

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

June 17, 2026 - 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
Michael Plotnick
David Karas

Also in Attendance:

Marcus Lock, District Legal Counsel, Law of the Rockies
Diego Martinez, District Manager
Chad Tate, Director of Utilities
Natalie DeBon, Administrative Manager
Britni McDole, District Accountant, Plante Moran
Kristin Berger, District Accountant, Plante Moran
Brian Camiller, District Accountant, Plante Moran

Community Members and Guests:

Dan Gray
Michael Scully
Michael Miller
Anya Katz

CALL TO ORDER

President Lawson called the meeting to order at 9:01 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.

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:

- APPROVE MINUTES FROM THE MAY, 2026 BOARD 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.*

No comments.

FINANCIAL MATTERS

Mr. Martinez reported on the District's accounting transition, he also invited representatives from Plante Moran to get more in depth update on the financials. Plante Moran explained that significant accounting historically was maintained in Excel spreadsheets, outside of District's ERP Caselle, and that the general ledger had not been formally closed in the system since at least 2018. The Plante Moran firm worked with District staff, auditor and Caselle support to reconstruct and stabilize the accounting records in the District's system.

Plante Moran reported that while the audit records were accurate, many transactions had not been properly recorded within the accounting system, requiring extensive reconciliation and reclassification work, including bond related entries. Representatives stated that no evidence of fraud or misconduct was identified and that the issues were only related to systems and processes.

Plante Moran reported that the District is now well positioned for completion of the 2025 audit and that future monthly financial reporting will be more streamlined. The Board was advised that upcoming financial statements will reflect accounting reclassifications and additional disclosures, and that future board packets will include budget to actual comparisons.

The Board and staff thanked Plante Moran team for their work and assistance during the accounting transition.

* Review and approve the updated check register for the period ending June 17, 2026(enclosure)

General	\$23,193.99
Capital	\$ 0.00
Enterprise	\$50,003.42
Total	\$73,197.41

District Manager Martinez reviewed the check register with the Board.

MOTION: FOLLOWING DISCUSSION, UPON MOTION DULY MADE BY DIRECTOR HART, SECONDED BY DIRECTOR SMITH AND UPON VOTE, UNANIMOUSLY CARRIED, THE BOARD APPROVED APRIL CHECK REGISTER AS PRESENTED.

BANK CHNAGE

Mr. Martinez presented the proposed change of the District's banking institution. He explained that 1st Bank is transitioning to PNC Bank, and that the transition support and account setup have been limited and difficult to manage. Management recommended transitioning to Alamosa State Bank, a local institution that accepts public funds. The Board grants Mr. Martinez the ability to make transactions on behalf of the District at PNC Bank and Alamosa State Bank.

MOTION: Following discussion, upon motion duly made by Director Plotnick, Seconded by Director Smith, and upon vote, unanimously carried, the Board approved transferring the District's Bank Accounts to Alamosa State Bank.

INTRODUCTIONS OF THE GUESTS:

Ms. Lawson asked if Mr. Michael Miller would like to unmute and introduce himself, no response was received.

STAFF REPORTS

The Board reviewed and discussed the staff reports included in the Board packet, which are attached to the minutes as supporting documents.

LEAK DETECTION

Mr. Martinez reported that funding has been approved for leak detection efforts and reviewed available options. The Board discussed proposals from K9 Water Leak Detection and GPRS (Ground Penetrating Radar), including costs, capabilities, and the potential effectiveness of each method.

Following discussion, the Board expressed support for moving forward with the GPRS option for a complete system inspection, with consensus from all Directors.

DROUGHT

Mr. Martinez reported that the District is currently in a severe drought condition - Level 2. At this level the District will begin to notify customers to reduce water usage and that staff will ensure drought procedures are clearly communicated, including posting drought information and monitoring resources on the District website. He added that there are currently no state-imposed restrictions. Directors discussed drought regulations and its impact on the District customers.

MOTION: Following discussion, upon motion duly made by Director Lawson, seconded by Director Hart, and upon vote, unanimously carried, the Board approved implementing level 2 drought regulations and authorized the implementation of level 3 drought regulations once two months are reached, provided that Level 3 increases shall not be implemented until the required 30-day statutory notice has been met, following Board ratification.

LEGAL MATTERS

AFFORDABLE HOUSING

The District Manager and legal counsel presented and discussed a draft affordable housing resolution related to potential reduction or waiver of tap fees. The Board reviewed different approaches to structuring affordability incentives, including gradual reductions versus full

waivers, and emphasized the importance of consistency, clear eligibility criteria, and the potential use of deed restrictions. The Board also discussed potential tap fee restructuring, including properties located in Mobile Home Estates (MHE).

The Board also discussed previous request received from the County and noted that the County is currently reevaluating its own affordable housing approach. The Board requested to place the matter on the next meeting agenda for further discussions and considerations.

ADJOURNMENT:

THERE BEING NO FURTHER BUSINESS TO DISCUSS, UPON MOTION DULY MADE BY DIRECTOR PLOTNICK, SECONDED BY DIRECTOR SMITH AND UPON VOTE, UNANIMOUSLY CARRIED, THE MEETING WAS ADJOURNED AT 11:00 AM.

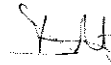
THE NEXT REGULAR MEETING IS SCHEDULED FOR

July 15, 2026

Drafted by

Natalie DeBon

Respectfully submitted,



Diego Martinez

THESE MINUTES ARE APPROVED AS THE OFFICIAL MINUTES OF June 17, 2026 THE
BACA GRANDE WATER AND SANITATION DISTRICT BY THE BOARD OF
DIRECTORS SIGNING BELOW:

Vivia Lawson



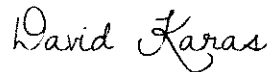
Rick Hart



Mike Smith



David Karas



Michael Plotnick



NOTICE OF REGULAR MEETING and AGENDA BACA GRANDE WATER AND SANITATION DISTRICT BOARD of DIRECTORS

WHEN: Wednesday, **June 17, 2026**

TIME: 9:00 AM

WHERE: **57 Baca Grant Way S Crestone CO 81131** and via **TELECONFERENCE VIA Zoom** [Ctrl+click to join Zoom meeting](#) (see below)

<u>Board of Directors</u>	<u>Office</u>	<u>Term/Expiration</u>
Viva Lawson	President	2025/May 2029
Rick Hart	Vice-President	2025/May 2029
Mike Smith	Treasurer	2023/May 2027
David Karas	Director	2023/May 2027
Michael Plotnick	Secretary	2025/May 2029

****Requires Board Action***

a. **CALL TO ORDER**

- Present disclosures and potential conflicts of interest
 - Board Roll Call
 - Welcome guests
-

b. ***APPROVE AGENDA**

c. ***CONSENT AGENDA**

These items are considered routine and will be approved and/or ratified by one motion. There will be no separate discussion of these items unless a Board member so requests; in which event, the item will be removed from the Consent Agenda and considered in the Regular Agenda.

