaluation of the Dharma Ocean and Stables lift stations, the District should plan for the facility improvements necessary to allow for formal site location and design approval from the Division.

Water Facilities

The District currently operates two public water systems, the Casita Park/Mobile Home Estates public water system (Baca Grande WSD Chalet Crestone (CO-0155300)) and the Baca Grande WSD public water system (CO-0155200). Comprehensive Water System Reports were obtained from the Division's Compliance Assurance and Enforcement Unit for each system. A summary of the Division's records is presented below for each system.

Baca Grande WSD Chalet Crestone (CO-0155300)		
Number	WQCD Name	Availability
001	Motel Well No 1	Permanent
001T	Chlorination for Well	Permanent
003	Purchased from Baca Grande	Emergency
DS001	Distribution System	Permanent

Baca Grande WSD (CO-0155200)		
Number	WQCD Name	Availability
003	Well No 17	Inactive
003T	Chlorinator for Well 18	Permanent
004	Purchased Baca Grande MHP	Emergency
005	Inf Gal South Crestone	Emergency
006	Cottonwood SWTP	Emergency
007	Cottonwood Creek	Emergency
008	Well No 18	Permanent
009	Tank Upper	Permanent
010	Tank Lower	Permanent
DS001	Distribution System	Permanent

Based upon a tour of the District's water systems, Olsson has attempted to correlate the District's facility names with the Division's records for each system.

Baca Grande WSD Chalet Crestone (CO-0155300)	
WQCD Name	District Name
Motel Well No 1	Motel Well
Chlorination for Well	Chlorination for Well
Purchased from Baca Grande	Purchased from Baca Grande
Distribution System	Distribution System

Baca Grande WSD (CO-0155200)	
<u>WQCD Name</u>	<u>District Name</u>
Well No 17	Well No 17
Chlorinator for Well 18	Well 18 Treatment
Purchased Baca Grande MHP	Purchased Baca Grande MHP
Inf Gal South Crestone	South Crestone Infiltration Gallery
Cottonwood SWTP	Cottonwood Treatment Plant
Cottonwood Creek	Cottonwood Creek Diversion
Well No 18	Well No 18
Tank Upper	South Crestone Reservoir
Tank Lower	Fallen Tree Reservoir
Distribution System	Distribution System

In addition to these facilities, each public water system has the following additional facilities that should be added to the Division's records.

Baca Grande WSD Chalet Crestone (CO-0155300)
<u>District Name</u>
Mobile Home Estates Tank

Baca Grande WSD (CO-0155200)
<u>District Name</u>
Moonlight Transfer Pump
Moonlight Reservoir
Ridgeview Transfer Pump
Ridgeview Reservoir
Pine Cone Booster Pump
Fallen Tree Transfer Pump
Cottonwood Reservoir
Cottonwood Transfer Pump

Summary

Based upon the information presented above, the following recommendations are presented for the District's consideration:

- With the recent discovery of the discrepancy in effective discharge permits for the Mobile Home Estates WWTF, Olsson recommends communicating the situation in writing to the Permits Section Manager.
- Consideration should be given to the current electrical conditions at the Aspen Institute WWTF as they relate to the proposed improvements associated with the addition of chemical storage and feed facilities for supplemental alkalinity addition to facilitate the biological nitrification process and to assure compliance with the effluent pH requirements.

Memo to Steven Harrell
September 15, 2010
Page Four

- Olsson recommends the Dhrama Ocean and Stables lift stations be evaluated for conformance with Policy 96-1 (Design Criteria Considered in the Review of Wastewater Treatment Facilities). Upon evaluation of these lift stations, the District should plan for the facility improvements necessary to allow for formal site location and design approval from the Division.
- The District's inventory of facilities for the Casita Park/Mobile Home Estates public water system (Baca Grande WSD Chalet Crestone (CO-0155300)) and the Baca Grande WSD public water system (CO-0155200) should be correlated to the Water Quality Control Division's records, with any discrepancies or deficiencies added.

