

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE BACA GRANDE WATER AND SANITATION DISTRICT HELD MAY 16, 2014

A regular meeting of the Board of Directors (referred to hereafter as "Board") of the Baca Grande Water and Sanitation District (referred to hereafter as "District") was held on Friday, the 16th day of May, 2014, at 8:00 a.m. at the offices of the District, BGWSD Shop, 57 Baca Grant Way South, Crestone, Colorado. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Vicki Matthews
Martin Macaulay
Cindy Reinhardt
Kyle Grote
Michael Scully

Also In Attendance Were:

AJ Beckman and Lindsay Ross (via speakerphone - for a portion of the meeting);
Special District Management Services, Inc.

Jennifer Gruber Tanaka, Esq.; White Bear Ankele Tanaka & Waldron (via speakerphone)

Steven Harrell; District General Manager

JoAnn Slivka; Administrative Manager

Brad Simons; TST Inc. of Denver (via speakerphone - for a portion of the meeting)

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

Eric Barnes; Wagner Barnes & Griggs, P.C. (via speakerphone - for a portion of the meeting)

Noah Baen; Resident

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DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

Disclosure of Potential Conflicts of Interest: The Board discussed the requirements pursuant to Colorado law 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. Mr. Beckman 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 meeting with the Board.

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

May 6, 2014 Directors' Election Results: Mr. Beckman reported that the Canvass Board met on May 15, 2014 to certify the election returns. Directors elected to office are: Vicki Matthews, Martin Macaulay and Michael Scully. Mr. Beckman also reported that Director Macaulay had brought to Mr. Beckman's attention a ballot that was returned to a property owner residing overseas due to an insufficient address on the return envelope. Mr. Beckman reported that, based on the activity observed and ballots received, the post office appears to have routed all returned ballots to the District, with the exception of the ballot previously noted. He reported that he would check with the post office and see if additional information can be gathered.

Oaths of Office: Directors Matthews, Macaulay and Scully were administered their Oaths of Office as the directors elected at the May 6, 2014 election.

Election of Officers: The Board entered into discussion regarding the election of officers.

Director Scully nominated himself to serve as Treasurer of the Board of Directors and upon motion duly made by Director Scully, seconded by Director Macaulay and, upon vote, unanimously carried, the Board elected Director Scully as Treasurer of the Board of Directors.

Director Macaulay nominated himself to serve as Vice President of the Board of Directors and upon motion duly made by Director Macaulay, seconded by

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Director Matthews and, upon vote, unanimously carried, the Board elected Director Macaulay as Vice President of the Board of Directors.

Director Reinhardt nominated herself to serve as President of the Board of Directors and upon motion duly made by Director Reinhardt, seconded by Director Macaulay and, upon vote, unanimously carried, the Board elected Director Reinhardt as President of the Board of Directors.

Director Macaulay nominated Director Matthews to serve as Secretary of the Board of Directors and upon motion duly made by Director Macaulay, seconded by Director Grote and, upon vote, unanimously carried, the Board elected Director Matthews as Secretary of the Board of Directors.

Director Macaulay nominated Director Grote to serve as Assistant Secretary of the Board of Directors and upon motion duly made by Director Macaulay, seconded by Director Reinhardt and, upon vote, unanimously carried, the Board elected Director Grote as Assistant Secretary of the Board of Directors.

Board Member Orientation: The Board determined to schedule an orientation prepared by Attorney Tanaka and Mr. Beckman on the day of the next Board meeting with the orientation to be held following the meeting. Director Grote requested that Mr. Harrell organize a tour of the facilities for Directors Grote and Scully and any other directors interested in attending the site tour. Directors Grote and Scully will schedule the tour with Mr. Harrell. Director Reinhardt requested that the orientation also include: an explanation of the internal approval processes; the back story behind larger matters of significance addressed by the Board in recent years; an explanation of how the action items matrix works; an explanation of how decisions are made and how things can flow better. Director Macaulay requested more detailed information on the construction dates of the facilities. Director Reinhardt will contact Mr. Beckman to further discuss the presentation format and detail to be included. The Board directed Attorney Tanaka and Mr. Beckman to prepare the necessary materials and conduct an orientation following the June 20, 2014 regular meeting.

Consent Agenda: The Board considered the following actions:

- Approval of Minutes of the April 18, 2014 regular meeting, as amended.
- Engineer's Report.
- Operations Report.
- Administrative Report.
- District Manager's Report.