- a. *** Approve Minutes from the May, 2026 Regular Meeting**
-

d. **PUBLIC COMMENT (ITEMS NOT ON THE AGENDA ONLY. NO ACTION MAY BE TAKEN)**

Per Colorado Open Meetings Law, no Board discussion or action will take place until a later date, if necessary. Speakers must identify themselves with their full name and address. Each speaker's comments are limited to three minutes or less.

e. **FINANCIAL MATTERS**

- a. Plante Moran – Financials & Accounting Update
 - Accounting Transition Challenges and Corrections
 - 2025 Budget to Actual
 - 2026 Financial Statements Update
 - 2025 Audit Status Update
- b. * Review and approve the updated check register for the period ending June 17, 2026

General	\$30,293.99
Capital	\$0.00
Enterprise	\$52,284.38
Total	\$82,578.37

- c. * Consideration of Bank Change
- f. BOARD AND STAFF REPORTS
 - a. Board of Director Matters
 - b. District Manager Report (enclosure)
 - Water Loss Prevention Project – Leak Detection
 - c. Administrative Manager’s Report (enclosure)
 - d. Director of Utilities Report (enclosure)

g. LEGAL MATTERS

- Discuss potential waiver of certain District fees related to affordable housing.

h. EXECUTIVE SESSION

Consideration of an executive session to discuss (1) the potential implementation of drought restrictions; and (2) the draft affordable housing resolution (the “Subject Matters”) pursuant to C.R.S. Section 24-6-402(4)(b) for the purpose of receiving legal advice on specific legal questions from the District’s general counsel related to the Subject Matters.

i. ADJOURN

*** Requires Board Action**

**NEXT REGULAR MEETING IS SCHEDULED FOR
July 15 2026**

In person at 57 Baca Grant Way S. Crestone CO, 81131 or Join Zoom Meeting
<https://us02web.zoom.us/j/87269124750?pwd=ZmZVcTd2Y0UycW0vRmFWNS9wTU5WQT09>
Meeting ID: 872 6912 4750 -- Passcode: 638055 -- One tap mobile - Dial by your location +1 346 248 7799 US (Houston)

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

May 20, 2026 - 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
Michael Plotnick
David Karas

Also in Attendance:

Marcus Lock, District Legal Counsel
Alex San Filippo-Rosser Legal Counsel
Diego Martinez, District Manager
Chad Tate, Director of Utilities
Natalie DeBon, Administrative Manager

Community Members and Guests:

Dan Gray
Michael Scully
Michael
LeRoy West

CALL TO ORDER

President Lawson called the meeting to order at 9:01 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.

Mr. Martinez disclosed a potential conflict of interest related to the 1511 E. Badger Rd property inclusion discussion and stated that he would recuse himself.

Mr. Lock stated that Mr. Martinez had been completely separated from the process and noted that serving as District Manager should not prevent him from pursuing the matter, so long as he is segregated from the process and plays no role in the consideration of it, which has been the case and will continue to be the case.

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:

- APPROVE MINUTES FROM THE APRIL, 2026 BOARD MEETING.

MOTION: FOLLOWING DISCUSSION, UPON MOTION DULY MADE BY DIRECTOR HART,

SECONDED BY DIRECTOR KARAS 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.*

Mr. Scully suggested to purchase a curtain for the board room window.

FINANCIAL MATTERS

Mr. Martinez provided an update on the financials and stated that staff is working with the accounting team to complete the 2025 and 2026 financial records. An audit of the 2025 year is scheduled for next week, and the financial statements are expected to be presented to the Board in June.

* Review and approve the updated check register for the period ending May 20, 2026(enclosure)

General	\$16,418.73
Capital	\$ 0.00
Enterprise	\$29,744.49
Total	\$46,163.22

District Manager Martinez reviewed the check register with the Board.

MOTION: FOLLOWING DISCUSSION, UPON MOTION DULY MADE BY DIRECTOR HART, SECONDED BY DIRECTOR SMITH AND UPON VOTE, UNANIMOUSLY CARRIED, THE BOARD APPROVED APRIL CHECK REGISTER AS PRESENTED.

STAFF REPORTS

The Board reviewed and discussed the staff reports included in the Board packet, which are attached to the minutes as supporting documents.

LEGAL MATTERS

1511 E. Badger Road – Inclusion into the District

Mr. Martinez recused himself from the discussion and left the meeting. The Board, staff, and legal counsel Mr. Lock and Mr. San Filippo-Rosser discussed the petition for inclusion, including the current status, availability of service, tap fees, and similar past inclusions.

Mr. San Filippo-Rosser confirmed that Mr. Martinez was not involved in the process. He prepared a proposed resolution for the Board's review to include the property with specific conditions.

The Board discussed the inclusion and noted it would have a positive financial impact on the District in the form of additional mill levy revenue.

The recommendation was to move forward with the inclusion.

MOTION: FOLLOWING DISCUSSION, UPON MOTION DULY MADE BY DIRECTOR HART, SECONDED BY DIRECTOR LAWSON AND UPON VOTE, UNANIMOUSLY CARRIED, THE BOARD APPROVED AND ADOPTED INCLUSION RESOLUTION #2026-05-20-01 AS PRESENTED AND DIRECTED LEGAL COUNSEL AND STAFF TO COMPLETE FURTHER ACTIONS.

USFWS

Mr. Lock informed the Board that the appraisal process is expected to be completed in early June. He also reported that the short-term agreement has been executed for a two-year term. Further discussions can take place once the appraisal is received.

INTRODUCTIONS OF THE GUESTS:

Director Lawson introduced all the guests in person and via zoom, she also requested multiple times that a zoom attendee identified as “Michael” unmute and/or turn on their camera and introduce himself; no response was received. At the last meeting staff noted the participant could be an artificial intelligence account recording the meetings. Director Lawson concluded that this attendee is, again, probably a bot.