MEMORANDUM

To: Steven Harrell, General Manager
From: Brad Simons
Re: Pre-Engineered Metal Building Revisions
Date: August 13, 2010
Project #: 010-0672
Phase: 117
CC: A.J. Beckman, District Manager; Jennifer Tanaka, District Attorney;
Mike Emming; Olsson Associates; Jesse Lanz; Olsson Associates

Due to discrepancies in the design documents (drawings and specifications), and in the interest of overall operations and maintenance, the following revisions were proposed on July 27, 2010 for the pre-engineering metal building serving as the booster pump station for the Well 18 site. On August 9, 2010, I received an e-mail and attachment from Farner Enterprises reflecting the cost implications of the revisions (Attachment A).

The purpose of this memo is to make recommendations of the revisions and outline the resulting costs. Please refer to the attached summary of the changes, costs and recommendations (Attachment B).

Any changes or revisions reflected in this memorandum will need to be formally addressed through a change order than may impact overall project costs. General layout drawings can be provided upon request.

Item 1 – Building Dimensions/Structure

In the interest of standard building dimensions, the building will measure 30 feet by 50 feet and have a 10 foot eave height. End wall columns will be provided if required – locations may vary depending upon door and window locations. The building ridge will run generally east-west with the eaves on the north and south sides of the building.

Cost Increase: \$2,485.00

Recommendation: I recommend accepting this change to provide additional space within the building for operations and maintenance purposes.

Item 2 – Roof Panels

The roof panels will be ADP-1 panels, not standing seam as specified, with 6-inch overhangs. The external roof panels will be "Galvalume".

Cost Decrease: (\$500.00)

Recommendation: I recommend this change be rejected. The District is of the opinion the standing seam roof will perform better over a longer term.

Memo to Steven Harrell
August 13, 2010
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Item 3 – Wall Panels

The wall panels will be ADP-2 panels with exposed fasteners, not concealed fasteners as specified. The external wall panels, and all building trim, will be "Evergreen".

Cost Change: No change.

Recommendation: I recommend accepting this change.

Item 4 – Liner Panels

The liner panels for the roof and wall systems will be ADP-1 panels, white in color.

Cost Change: No change.

Recommendation: I recommend accepting this change.

Item 5 – Doors

The external overhead door will be a 12-foot (w) by 8-foot (h) sectional overhead door in lieu of the specified rolling overhead door. Two additional, interior doors are to be provided – an interior 12-foot (w) by 8-foot (h) sectional overhead door and an interior 3-0 x 7-0 door. The doors will be installed in a new partition wall between the vehicle bay and the booster pumps (see Item 12). All doors will be white in color. All doors to be keyed to match the District's system.

Cost Increase: \$6,500.00

Recommendation: I recommend this change be rejected. A separate change order should be negotiated to furnish and install the external overhead door as a 12-foot (w) by 8-foot (h) sectional overhead door in lieu of the specified rolling overhead door.

Item 6 – Windows

Provide three sliding windows, each measuring 5 by 3, with security grating. One window will be on the east wall, north of Door D-2. The other two windows will be on the south wall – one between each pair of columns. All windows will be white in color.

Cost Increase: \$2,416.48

Recommendation: I recommend this change be rejected. The addition of windows, even with security grating, elevates overall building security concerns. The previously proposed skylights should be positioned to provide adequate natural lighting.

Item 7 – Insulation

Provide a vinyl backed type of insulation in lieu of the rigid glass fiber-reinforced polyisocyanurate form core insulation specified.

Cost Decrease: (\$1,022.35)

Recommendation: I recommend accepting this change.

Item 8 – Skylights

Eliminate the skylights specified and provide four (4), 12-inch diameter solar tubes to maximize natural lighting while minimizing heat losses. The solar tubes will be installed in the mechanical/electrical room, the chemical room, the vehicle bay and the booster pump room.

Cost Increase: \$2,548.10

Recommendation: I recommend this change be rejected. The original skylights proposed should be installed, but relocated to provide natural light over the truck bay and booster pump area.

Item 9 – Gutters and Downspouts

No gutters and downspouts will be installed due to ice buildup and possible breakage from additional weight.

Cost Decrease: (\$462.55)

Recommendation: I recommend this change be rejected.

Item 10 – Foundation

The exterior stem walls will be adjusted vertically to create a six-inch curb around the exterior of the building. The finished floor slab elevation will remain unchanged. The top of the stem walls will accommodate external and internal wall panel configuration to address dust and moisture. The external stem wall face will be insulated, with flashing extending to top of sidewalk (see Item 13). All doors and window elevations will be adjusted due to change in stem wall. Column piers will be provided. Structural modifications will be designed by a Colorado registered professional engineer and submitted to the District for review and approval.