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Director Reinhardt noted that she likes the format of the new report and asked about the total number of customers noted as being billed on the Administrative Report; specifically, if total customers billed included Availability of Services (“AOS”) customers. Ms. Slivka confirmed that the number does include AOS customers.

Following discussion, upon motion duly made by Director Macaulay, seconded by Director Reinhardt and, upon vote, unanimously carried, the Board reviewed, approved and accepted the Consent Agenda items.

PUBLIC COMMENTS

Public Comments: Mr. Baen addressed the Board on behalf of the Baca Watershed Counsel regarding the potential revitalization of certain wetland areas. He explained that he will prepare a written request to the Board following a review of the District’s documents related to its water rights. He will attempt to formulate a written request to the Board in time to be included for consideration on the next meeting agenda. Mr. Beckman explained that Mr. Baen has been provided a public records request form and the documents requested will be provided upon completion and submittal of the request form. Director Reinhardt noted that the request by the Baca Watershed Counsel should be reviewed by the District’s Water Attorney. Mr. Beckman confirmed that he would forward the request to the District’s Water Attorney.

OPERATIONS

Operational Follow-Up:

Independent Contractor Agreement for Recycling Services between the District and Recycle-Creede, Inc. (“RC”): Mr. Harrell reported that RC does not recommend the District purchase containers that can be switched out with their own so Mr. Harrell has reinstituted the recycling containers used previously and has also set up outside barrels on the north side of the building. He noted that everything is segregated by type and that the District has had one pick up so far. Mr. Harrell noted that he understood that the monthly cost for the service was \$30 but noted that the contractor is now hoping that the District will pay \$50. Mr. Harrell also noted that he did not believe an agreement was necessary for these services.

Attorney Tanaka explained that because RC does not have a standard service agreement, she has provided them with the District’s standard agreement. She noted that it is important to have written agreements in place to protect the District from potential liabilities, particularly when they are performing work on site for the District. Because the contractor does not have its own form that can

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be used, as would be considered with other trash removal services, she recommended the District's form be used. She further explained that the contractor needs to provide the District with a certificate of insurance and verify the scope of work and monthly cost of service.

Following discussion, upon motion duly made by Director Macaulay, seconded by Director Grote and, upon vote, unanimously carried, the Board approved the Independent Contractor Agreement for Recycling Services between the District and RC subject to the \$30 monthly fee and finalization by legal counsel.

Fire Hydrant Maintenance: Mr. Harrell reported that he has hired a temporary employee to conduct the annual maintenance of the District's 278 fire hydrants. To date, approximately 80 hydrants have been serviced. Director Scully asked about the optimal schedule for such maintenance. Mr. Harrell explained that the best maintenance practice would be to service the hydrants twice per year and the District is doing the service once per year. Director Scully then inquired about requesting assistance from the Baca Grande Property Owners Association ("POA"). It was noted that the POA previously maintained the hydrants but in recent years the District has performed the maintenance. Mr. Harrell clarified that the cost for the annual service is approximately \$10,000 to \$11,000. He explained that the work should be performed by the District; however, a financial contribution by the POA would be welcome. Director Matthews recommended that the matter be added for discussion at the annual retreat and planning meeting. Mr. Beckman noted that he will add the matter to the Board's retreat meeting agenda.

Well 18 Booster Pump #1 Failure: Mr. Harrell reported that he has experienced a catastrophic failure of a booster pump motor at Well 18 where the bearings in the pump failed. He is sending the pump motor out for service. The system has two booster pump motors; one has failed and the second has a vibration that will need to be investigated further. He is addressing the situation as an emergency repair based on the condition of both motors. Mr. Harrell noted that there is a third motor which has been refurbished which can replace one of the motors but he is concerned with having one motor running and the other having issues. Mr. Harrell reported that the pumps and motors are approximately 2 ½ to 3 years old and the latest motor that failed was put into service in October 2013. He noted that the pump that failed had been pumping sand from the tank which likely caused the issue. Mr. Harrell noted that he believes the issue has been addressed by putting a riser in the well to lift the intake up several feet so that the sand is no longer an issue. He noted that he will be testing the pumps and motors at least once a week to listen to them to see how they are doing in an attempt to avoid an

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issue going forward. Director Matthews inquired into the warranty on the pump. Mr. Harrell reported that it has a one year warranty which has expired.