ADJOURNMENT:

THERE BEING NO FURTHER BUSINESS TO DISCUSS, UPON MOTION DULY MADE BY DIRECTOR PLOTNICK, SECONDED BY DIRECTOR SMITH AND UPON VOTE, UNANIMOUSLY CARRIED, THE MEETING WAS ADJOURNED AT 10:10 AM.

THE NEXT REGULAR MEETING IS SCHEDULED FOR

June 17, 2026

Drafted by

Natalie DeBon

Respectfully submitted,

Diego Martinez

THESE MINUTES ARE APPROVED AS THE OFFICIAL MINUTES OF May 20, 2026 THE
BACA GRANDE WATER AND SANITATION DISTRICT BY THE BOARD OF
DIRECTORS SIGNING BELOW:

Vivia Lawson

Rick Hart

Mike Smith

David Karas

Michael Plotnick

Check Issue Date	Payee	Invoice Number	Invoice GL Account	Account Title	Check Amount
94033					
06/17/2026	Amazon Capital Services, INC	1C1Q-NV66-	4-505027	Office / Cell Phones	117.51
06/17/2026	Amazon Capital Services, INC	1C1Q-NV66-	4-500662	Vehicle-Repairs and Maint	19.99
06/17/2026	Amazon Capital Services, INC	1C1Q-NV66-	4-500550	Meals and Lodging	80.05
06/17/2026	Amazon Capital Services, INC	1DKR-R93D-	4-503025	Repair & Maint-Office	55.93
06/17/2026	Amazon Capital Services, INC	1DKR-R93D-	4-500550	Meals and Lodging	208.15
06/17/2026	Amazon Capital Services, INC	1DKR-R93D-	4-500550	Meals and Lodging	18.11
Total 94033:					499.74
94034					
06/17/2026	Blankenship, Roan	RTB-26-06	4-500359	Mileage Reimbursement	30.66
Total 94034:					30.66
94035					
06/17/2026	Caselle, Inc	INV-20120	4-500409	Software Maintenance	13,034.40
Total 94035:					13,034.40
94036					
06/17/2026	CEBT	INV 0083502	4-530500	Health Insurance	12,525.15
Total 94036:					12,525.15
94037					
06/17/2026	Centratel, LLC	2606022091	4-500406	Phone Answering Service	283.48
Total 94037:					283.48
94061					
06/17/2026	Colorado Analytical Lab, Inc.	260527024	4-500250	Testing	1,155.00
06/17/2026	Colorado Analytical Lab, Inc.	260611059	4-500250	Testing	25.00
Total 94061:					1,180.00
94038					
06/17/2026	Davis, Justin	JD-26-05	4-500362	Clothing Allowance	252.12
Total 94038:					252.12
94039					
06/17/2026	DeBon, Nataliia	ND-26-06	4-505027	Office / Cell Phones	40.00
Total 94039:					40.00
94040					
06/17/2026	Deluca Gas Company, Inc.	I085748	4-505020	Aspen TP-Propane	60.00
06/17/2026	Deluca Gas Company, Inc.	U2691527	4-505020	Aspen TP-Propane	469.79
06/17/2026	Deluca Gas Company, Inc.	U2691528	4-505020	Aspen TP-Propane	431.83
06/17/2026	Deluca Gas Company, Inc.	U2691532	4-505026	Shop, Yard, Office-Propane	635.50
Total 94040:					1,597.12
94041					
06/17/2026	FirstBank	FB-06-02	4-500409	Software Maintenance	50.00
06/17/2026	FirstBank	FB-06-02	4-500401	Postage	100.00

Check Issue Date	Payee	Invoice Number	Invoice GL Account	Account Title	Check Amount
06/17/2026	FirstBank	FB-06-02	4-500550	Meals and Lodging	38.75
06/17/2026	FirstBank	FB-06-02	4-505027	Office / Cell Phones	189.92
06/17/2026	FirstBank	FB-06-02	4-503002	Repairs & Maint-Sewer(Gravity)	72.66
06/17/2026	FirstBank	FB-06-02	4-503300	Chemicals Maintenance	12.38
06/17/2026	FirstBank	FB-06-02	4-500500	Training and Education	104.00
06/17/2026	FirstBank	FB-06-02	4-500500	Training and Education	195.62
06/17/2026	FirstBank	FB-06-02	4-503019	Repair & Maint-Aspen TP	447.78
06/17/2026	FirstBank	FB-06-02	4-500250	Testing	493.35
06/17/2026	FirstBank	FB-06-02	4-500550	Meals and Lodging	242.68
06/17/2026	FirstBank	FB-06-02	4-505029	Trash and Recycling Services	173.83
06/17/2026	FirstBank	FB-06-02	4-505029	Trash and Recycling Services	147.66
06/17/2026	FirstBank	FB-06-02	4-505027	Office / Cell Phones	290.67
Total 94041:					2,559.30
94042					
06/17/2026	Freedom Mailing Services, INC	53012	4-500250	Testing	403.91
06/17/2026	Freedom Mailing Services, INC	53117	4-500460	Utility Billing	433.30
Total 94042:					837.21
94043					
06/17/2026	Great America Financial Svcs Cor	42151932	4-500402	Copier Lease and Equipment	180.47
Total 94043:					180.47
94062					
06/17/2026	Haynies Inc	541162	4-500662	Vehicle-Repairs and Maint	93.98
Total 94062:					93.98
94044					
06/17/2026	John Deere Financial	H61393	4-500450	Utility Maintenance Tools	64.99
Total 94044:					64.99
94045					
06/17/2026	Karas, David L	DK-26-05	4-500359	Mileage Reimbursement	362.91
Total 94045:					362.91
94046					
06/17/2026	Kody Pest Control	91870	4-503000	Repair & Maint	125.00
Total 94046:					125.00
94047					
06/17/2026	Law of the Rockies	LOR-26-05	1-506030	Legal	4,069.99
Total 94047:					4,069.99
94048					
06/17/2026	Martinez, Diego	DM-26-06	4-505027	Office / Cell Phones	40.00
Total 94048:					40.00