Cost Increase: \$8,498.45

Recommendation: I recommend this change be accepted for consistency with the change in building dimensions.

Memo to Steven Harrell
August 13, 2010
Page Four

Item 11 – Ridge Ventilators

An end wall fan and motorized louver combination, with a humidistat controller, will be provided in lieu of the ridge ventilators specified.

Cost Change: No change.

Recommendation: I recommend this change be accepted.

Item 12 – Interior Partition Walls

All interior partition walls will run floor to ceiling with slip joints. One additional partition wall is to be provided between the vehicle bay and the booster pumps. The additional partition wall will include venting in support of the end wall fan and motorized louver combination in Item 11.

Cost Increase: \$4,245.75

Recommendation: I recommend this change be rejected. The District can install parking blocks to isolate vehicles from the booster pumps. The blocks should be movable to facilitate pump/motor maintenance.

Item 13 – External Concrete

Provide a 20-foot long by 20-foot wide drive at the exterior overhead door location. Drive to be six inches thick with #3 rebar at 18 inches O.C. each wall. Provide a four-foot wide, four-inch thick, exterior concrete sidewalk around the building. Sidewalk elevation at stem walls shall match interior finished floor slab elevation and slope away from building.

Cost Increase: \$6,451.65

Recommendation: I recommend this change be rejected. The original building aprons/pads will be constructed.

Item 14 – Motorized Intake Louvers

Provide two motorized intake louvers in the mechanical/electrical room and the chemical room. Operation of the intakes is to be paired with the exhaust fans.

Cost Increase: \$998.80

Recommendation: I recommend this change be accepted. The louvers will operate in conjunction with the exhaust fans in each room.

Memo to Steven Harrell
August 13, 2010
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Item 15 – Air Handling Unit

Eliminate the air handling unit and duct work, replacing with the end wall fan and motorized louver combination in Item 11. Eliminate two of the unit heaters and add two (2) radiant heat tubes – one over the vehicle bay and one in the booster pump room. Keep the unit heaters in the mechanical/electrical room and the chemical room.

Cost Decrease: (\$8,056.25)

Recommendation: I recommend this change be rejected. The District is of the opinion the cost decrease is not sufficient to accept the change.

Item 16 – Floor Coating System

Eliminate any interior floor coating system except for concrete curing agent.

Cost Decrease: (\$1,000.00)

Recommendation: I recommend this change be accepted.

Item 17 – Booster Pump Columns

Eliminate the booster pump columns and provide pump pads (DIMENSIONS/DRAWING TO BE PROVIDED BY OLSSON ASSOCIATES).

Cost Decrease: (\$7,671.69)

Recommendation: I recommend this change be accepted. The change should result in additional savings through a change in pump type (REVISIONS PENDING).

Item 18 – Chemical Room Sump

Eliminate the sump in the chemical room. District will furnish and install chemical spill containment totes.

Cost Decrease: (\$2,542.38)

Recommendation: I recommend this change be accepted.

ATTACHMENT A
(2 pages)

Brad Simons

From: Farnerpipeline@aol.com
Sent: Monday, August 09, 2010 2:03 PM
To: Brad Simons
Subject: Building pricing

Please see attached for pricing information.

I should have the electrical/generator done this afternoon.

Terry

FARNER ENTERPRISES, INC.
 16387 HARVEST ROAD
 BRIGHTON, COLORADO 80603
 (303) 659-3851 FAX (303) 659-4117
 EMAIL--farnerpbeline@aol.com