Mr. Beckman noted that the recent emergency illustrated some remaining procedural issues to be worked out regarding the approval of the service contracts. He explained that in the recent emergency, Mr. Harrell requested a contract with Denver Electrical Motor, on an emergency basis; however, the contractor would not agree to the indemnification language used in the District's standard service contract. Further, the District has an existing emergency services agreement with Royal Electric, Inc. ("REI") for these types of repairs. Mr. Beckman further explained that, to the extent possible, contracts should be in place in advance, and items should not be added to the meeting agenda after the meeting packet goes out each month. Mr. Harrell explained that for motors of this size, and based on the recent performance and turnaround time of REI, he would prefer to use Denver Electric Motor, but the current lack of a contract is forcing the District to use REI. Director Reinhardt inquired with Attorney Tanaka regarding her observations of the process for getting service contracts in place. Attorney Tanaka reported that the process of service contract approvals is getting more efficient; however, there some areas of the approval process that can be improved. She reported that she wants to be sure there are no false alarms for emergencies versus lack of planning. She discussed the Q.A. Balance Services, Inc. agreement and noted that it is an annual service agreement which should not require immediate attention if properly anticipated. She then highlighted the need for approvals to go through the normal purchase order process.

Director Matthews asked Mr. Harrell what, in his opinion, would be required for the District to get ahead of its maintenance needs. Mr. Harrell noted that this is a big question and the maintenance needs of the District are vast. The Board requested that Mr. Beckman include a matter on the agenda for the annual retreat and planning meeting to discuss what it would take to get ahead of the maintenance issues.

Lights at Mobile Home Estates Pump House: Director Scully reported that the outside light on the Mobile Home Estates Pump House is disturbing to the nighttime view. He would like to have a shade installed to redirect the light from certain angles. He will discuss this matter separately with Mr. Harrell.

2014 Biosolids Land Application Project: Mr. Simons joined the meeting via speakerphone at this time. Mr. Harrell explained that the District is soliciting bids for the biosolids removal but no proposals have been received yet. Attorney Tanaka noted the deadline for contractors to submit proposals is May 23, 2014. Mr. Harrell noted that there are some compliance concerns regarding the

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engagement of RMS Inc. and he and Mr. Simons will review all of the bids received and choose a contractor they feel is best suited for the work and who meets all of the criteria established by the Colorado Department of Public Health and Environment ("CDPHE"). Director Reinhardt asked whether the Board will be able to act on this matter at the June meeting and Mr. Harrell confirmed. Director Scully inquired into the storage capacity of the ponds and noted that each month the action items list suggests that this is a critical issue but yet we are six months into the year without a resolution in place. Mr. Beckman noted the change of the project from the reed bed project originally hoped to be funded with the bond funds used to pay the CDPHE fines under a supplemental environmental project. Once the CDPHE denied the District's project, the District needed to shift gears due to available funds and focus on the removal of the biosolids as an operational component instead. Mr. Harrell reviewed the scope of the project and estimated that it will cost \$12,000 per year to haul the biosolids every 4-6 weeks. Mr. Harrell noted that this project removes the biosolids from the plant directly and does not remove the biosolids from the lagoons, which, as of the last proposal, would cost approximately \$22,000 every two years. Mr. Harrell noted that he believes RMS is the best contractor to perform the work but noted that they need to adhere to the disposal requirements. Attorney Tanaka explained the CDPHE regulations and requirements for the disposal of biosolids and noted that contractors must follow these regulations or the District may be liable for this failure. Mr. Beckman discussed the need to identify a budgetary line item to address biosolids issues noting that there is funding set aside in the Capital Projects Fund to build a treatment facility; however, the availability of operating funds for biosolids removal should be confirmed.

SCADA Security Options: Mr. Harrell distributed a memorandum regarding recommended SCADA security improvements. He recommended that the District engage Timber Line Electric and Controls Corporation and WSB Computer Services to audit the systems when budgetary funding is available and provide recommendations on security measures. He further explained that the extent to which the District could add security improvements is almost limitless and he would recommend balancing the estimated risk at each facility to the control systems with reasonable expenditures. Attorney Tanaka inquired with Mr. Simons as to security protections in place in other districts. Mr. Simons noted that there are log-in protections at another district he manages. Mr. Harrell confirmed that the District has the same log-in protection that was mentioned by Mr. Simons. Mr. Beckman noted that the firewall and software upgrades seem reasonable and recommended the Board consider authorizing these to be done in January 2015. The Board requested that Mr. Beckman add the security options as a discussion item for the annual board retreat.