Check Issue Date	Payee	Invoice Number	Invoice GL Account	Account Title	Check Amount
94063					
06/17/2026	Parkson Corporation	AR1/510471	4-503019	Repair & Maint-Aspen TP	337.98
Total 94063:					337.98
94049					
06/17/2026	Pinnacol Assurance	INV-2417568	4-530600	Worker's Compensation Insur	1,412.00
Total 94049:					1,412.00
94050					
06/17/2026	Plante & Moran PLLC	10699155	1-506045	Accounting	18,350.00
Total 94050:					18,350.00
94064					
06/17/2026	Plante & Moran PLLC	10710343	1-506045	Accounting	7,100.00
Total 94064:					7,100.00
94051					
06/17/2026	Robinson, Shala	SR-26-05-20	4-503025	Repair & Maint-Office	50.00
06/17/2026	Robinson, Shala	SR-26-06-04	4-503025	Repair & Maint-Office	50.00
Total 94051:					100.00
94052					
06/17/2026	Sangre De Cristo Lab, Inc.	25550	4-500250	Testing	84.00
Total 94052:					84.00
94065					
06/17/2026	Sangre De Cristo Lab, Inc.	25568	4-500250	Testing	669.00
Total 94065:					669.00
94053					
06/17/2026	Spencer Fane, LLP	1541710	1-506030	Legal	774.00
Total 94053:					774.00
94054					
06/17/2026	UNCC	226050119	4-500530	Locates	7.00
Total 94054:					7.00
94055					
06/17/2026	Univar Solutions	53931730	4-503310	Waste Water Treat. Chem.	8,524.00
Total 94055:					8,524.00
94056					
06/17/2026	Upper Case Printing, Ink	4488	4-500460	Utility Billing	346.97
Total 94056:					346.97

Check Issue Date	Payee	Invoice Number	Invoice GL Account	Account Title	Check Amount
94057					
06/17/2026	US Fish and Wildlife Service	USFW-26-6	4-500100	Raw Water USFSWS	3,225.00
Total 94057:					3,225.00
94058					
06/17/2026	USA BlueBook	INV0105175	4-503300	Chemicals Maintenance	21.05
06/17/2026	USA BlueBook	INV0106898	4-503300	Chemicals Maintenance	313.60
06/17/2026	USA BlueBook	INV0106914	4-503300	Chemicals Maintenance	36.00
Total 94058:					370.65
94059					
06/17/2026	World Fuel Service, Inc.(Alta Fuel	3550278-415	4-500661	Gas and Oil	1,987.96
06/17/2026	World Fuel Service, Inc.(Alta Fuel	3550278-415	4-500663	Diesel Fuel	1,175.79
Total 94059:					3,163.75
94060					
06/17/2026	WSB Computer Services, Inc.	100331	4-500408	Computer Support	337.50
Total 94060:					337.50
Grand Totals:					82,578.37

District Manager Report – June, 2026

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

- Short term extension complete
- Met with USFWS in Denver in 8/25
 - Next step - Determine value of the water rights through the US Appraisal and Valuation Services Office (AVSO). May take several months.
- Meeting scheduled for 2/18
 - Water appraisal due by 06/26
 - NEPA requires an Environmental Assessment which is expected to be completed by 6/26
 - Discuss short term lease extension
- Two year extension signed and complete
- Water rights valuation....

Aspen Wastewater Treatment Facility (AWWTF)

- Element is reviewing pretreatment methods to determine effectiveness, compliance and cost.
 - Met with USDA to discuss loan/grant application – Jennifer Garcia
 - Recommended applying for current FY funding by 9/31/25
- USDA Loan application submitted on 9/10/25
- USDA is still reviewing the Preliminary Engineering Report as of February
- On 4/9 USDA requested additional documentation
 - Waiting on YTD balance sheet
 - Still in process

Water System Improvement Project

- Update and bring MHE Well Online, add capacity to Well 17 & 18, and add a bulk water fill station
- Funding has been secured
- Once design is approved the project will go up for bid
 - Waiting on CDPHE and well tests
 - a. Advertisement for Bids Publication Date: April 2026
 - b. Construction Contract Award Date: June 2026
 - c. Construction Start Date: July 2026
 - d. Construction Completion Date: February 2027 (including time in procurement)
- Electrical issues at MHE have been fixed, water will be tested the week of 5/18
 - Tests were sent to the lab in late May and early June
 - One set of samples was lost in the mail. Will have to resubmit.

Grant Opportunities

- **State Revolving Fund (SRF)**
 - Submitted on 6/4/25
 - Approved for \$750,000
- **CWRPDA**
 - Approved for \$823,000
 - Of which \$530,353 can be forgiven
 - Loan documents have been finalized and signed
- **DOLA EIAF 2026 - Approved**
 - Application was submitted on 2/09
 - Requested \$60,000 for leak detection, will require a 1:1 match
 - If awarded, funds will be used to hire specialized leak detection contractors to inspect the distribution system
 - Onsite visit on 3/12

Financial & Accounting

- Accounting transition underway
 - Staff has been working with new accounting team daily to complete the turn over process
 - Plante Moran is currently closing out 2025 financials and completing reconcilements
 - The process has been delayed by slow fulfilment of information request
 - Caselle representatives are working to reconcile the system balances to actual.
 - Once complete the District will have to approve the additional journal entry
 - Finalizing system set up and preparing for 2025 audit
- Audit is scheduled to begin 5/25 - costs increased by \$1,500 to \$13,475 + expenses, to allow for auditor to compile financial statements
 - Was not done in the past
 - Will be using another firm in the future
- Banking change 1st Bank is becoming PNC
- Recommend moving to a local bank

Engineering

- Water System Improvement Project
 - Element is finalizing the electrical design and bid package
 - CDPHE is reviewing the basis of design report, and has requested MHE Well testing information prior to permitting
 - Staff is working through electrical issues prior to running the well pump

- Staff and engineers will respond to the request for information once sampling data has been received
- CDPHE approved all aspects of the design, except MHE Well
 - Staff is working on a conditional approval to start the project without a water test
 - Waters tests have been submitted to lab and will be sent to CDPHE. Once tests are approved the project will be advertised for bid.
- Wastewater Treatment Plant Improvements
 - Waiting on USDA review
 - USDA has requested financials but none are available due to the accounting changes

Leak Detection

Funding has been approved and staff is reviewing options for leak detection.

- K9 Water Leak Detection - For a full system inspection costs range from \$57,000 to \$73,000.
 - A dog purchase would be around \$28,000 including training for the handler
- GPRS – Ground penetrating radar, EM pipe locator Cost is \$43,500
 - Complete system locate

Drought Conditions

Most of Saguache County is in an Extreme Drought Condition

The District is in a Severe Drought condition area



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60800 E 250 Road
Grove OK 74344
970-309-4420
www.K9WaterLeakDetection.com

BID PROPOSAL

Canine-Assisted Water Leak Detection Services

Prepared For: Baca Grande Water & Sanitation District, Crestone, Colorado
Prepared For: Diego Martinez
Prepared By: K9 Water Leak Detection™ (K9WLD™)
Date: May 28, 2026

PROJECT OVERVIEW

K9 Water Leak Detection™ respectfully submits this proposal to support Baca Grande Water & Sanitation District in its ongoing active leakage control and non-revenue water reduction efforts.