BACA GRANDE BUILDING CHANGES
 PER SHEET DATED JULY 27, 2010

ALCON CONSTRUCTION
 6-Aug-10

ITEM #

1	BUILDING DIMENSION 50' X 30'	LS	1	\$2,485.00	\$2,485.00
2	ROOF PANELS	LS	-1	-\$500.00	-\$500.00
3	WALL PANELS	LS	0	\$0.00	\$0.00
4	LINER PANELS	LS	0	\$0.00	\$0.00
5	INTERIOR SECTIONAL & WALK DOOR	LS	1	\$6,500.00	\$6,500.00
6	WINDOWS, SECURITY GRATING	LS	1	\$2,416.48	\$2,416.48
7	INSULATION-VINYL BACKED	LS	-1	-\$1,022.35	-\$1,022.35
8	SKYLIGHTS	LS	1	\$2,548.10	\$2,548.10
9	GUTTERS & DOWNSPOUTS	LS	-1	-\$462.55	-\$462.55
10	FOUNDATION, INCLUDING ENGINEERING	LS	1	\$8,498.45	\$8,498.45
11	MOTORIZED FAN, LOUVER IN LIEU OF RIDGE VENT	LS	1	\$0.00	\$0.00
12	INTERIOR PARTITIONS	LS	0	\$0.00	\$0.00
13	EXTERNAL CONCRETE	LS	1	\$4,245.75	\$4,245.75
14	MOTORIZED INTAKE LOUVERS	LS	1	\$6,451.65	\$6,451.65
15	AIR HANDLING UNIT	LS	1	\$998.80	\$998.80
16	FLOOR COATING	LS	-1	-\$8,056.25	-\$8,056.25
17	BOOSTER PUMP COLUMNS	LS	-1	-\$1,000.00	-\$1,000.00
18	CHEMICAL ROOM SUMP	LS	-1	-\$7,671.69	-\$7,671.69
	TOTAL FROM ABOVE			-\$2,542.38	-\$2,542.38
	GENERAL CONTRACTOR MARK UP	LS	10%		\$12,889.01
	GRAND TOTAL				\$1,288.90
					\$14,177.91

ATTACHMENT B
(1 page)

FARNER ENTERPRISES, INC.
 16387 HARVEST ROAD
 BRIGHTON, COLORADO 80603
 (303) 689-3851 FAX (303) 659-4117
 EMAIL: farnerpipeline@aol.com

BACA GRANDE BUILDING CHANGES
 PER SHEET DATED JULY 27, 2010 - REVISED BY OLSSON ASSOCIATES ON AUGUST 11, 2010

ALCON CONSTRUCTION
 6-Aug-10

ITEM #	DESCRIPTION	LS	QTY	UNIT PRICE	TOTAL	OLSSON'S RECOMMENDATIONS
1	BUILDING DIMENSION 50' X 30'	LS	1	\$2,485.00	\$2,485.00	ACCEPT
2	ROOF PANELS	LS	-1	\$500.00	-\$500.00	REJECT
3	WALL PANELS	LS	0	\$0.00	\$0.00	NO CHANGE
4	LINER PANELS	LS	0	\$0.00	\$0.00	NO CHANGE
5	INTERIOR SECTIONAL & WALK DOOR	LS	1	\$6,500.00	\$6,500.00	REJECT
6	WINDOWS, SECURITY GRATING	LS	1	\$2,416.48	\$2,416.48	REJECT
7	INSULATION-VINYL BACKED	LS	-1	\$1,022.35	-\$1,022.35	ACCEPT
8	SKYLIGHTS	LS	1	\$2,548.10	\$2,548.10	REJECT
9	GUTTERS & DOWNSPOUTS	LS	-1	\$462.55	-\$462.55	REJECT
10	FOUNDATION, INCLUDING ENGINEERING	LS	1	\$8,498.45	\$8,498.45	ACCEPT
11	MOTORIZED FAN, LOUVER IN LIEU OF RIDGE VENT	LS	0	\$0.00	\$0.00	NO CHANGE
12	INTERIOR PARTITIONS	LS	1	\$4,245.75	\$4,245.75	REJECT
13	EXTERNAL CONCRETE	LS	1	\$6,451.65	\$6,451.65	REJECT
14	MOTORIZED INTAKE LOUVERS	LS	1	\$998.80	\$998.80	ACCEPT
15	AIR HANDLING UNIT	LS	-1	\$8,056.25	-\$8,056.25	REJECT
16	FLOOR COATING	LS	-1	\$1,000.00	-\$1,000.00	ACCEPT
17	BOOSTER PUMP COLUMNS	LS	-1	\$7,671.69	-\$7,671.69	ACCEPT
18	CHEMICAL ROOM SUMP	LS	-1	\$2,542.38	-\$2,542.38	ACCEPT
TOTAL FROM ABOVE					\$12,889.01	
GENERAL CONTRACTOR MARK UP					\$1,288.90	\$
GRAND TOTAL					\$14,177.91	-\$254.17