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Q.A. Balance Services, Inc. (“QA”) Agreement for Calibration of Water Meters: Ms. Slivka explained to the Board that she was rushing to get an agreement for calibration of the District’s water meters between the District and QA approved as she had received a call from the contractor offering a significant cost savings if the work could be done on short notice.

Following discussion, upon motion duly made by Director Reinhardt, seconded by Director Macaulay and, upon vote, unanimously carried, the Board ratified approval of the agreement for calibration of the District’s water meters between the District and QA.

Sensus USA Inc. (“Sensus”) Agreement for Water Meter Software Support: The Board entered into discussion regarding an agreement for Water Meter Software Support between the District and Sensus.

Following discussion, upon motion duly made by Director Reinhardt, seconded by Director Macaulay and, upon vote, unanimously carried, the Board approved the agreement for Water Meter Software Support between the District and Sensus.

Dharma Ocean Billing Matter: Director Reinhardt inquired into the status of the resolution of the billing matter with Dharma Ocean. Mr. Harrell reported that he is still researching the history and matter but has verbally advised Dharma Ocean of the issue and noted that a letter will be forthcoming from the District.

CAPITAL IMPROVEMENTS

Capital Funding Sources and Uses: Mr. Beckman reviewed the capital funding sources and uses report with the Board noting that the Leak Detection and Repair Projects should be moved to the “Approved” Section of the report. He then noted that if all projects are completed according to budget, the report is currently projecting an ending balance of \$14,071.62.

2014 Water Distribution System Improvements Project: Mr. Simons reported that the design for the 2014 Water Distribution System Improvements Project is approximately 95% complete. He noted that the front end documents for bidding the project have been prepared by Attorney Tanaka and he has reviewed those so that the documents can be finalized for the bidding process. He also noted that some potholing remains to be done and requested that Mr. Harrell and staff refocus on this effort immediately. He expects to publish the notice to bidders within a week of receiving potholing information. If all goes according to plan, a bid package would go out next week, and bids would be received the week of

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June 15, 2014 in time for the Board to consider the award of the contract at the June 18, 2014 Board meeting. He noted that he would conduct a pre-bid meeting on site at the District.

Well 18 Rehabilitation Project: Mr. Harrell reported that Tom Dea, the water engineer with TZA Water Engineers, has recommended that the District install a new pump and not proceed with cleaning the well casing as was previously recommended by Ecodynamics, Inc. Mr. Harrell further reported that Mr. Dea is of the opinion that the flow of the well was compromised by some unknown event.

Mr. Simons explained that Well 18 was equipped with two well pumps according to the Brown and Caldwell design. When the pumps were originally installed, they both pumped at the anticipated rate. Since then, there has been a decrease in one of the pumps. Mr. Dea recommended that the District install a new well pump based on his opinion that the pump was compromised at some point.

Director Reinhardt inquired into why the casing would not be cleaned since it appears to be part of the problem with the pumps that the Board just discussed with the booster pump. Mr. Harrell provided a history of this particular pump and noted that Mr. Dea, who provided the District with a second opinion, does not believe it is necessary. He noted that Mr. Dea recommends that the pump be reinstalled and treated with chlorine to disinfect the pump and put it back on line. Director Grote inquired into what will prevent rocks and sand getting into the pump again. Mr. Harrell responded that Mr. Dea will be on site during the installation and he will be able to put something in position to prevent this from happening again. He also noted that the existing equipment will remain in the well casing and will not be removed. Mr. Simons expanded to note that the cleaning would not necessarily clean the well, which is why Mr. Dea did not recommend the added expenditure. Mr. Simons noted that he agrees with Mr. Dea's recommendation.

Director Matthews asked if the well is secure. Mr. Harrell reported that it is located in a locked building and, in his opinion, is reasonably secure.

Alpine Over Look Sewer Main Replacement Project: Mr. Beckman reviewed the Capital Project Summary Sheet with the Board and the Board considered approval of the Alpine Over Look Sewer Main Replacement Project which is estimated to cost \$11,285. Director Reinhardt noted that she had previously requested that the date and names of the persons preparing the report and who has reviewed and approved the report be added to the sheet and requested that that be done going forward.