During preliminary discussions, district representatives described operational challenges associated with locating underground water leaks within the district's mountainous and rocky terrain conditions. The district currently manages approximately 50 miles of water distribution infrastructure consisting primarily of 6-inch PVC water lines.

District representatives further indicated that:

- portions of the system may currently be experiencing significant non-revenue water loss conditions,
- previous thermal imaging efforts have produced limited results,
- and conventional acoustic leak detection methods may be resource-intensive within certain terrain conditions and for smaller underground leaks.

Rocky terrain conditions may also limit the effectiveness of conventional acoustic methods by reducing sound transmission and increasing background interference.

K9 Water Leak Detection™ discussed the use of canine-assisted leak detection as a rapid field screening and prioritization tool intended to support active leakage control operations and help utilities identify areas requiring focused follow-up investigation.

Certified canine-handler teams deployed through K9 Water Leak Detection™ are trained through K9 Water Leak Detection University™ (K9WLDU™).



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SCOPE OF SERVICES

Services may include:

- Systematic canine-assisted screening of designated infrastructure corridors
- Deployment of two certified canine-handler teams
- GPS indication marking and mapping
- Confidence-grade field reporting
- Operational deployment documentation
- Utility coordination support
- Follow-up coordination with acoustic leak detection teams as requested

Canine-assisted leak detection is intended as a field screening and prioritization tool supporting active leakage control efforts and should not be interpreted as guaranteed leak confirmation.

FULL-SYSTEM SCREENING DEPLOYMENT

Proposed Operational Structure

K9 Water Leak Detection™ proposes deployment of two certified canine-handler teams in order to accelerate survey coverage and reduce overall project duration.

Estimated System Coverage:
Approximately 50 miles

Estimated Deployment Duration:
Approximately 10 operational field days

Estimated Average Daily Coverage:
Approximately 5 miles per day combined team coverage depending on:

- terrain conditions,
- infrastructure accessibility,
- weather,



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- roadway exposure,
 - and operational coordination requirements.
-

DEPLOYMENT PRICING

Operational Survey Services

50 miles @ \$1,000–\$1,250 per mile

Estimated Survey Investment:
\$50,000–\$62,500

Estimated Mobilization & Operational Support

Includes:

- personnel travel,
- vehicle and equipment transport,
- canine deployment logistics,
- lodging,
- field support,
- and operational mobilization.

Estimated Mobilization & Travel:
\$7,500–\$10,000

ESTIMATED TOTAL PROJECT RANGE

Estimated Total Deployment Range:
\$57,500–\$72,500



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Final pricing may vary depending on:

- final deployment schedule,
- confirmed target zones,
- weather conditions,
- utility coordination requirements,
- and operational adjustments requested during deployment.

OPERATIONAL BENEFITS OF MULTI-TEAM DEPLOYMENT

Deployment utilizing two certified canine teams may provide several operational advantages, including:

- accelerated infrastructure screening coverage,
- reduced overall project duration,
- improved operational efficiency,
- increased flexibility for difficult terrain sections,
- and reduced disruption to district operations.

Canine-assisted leak detection is intended as a field screening and prioritization tool supporting active leakage control efforts and follow-up utility investigation.

POTENTIAL OPERATIONAL IMPACT

Based on preliminary discussions with district representatives, portions of the Baca Grande Water & Sanitation District system may currently be experiencing significant non-revenue water conditions.

If system losses are approaching approximately 50% of produced water, even modest leak recovery improvements may represent substantial operational and financial value over time.

Using publicly discussed operational assumptions, recovery of a portion of identified leak locations could potentially represent:



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- millions of gallons of recovered treated water annually,
- reduced pumping and treatment strain,
- improved allocation of repair resources,
- and reduced long-term infrastructure loss.

Based upon generalized utility production-cost estimates, recovery of approximately 10–15 million gallons annually may potentially represent tens of thousands of dollars in recovered treated water value each year depending on actual district production and delivery costs.

Canine-assisted leak detection may be particularly valuable in rocky terrain and environments where smaller leaks may not surface visibly or produce strong acoustic signatures.

Actual savings and recovery results will vary based on:

- repair response,
- infrastructure condition,
- leak size,
- follow-up verification,
- and overall system operations.

OPTIONAL INTERNAL PROGRAM DEVELOPMENT

Trained Detection Dog + Handler Integration Program

K9 Water Leak Detection™ also offers utilities the opportunity to establish an internal canine-assisted leak detection capability through acquisition of a fully trained detection canine along with operational handler integration support.

Program components may include:

- Placement of a fully trained detection canine
- Initial handler integration and operational instruction
- Infrastructure awareness education
- Field deployment guidance
- Operational reporting guidance
- Transition mentoring and implementation support



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Certified canine-handler teams may also participate in educational and evaluation programs conducted through K9 Water Leak Detection University™ (K9WLDU™).

ESTIMATED PROGRAM INVESTMENT

- Fully Trained Detection Dog:
\$16,000–\$20,000
- Handler Training & Certification Program:
\$5,000–\$8,000

Program pricing may vary depending on:

- handler participation requirements,
- deployment objectives,
- travel needs,
- certification scheduling,
- and operational support requirements.

Travel, lodging, and on-site deployment support quoted separately as applicable.

Estimated Program Timeline:

Typically 3–6 months depending on canine availability, scheduling, and operational requirements.

Canine-assisted leak detection is intended as a field screening and prioritization tool supporting active leakage control and follow-up utility investigation efforts.

REPORTING & DELIVERABLES

Depending on selected scope, deliverables may include:

- GPS-based indication and track mapping
- Confidence-grade scoring
- Operational deployment logs
- ICS-214 documentation



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- Utility coordination notes
 - Field summary reports
-

IMPORTANT OPERATIONAL NOTE

Canine-assisted leak detection is intended to function as a field screening and prioritization resource supporting active leakage control efforts.

Canine indications identify areas of interest for additional utility investigation and should not be interpreted as guaranteed confirmation of active leaks.

Utility follow-up utilizing acoustic equipment, excavation, pressure analysis, or additional verification methods remains recommended.

