

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

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 at the offices of the District, 57 Baca Grant Way South, Crestone, Colorado.

**MAY 19, 2017 at 9:00 A.M.**

The meeting was open to the public.

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ATTENDANCE

Directors in Attendance:

**Michael Scully**

Martin Macaulay

Lynn Drake

Matthew Ghourdjian

Robert Salmi

Also in Attendance:

Marcus Law; Law of the Rockies (via speakerphone)

JoAnn Slivka; District Manager

Justin DeBon; Operations Manager

Members of the Public:

Bill McClure

Cheryl Washkovia

Janie Thomas

Lisa Cyriacks

Krissy Hedstrom

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

Attorney Lock has discussed with the Board 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 Lock has noted that conflicts have been for applicable Directors at least 72-hours prior to the meeting. President Scully 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.

**ADMINISTRATIVE MATTERS**

Agenda

President Scully reviewed the proposed Agenda for the District’s Regular Meeting with the Board.

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

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**CONSENT AGENDA**

The Board considered approval of the Consent Agenda:

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*Following discussion, upon motion duly made by President Scully, seconded by Director Drake, and, upon vote, unanimously carried, the Consent Agenda was approved.*

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#### Financing Alternatives

The Board of Directors reviewed the memo provided by Kurt Schlegel and Cathy Fromm from Special District Solutions (SDS). They suggested three types of financing for consideration; a Traditional Bank Loan, a Water Project Loan through the Colorado Water Conservation Board (CWCB), and through Bonds. Once the Board is ready to move forward with the Water Rights Purchase, SDS will be able to assist us to review all the options in greater detail.

#### Board and Staff Reports

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

#### District Manager Report

Ms. Slivka reviewed a number of highlights from her report and gave a brief summary of her first class for the Water Fluency Program.

#### Operations Report

Mr. DeBon reported on his recent conversation with Gary Simonson from the Pundarika Foundation regarding the building of six cabins at the Retreat Center. His memo with the conditions of approval for the six structures is included in the Board packet for the Director's reference.

#### Sewer Inspection Camera

Mr. DeBon reported on the recent Sewer Camera demonstration from CUES. The operations staff was very impressed with the camera but still have other cameras to consider. Mr. DeBon will continue to review the sewer camera options and report back to the Board with his recommendation.

#### Baca Wildlife Refuge Tour

Ms. Slivka announced the date for the tour with the Board of Directors and Mr. Ron Garcia is set for Tuesday, May 30, 2017. Details for car pooling and where to meet will follow upon final discussions with Mr. Garcia.

### **FINANCIAL MATTERS**

#### Check Register

The Board considered approval of the check register through the period ending April 21, 2017, as follows:

General Fund	\$ 3351.50
Debt Service Fund	\$ - 0 -
Capital Projects Fund	\$ 1076.00
Enterprise Fund	\$ 20,719.54
<b>Total Claims:</b>	<b>\$ 25,147.04</b>

*Following discussion, upon motion duly made by President Scully,*

*seconded by Director Macaulay,  
and, upon vote, unanimously carried, the Check Register was approved.*

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## **PUBLIC COMMENT**

Ms. Hedstrom introduced herself and approached the Board with her objection to consolidation fees she has just been billed for. She explained the language in the Resolution was not clear and her feelings that the cost of consolidation to include the first lot is unfair. Director Ghourdjian agreed with Ms. Hedstrom that the resolution was worded poorly. Ms. Slivka was directed to follow up with Mr. Hedstrom on her concerns about the billing statement and what she owes the District for her consolidations.

## **CAPITAL IMPROVEMENTS**

Headworks/Flow Equalization Basin Project: Mr. Simons has provided a status of the Headworks project in his Engineer's Report.

## **LEGAL MATTERS**

### Water Resources Engineer

The Board reviewed the Request for Proposal (RFP) for a Water Resource Engineer that Attorney Lock drafted for the Board's consideration. After discussion it was decided to hold off on this RFP until further investigation into other options that should be considered.

## **EXECUTIVE SESSION**

Pursuant to Sections §24-6-402(4)(a), (b), (e)(I) & (f)(I) C.R.S., upon motion duly made by Director Ghourdjian, seconded by Director Macaulay and, upon an affirmative vote of at least two-thirds of the quorum present, the Board convened in executive session for the purpose of receiving legal advice, to discuss Water Matters and Personnel Matters, as authorized by Sections §24-6-402(4)(a), (b), (e)(I) & (f)(I) C.R.S.

## **OTHER BUSINESS**

## **ADJOURNMENT**

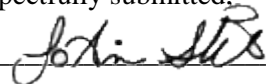
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*There being no further business to come before the Board at this time, upon motion  
duly made by President Scully,  
seconded by Director Drake,  
and, upon vote, unanimously carried, the Meeting was adjourned.*

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Respectfully submitted,

By \_\_\_\_\_



Secretary for the Meeting

THESE MINUTES ARE APPROVED AS THE OFFICIAL MAY 19, 2017 MINUTES OF THE BACA GRANDE WATER AND SANITATION DISTRICT BY THE BOARD OF DIRECTORS SIGNING BELOW:

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Michael Scully

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Martin Macaulay

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Lynn Drake

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Matthew Ghourdjian

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Robert Salmi

## **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 sessions on APRIL 21, 2017, and it is my opinion that the portion of the executive session that was not recorded constituted attorney-client privileged communications.

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Marcus J. Lock

General Counsel

Baca Grande Water and Sanitation District