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Following review and discussion, upon motion duly made by Director Reinhardt, seconded by Director Macaulay and, upon vote, unanimously carried, the Board approved the Alpine Over Look Sewer Main Replacement Project.

Potential USDA Grant Funding for Design of Wastewater Treatment Plant

Improvements: Mr. Beckman reported that the USDA Planning and Design Grants will require considerable effort to prepare based on the forms he has reviewed. Currently, funding is available through the Department of Local Affairs (“DOLA”) for up to \$25,000 for planning and design with far less red tape; however, they do require some matching funding, but not necessarily a 100% match. Mr. Beckman noted that there are currently no projects that would qualify for the grants but as projects are developed, this will be monitored.

Mr. Simons departed the meeting at this time.

FINANCIAL MATTERS

Ms. Ross joined the meeting via speakerphone at this time.

Claims: The Board considered approval of the payment of claims through the period ending May 16, 2014, as follows:

General Fund	\$	24,852.32
Debt Service Fund	\$	-0-
Capital Projects Fund	\$	13,007.81
Enterprise Fund	\$	<u>77,728.27</u>
Total Claims:	\$	115,588.40

Following review and discussion, upon motion duly made by Director Macaulay, seconded by Director Grote and, upon vote, unanimously carried, the Board approved the payment of the claims for the period ending May 16, 2014, as presented.

Financial Statements: Ms. Ross reviewed with the Board the unaudited financial statements of the District setting forth the cash deposits, investments, and budget analysis and accounts payable vouchers for the period ending April 30, 2014, and the current schedule of cash position and cash flow projection through February of 2015.

Director Reinhardt inquired into how the budgetary items are being selected by Ms. Ross to highlight in her report as there are several items which appear to be over budget. Ms. Ross noted that she has not highlighted items which tend to be front loaded, such as insurance, as those costs are paid in the beginning of the

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year and the annual percentages are skewed as a result; however, she noted that those items are not over budget. She further explained that she is highlighting items for which there is a consistency in costs throughout the year and current trend suggests an overage in the budget by the end of the year. Director Reinhardt noted that the amount expended year to date in the Utility Maintenance Tools category is over 60% of the total budget. She asked if the recent purchase of a compressor had gone through the purchase order process. Mr. Beckman and Mr. Harrell confirmed that the purchase had gone through the purchase order process.

Director Scully requested that the financial reports include supplemental pie charts so that the areas of expenditures can be easily viewed. Ms. Ross reported that she has attempted to present information in pie charts, but has found that bar graphs are more useful. She will distribute supplemental charts with the next set of financial statements.

Following review and discussion, upon motion duly made by Director Grote, seconded by Director Reinhardt and, upon vote, unanimously carried, the Board accepted the unaudited financial statements for the period ending April 30, 2014, and the current schedule of cash position and cash flow projection through February of 2015.

Payroll Withholding Issues: Ms. Ross reported that she has reviewed and made corrections to the last two years' withholdings. She expects to have all of the forms completed by the end of next week. All District employees, both current and past, who worked for the District in the last 3 years, will receive a revised W-2 form. Director Reinhardt inquired into whether a cover letter will be included with the form explaining the situation. Ms. Ross will include a letter with the form explaining why the revised form is being sent and what actions they can take. She noted that employees are not required to resubmit their tax returns but do have this as an option. She will recommend they consult their tax advisors upon receipt of the revised forms.

Mr. Barnes joined the meeting via speakerphone at this time.

2013 Audit: Mr. Barnes reviewed the 2013 draft Audited Financial Statements with the Board. He explained that his firm is issuing a clean, unqualified opinion on the financial statements. Mr. Barnes explained that there will need to be a budget amendment to the Enterprise Fund. He noted that the financial control systems in place are good for a district this size. He discussed the revenues versus expenses in the Enterprise Fund noting that the fund is not completely supported by fees and that a transfer from the General Fund is necessary to make up the shortfall amount.

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Following review and discussion, upon motion duly made by Director Macaulay, seconded by Director Grote and, upon vote, unanimously carried, the Board accepted the 2013 Audited Financial Statements and authorized execution of the Representations Letter.