NEXT STEPS

Upon preliminary approval, K9 Water Leak Detection™ will coordinate with district personnel regarding:

- target deployment zones,
 - infrastructure mapping,
 - scheduling,
 - operational access,
 - and final mobilization planning.
-

PAYMENT TERMS

To secure deployment scheduling, personnel coordination, travel planning, and operational mobilization, the following payment structure is proposed:

- 75% deposit due upon project approval and scheduling
- Remaining balance due upon completion of deployment services unless otherwise agreed in writing

Project scheduling is not guaranteed until deposit payment has been received.



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Deposits support:

- deployment scheduling,
- travel coordination,
- canine team mobilization,
- lodging reservations,
- operational preparation,
- and field resource allocation.

Additional operational adjustments, expanded scope requests, or schedule modifications requested after project approval may require updated pricing or supplemental invoicing.

Travel, lodging, and mobilization costs are non-refundable once deployment preparation has commenced unless otherwise agreed in writing.



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ACCEPTANCE

The parties acknowledge review of the proposed scope, pricing structure, and operational notes described within this proposal.

Authorized Representative: _____

Title: _____

Date: _____

Respectfully Submitted,

Lolita Shaffer

CEO

K9 Water Leak Detection™ (K9WLD™)

Certified Teams Trained Through
K9 Water Leak Detection University™ (K9WLDU™)

Phone: 970-309-4420

Email: K9WaterLeakDetection@gmail.com

Website: k9waterleakdetection.com

Industry & Professional Development

K9 Water Leak Detection™ supports ongoing industry collaboration and professional development efforts through the K9 Pipeline Detection Association™ (K9PDA™), an organization focused on advancing professional standards, operational education, and workforce development within canine-assisted infrastructure screening and active leakage control support.

Additional information may be found at: www.K9PDA.org

PROPOSAL BACA WATER & SANITATION DISTRICT



IN PURSUIT OF **100%** SUBSURFACE DAMAGE PREVENTION



UTILITY LOCATING



CONCRETE IMAGING



3D LASER SCANNING



VIDEO PIPE INSPECTION



MAPPING & MODELING



LEAK DETECTION

GPRS Intelligently Visualizes The Built World® above and below ground for customers who need accurate, efficient damage prevention, existing condition as-built documentation, or project & facility management tools. Our elite nationwide team of Project Managers are experts in locating buried infrastructure, reality capture, and mapping – delivered via SiteMap®, our digital visualization software platform, **with a 99.8% accuracy rate in utility locating and concrete imaging** – thanks to our industry-leading Subsurface Investigation Methodology (SIM).

**INTELLIGENTLY
VISUALIZING**
THE BUILT WORLD®

June 5, 2026

Client: BACA WATER & SANITATION DISTRICT

Project Address: 57 Baca Grant Way S Crestone, CO 81131

Quote Number: GPRSQUOTE-285342

GPRS Opportunity Name/Number: Baca Water & Sanitation District - Leak Survey
539318

Submitted By:

Michael Wheeler

To schedule, please email:
coloradoinfo@gprsinc.com

GPRS appreciates the opportunity to provide this proposal. We encourage you to visit our website (www.gprsinc.com) and contact any of the numerous references listed. Our insurance certificate and W-9 can also be downloaded [here](#). Please feel free to contact us if you have any questions or need additional information. Visit for an overview of our industry-leading best practices.

SCOPE OF WORK

Leak Locate: We understand the scope of work on this project is to locate a known or suspected water leak in your system. This leak locate will be performed up to 60 miles through the town of Crestone, CO. Please mark the boundaries of the work area on the surface before our arrival on site, or provide a representative to meet and advise us regarding the scope of work and desired work areas. We will listen for leaks at the nearest contact points and then locate the leak using a correlator and ground microphone as needed. Our ability to locate the leak will depend on various factors such as depth, pipe material, and noise interference from traffic, machinery, etc. If the project area is in a noisy environment, GPRS may need to schedule a return trip at night for an additional fee. Please visit www.simspec.org for an overview of our industry-leading best practices that will be applied to this project.