LEGAL MATTERS

Request from Shumei International Institute, Inc. ("Shumei") for Variance from Water and Sewer Service for 187 Acre Parcel Under Development: Mr. Beckman discussed the status of the most recent negotiations with Shumei and explained that he has been working with Directors Reinhardt and Macaulay on the matter pursuant to the Board's direction at the April meeting. Mr. Beckman reported that the committee agreed that it would be reasonable to grant the requested variance to Shumei and explained the conditions of the variance. Mr. Beckman also noted that the District requested that Shumei enter into a PILOT agreement with the District on the 187 acre parcel to contribute to the overall administrative and operational costs of the District, as all other taxable customers do, and to put into writing the existing PILOT payment. Mr. Beckman explained the rationale for the amounts set forth in the PILOT agreements and noted the tie to the valuation of the property and structures thereon.

Following discussion, upon motion duly made by Director Macaulay, seconded by Director Reinhardt and, upon vote, unanimously carried, the Board approved the variance as discussed and approved two PILOT agreements between the District and Shumei, subject to final review and approval by the District's Attorney and Manager.

Status of Negotiations with Hanne Strong: Attorney Tanaka reported that she recently learned that there are sewer lines as well as water lines in the easement area that she is currently negotiating with Hanne Strong. She has discussed this with Ms. Strong's representative, Suzanne Foote, who has accepted the offer on behalf of Hanne. Ms. Foote will have the easement agreement executed as soon as possible. Attorney Tanaka also noted that the ownership of the second easement has changed since the title work was initially pulled with the negotiations began and she will need to reach out to the current property owners to secure that easement. She noted that this is for a very small portion located within the road.

EXECUTIVE SESSION

Water Matters: Attorney Lock joined the meeting via speakerphone at this time.

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Division Three Rules: Attorney Lock discussed Response Area Map and modeling results previously submitted to the Board and noted that the District falls within the San Luis Valley Response Area. Attorney Lock noted that the modeling determines that the stream depletions within the District's response area will cause between 0 and 420 acre feet of depletions per year to the San Luis Creek and nearly 0 acre feet of depletions to the Crestone Creek. Director Macaulay asked why other creeks within the District were not included in the modeling. Attorney Lock noted that the impacts on the ground water were calculated only to the other two creeks which is a good thing and he is not sure why it is done this way; however, he noted that what is more important is the response functions because they break streams into smaller stream regions, determine the timing of depletions and allow for calculations in upcoming years. Attorney Lock believes that the modeling is substantial progress. He stated that the fact that the results are done, it is easy to extrapolate the response functions and we should see an acceleration in the rules. He further noted that the Division Engineer has requested that Attorney Lock take the initiative in setting up meetings with the U.S. Fish and Wildlife Service ("USFWS") to vet a plan for compliance with the rules, which Attorney Lock believes is a good idea. He expects the State Engineer's plan to change water use rules to move forward more quickly and anticipates the rules will become effective in 2015-2016. He will submit comments on the most recent version of the proposed rules to the Division Engineer.

Memorandum of Understanding with USFWS: Attorney Lock reported that he has provided comments on the proposed Memorandum of Understanding to the USFWS but has not received any comments back.

Attorney Lock departed the meeting at this time.

OTHER BUSINESS

Neighbors Helping Neighbors ("NHN"): The Board entered into discussion regarding the status of recent discussions with NHN concerning the establishment of a Utility Assistance Program. Director Reinhardt noted there was nothing new to report and requested that this agenda item be removed.

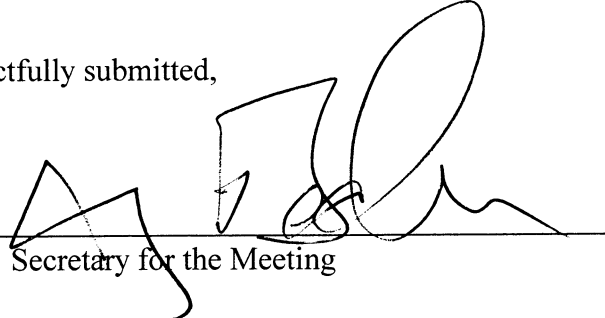
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ADJOURNMENT

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

Respectfully submitted,

By


Secretary for the Meeting

THESE MINUTES ARE APPROVED AS THE OFFICIAL MAY 16, 2014
MINUTES OF THE BACA GRANDE WATER AND SANITATION DISTRICT
BY THE BOARD OF DIRECTORS SIGNING BELOW:


Vicki Matthews


Martin Macaulay


Cindy Reinhardt


Kyle Grote


Michael Scully