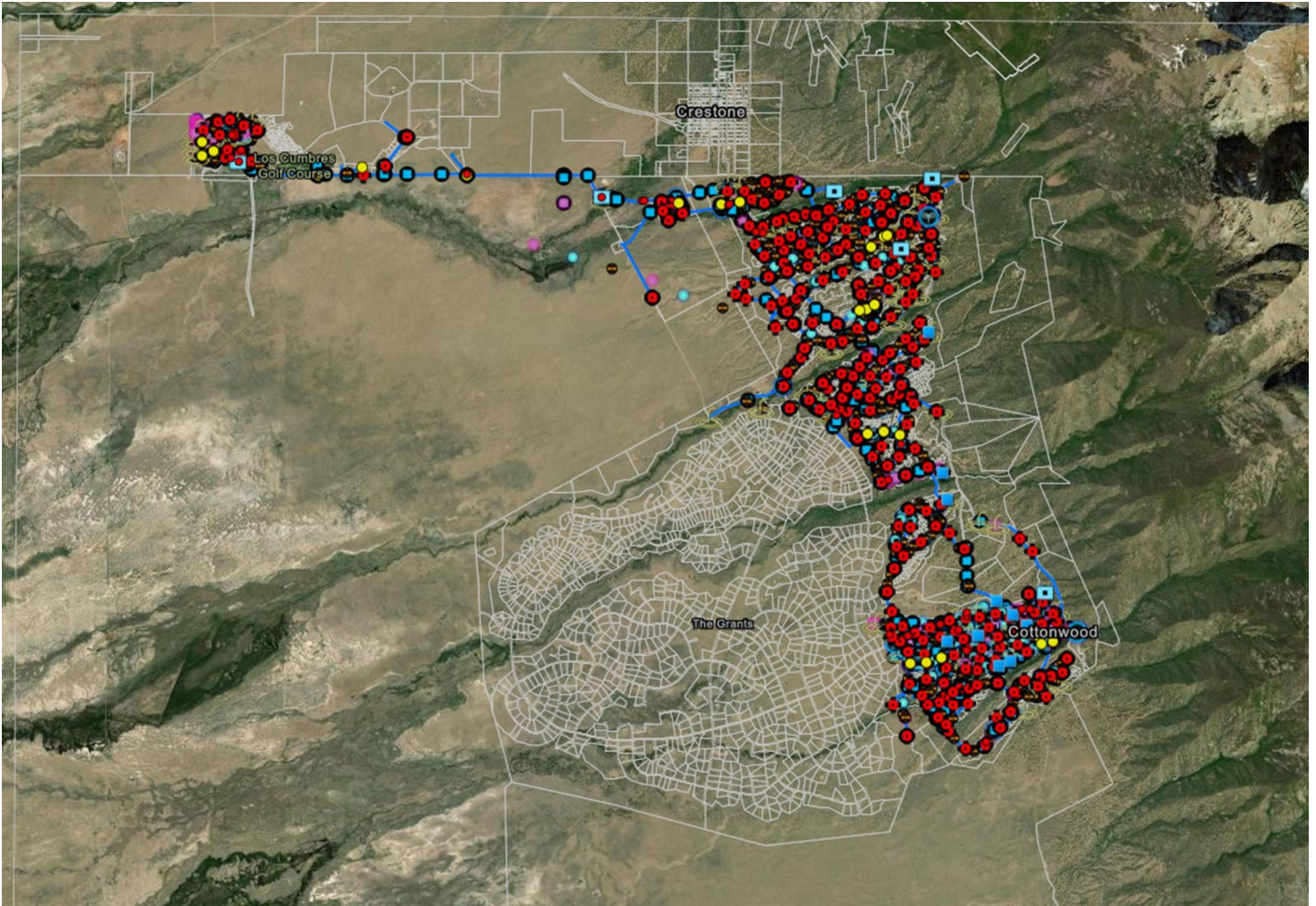
- GPRS is not responsible for housekeeping. Any debris, equipment, or other obstructions in the area at the time of scanning could potentially block out needed data.
- A thorough utility search can only be completed if GPRS is given access to all utility structures, interior and exterior. This service is never a replacement for the use of the state One Call system (811).
- All of our technicians have OSHA-10 safety training or greater. Site-specific safety training is not included in this quote. Please notify us if this project requires additional safety training.
- All debris piles must be removed prior to scanning. If debris remains, scanning will proceed up to the obstruction, which may result in an incomplete assessment of the affected areas.
- Please note that our ability to perform locating services in parking spaces and roadways may be limited when vehicles are present. Parked vehicles can obstruct access and visibility, potentially covering critical surface features such as manholes, storm drains, and other utility indicators. This may reduce the accuracy and completeness of our locating efforts. To ensure the most effective results, we recommend cordoning off or blocking the designated locating areas the day prior to GPRS's arrival to ensure the spaces are clear of vehicles and other obstructions.
- Based on the information provided, we do not anticipate the need for traffic control. However, if upon arrival we determine that traffic control is necessary to perform work within roadways, it will be the client's responsibility. Alternatively, GPRS will mark utilities to the best of our abilities as we deem safe to do so within these areas; however, findings may be limited to "line-of-sight" or no access at all without proper traffic control in place. Should traffic control be supplied to us, it must be sufficient to allow our team to scan the area safely and efficiently. Any delays caused by inadequate traffic control may result in additional charges. Traffic control can be supplied by GPRS at additional cost to the client.

EQUIPMENT

- **Underground Scanning GPR Antenna.** This GPR Antenna uses frequencies ranging from 250 MHz to 450 MHz and is mounted in a stroller frame that rolls over the surface. Data is displayed on a screen and marked in the field in real-time. The surface needs to be reasonably smooth and unobstructed to obtain readable scans. Obstructions such as curbs, landscaping, and vegetation will limit the efficacy of GPR. The total effective scan depth can be as much as 8' or more with this antenna but can vary widely depending on the soil conditions and composition. Some soil types, such as clay, may limit maximum depths to 3' or less. As depth increases, targets must be larger to be detected, and non-metallic targets can be challenging to locate. The depths provided should always be treated as estimates as their accuracy can be affected by multiple factors. For more information, please visit: [Link](#)
- **Electromagnetic Pipe Locator.** This receiver can passively detect the signals from live AC power or radio signals traveling along some conductive utilities. Operators can connect a transmitter directly to accessible metallic pipes, risers, or tracer wires to generate a current at a specific frequency. The receiver can then detect the resulting signal along the pipe or tracer wire. Various factors may impact this device's effectiveness, including (but not limited to) access to the utility, conductivity, grounding, and interference from other utilities. The depths provided should always be treated as estimates as their accuracy can be affected by multiple factors. For more information, please visit: [Link](#)

- **Traceable Rodder.** The rodder consists of a copper wire encased in fiberglass. This device is pushed through a pipe with direct access, such as a sewer line at a cleanout or a storm drain catch basin. Operators then induce a current on the wire and trace the signal from the surface. The maximum traceable depth is 10' depending on the soil conditions, and the maximum distance is 200'. Inserting the rodder into deeper pipes within manholes may not be feasible depending on site conditions. GPRS will not access electrical conduits. The signal is not detectable through metallic pipes. For more information, please visit: [Link](#)
- **GPS.** This handheld unit offers accuracy down to 4 inches; however, the accuracy achieved will depend on the satellite environment at the time of collection and is not considered survey-grade. Features can be collected as points, lines, or areas and then exported as a KML/KMZ or overlaid on a CAD drawing. For more information, please visit: [Link](#)
- **Leak Noise Amplification.** The Leak Noise Amplification system consists of a control unit, a microphone, and headphones. It is used to listen for leak noise at water system contact points (valves, hydrants, etc.) to identify a general location of a potential water leak. This system may also be used with a ground microphone to attempt to pinpoint the leak from the surface. Various factors may affect its effectiveness, such as pipe size and material, water pressure, leak size, soil type, and noise interference from traffic, machinery, etc.
- **Leak Noise Correlator.** The Leak Noise Correlator consists of sensors placed on water system contact points. The device will process sound signals between the contact points to provide a position of the leak between the two points. The Leak Noise Correlator's accuracy depends on the feasibility of locating the pipe and requires accurate information from the client regarding pipe attributes such as size and material.

Supporting Documentation



PROJECT COSTS

SERVICE	DESCRIPTION
FIELD SERVICES	Described on Page 2
JOB SUMMARY REPORT	PDF including a brief description of equipment used, findings, limitations, and site photos sent at the conclusion of every job.
MOBILIZATION	From Denver, CO
TOTAL	\$43,500.00

GENERAL TERMS & CONDITIONS

This proposal is subject to the General Terms and Conditions for Services of Ground Penetrating Radar Systems, LLC posted at [Link](#) (the "Terms and Conditions") and the Authorized User License Agreement for SiteMap® Accounts at [Link](#) and is hereby incorporated by reference into and made a part of this proposal. Customer acknowledges it has read and agrees to be bound by such Terms and Conditions. In the event of any conflict between the terms of this proposal and the Terms and Conditions, the Terms and Conditions will prevail.

1. Customer agrees to meet and perform all requirements described in this document and has fully read and understands all items listed within this document.
2. It is the customer's responsibility to prepare the site for scanning, including clearly identifying areas to be scanned, securing access to all areas required for scanning, removing and keeping these areas clear and free of obstructions. Delays caused by customer's failure to do so may result in an increased price.
3. GPRS does not conduct an investigation, analysis, or interpretation of soil composition, soil/concrete conditions, or geophysical, geological, engineering, or land surveying information. The customer acknowledges understanding that we are merely reporting retrieved data and that we do NOT provide geophysical, geological, engineering, or land surveying services. Customer should contact a professional in those fields if such services are needed. Data collected during may only be suitable for use within the scope of this proposal.
4. If any work to be performed is within a road or street, unless specifically included by GPRS within this proposal, it is the customer's responsibility to provide adequate traffic control to allow GPRS' personnel to safely and efficiently work in the road/street.
5. Time-on-site in excess of 8-hours will be billed at overtime rates.
6. This price assumes that we will be given access to perform the work during normal, weekday business hours. Work performed outside of 6am-5pm Monday-Friday will be billed at overtime rates.
7. These rates assume that there are no certified payroll or prevailing wage requirements for this work. If GPRS receives notice that any of these conditions exist, there will be additional costs.
8. If this proposal is not accepted within 90 days of June 5, 2026, then the pricing may be subject to review.
9. If for some reason the technician arrives on site and the work is cancelled there will be a charge of \$2375 per requested technician.
10. If your project is in WV, SD, NM, or HI: State sales tax is not included in the total on this proposal, but will be included on the invoice.
11. Payment Terms are Net 30; or as specified if a current Master Service Agreement is in place. GPRS facilitates the use of ACH or bank-to-bank payment remittance at no cost. A convenience fee will be applied to payments made by credit card.

ACCEPTED AND AGREED

Print Name: _____ Signature: _____ Date: _____

Company Phone/Email: _____ PO #: _____ Job #: _____

Baca Grande Water and Sanitation District

Drought Procedures

Drought conditions will be defined according to the US Drought Monitor. (<https://droughtmonitor.unl.edu/>) The data for Saguache County will be used to determine the drought level impacting the District. The drought conditions on US Drought Monitor will be reviewed monthly. Saguache County is currently listed at Drought level 0 or “abnormally dry” as of 04/18/2023. Once Drought Level 2 “Severe Drought” is reached, and maintained for a period of two months, the District will implement this drought policy.

Drought Level 2 “Severe Drought”

- Notices sent to customers stating severe drought conditions
 - Recommend maximum water conservation & reduce irrigation as much as possible
 - Water conservation tips: Indoor/Outdoor
 - Check all plumbing for leaks and repair if necessary
 - Use full loads in your washing machine and dishwasher
 - Install aerators on faucets to reduce flow, and use low-flow shower heads
 - Use automatic timers for outdoor watering
 - Water at night time to reduce evaporation
 - Used drip irrigation and soaker hoses instead of sprinklers
 - Add mulch around plants and trees to retain moisture
 - Choose native plants and drought-resistant landscaping techniques that require less water.
 - Report water waste when you see it happening

Drought level 3 “Extreme Drought” Once Drought Level 3 “Extreme Drought” is reached, and maintained for a period of two months, the District will implement the following measures.

- Implement irrigation restrictions
 - Even number properties can only water on even days of the month
 - Odd number properties on odd days of the month
 - Limit commercial irrigation to 3x a week between hours of 9pm and 6am
 - POA – golf course, parks & Casita Park entrance
 - Increase the fee for Tier 2 water
 - *Implement a 50% drought increase
 - Monitor high usage accounts – Monthly High Usage Reports
 - Send notices to high users requesting water conservation

Drought Level 4 “Exceptional Drought” Once Drought Level 4 “Exceptional Drought” is reached, and maintained for a period of two months, the District will implement the following measures.

- Water use limited to indoor only
- No bulk water sales
- No commercial irrigation
 - POA – golf course, parks & Casita Park entrance
- Monitor high usage accounts – Monthly High Usage reports
 - Monitor for consistent (2 months +) high users

- Fines up to \$50 per 1,000 gallons for Tier 2 water usage
- Potential disconnection

Mobile Home Estates (MHE) Well

Use in drought conditions

All actions from the above scenarios will apply to MHE, with the addition of the actions outlined below.

Drought Level 2 “Severe Drought”

- Use will be limited to Mobile Home Estates, camper village and POA Buildings

Drought level 3 “Extreme Drought”

- 50% of demand will come from Well 17&18

Drought Level 4 “Exceptional Drought”

- Switch to Well 17 & 18 for 100% of demand
- MHE will only be used if necessary
 - If volumetric limit is reached at Well 17 & 18 and/or level of wells are to low

Once the District’s Drought Level increases, it will not be decreased until lower Drought Level conditions are maintained for a two-month period.

Administrative Monthly Report

June 17th 2026

Board of Directors Meeting

UTILITY BILLING ACTIVITY FOR THE MONTH OF MAY 2026

Customer Utility Billing		
Billing Category	Number of Accts	Amount Billed
Usage Customers Billed - SEWER	859	\$46,055.73
Usage Customers Billed - WATER	882	\$65,005.05
ON/OFF Service	3	\$75.00
LATE FEE	45	\$900.00
TRANSFER	5	\$1750.00
CONSOLIDATIONS	5	\$7,500.00
NSF	0	\$0.00
Water & Sewer Hook UP	0	\$0.00
Usage Account Disconnect	1	\$1550.00

MAY - XPRESS BILL PAY TRANSACTION AND CHARGES ACTIVITY

Product / Service Description	Qty	Unit Price	Line Total
EFT Web Transactions	272	\$0.74	\$201.28
EFT Return Basic	0	\$7.00	\$0.00
EFT Return Intermediate	0	\$14.00	\$0.00
Credit/Debit Card Web Transactions	423	\$0.74	\$313.02
Online Banking - Bank Bill Pay Transactions	18	\$0.25	\$4.50
Lock Box Service Transactions	115	\$0.74	\$85.10
Toll Free IVR Transactions	18	\$1.25	\$22.50
Maintenance & Support	1	\$100.00	\$100.00
Account Maintenance Fee	1	\$29.00	\$29.00

Town of Crestone Sewer 2026

Town of Crestone Sewer Billing - 2026

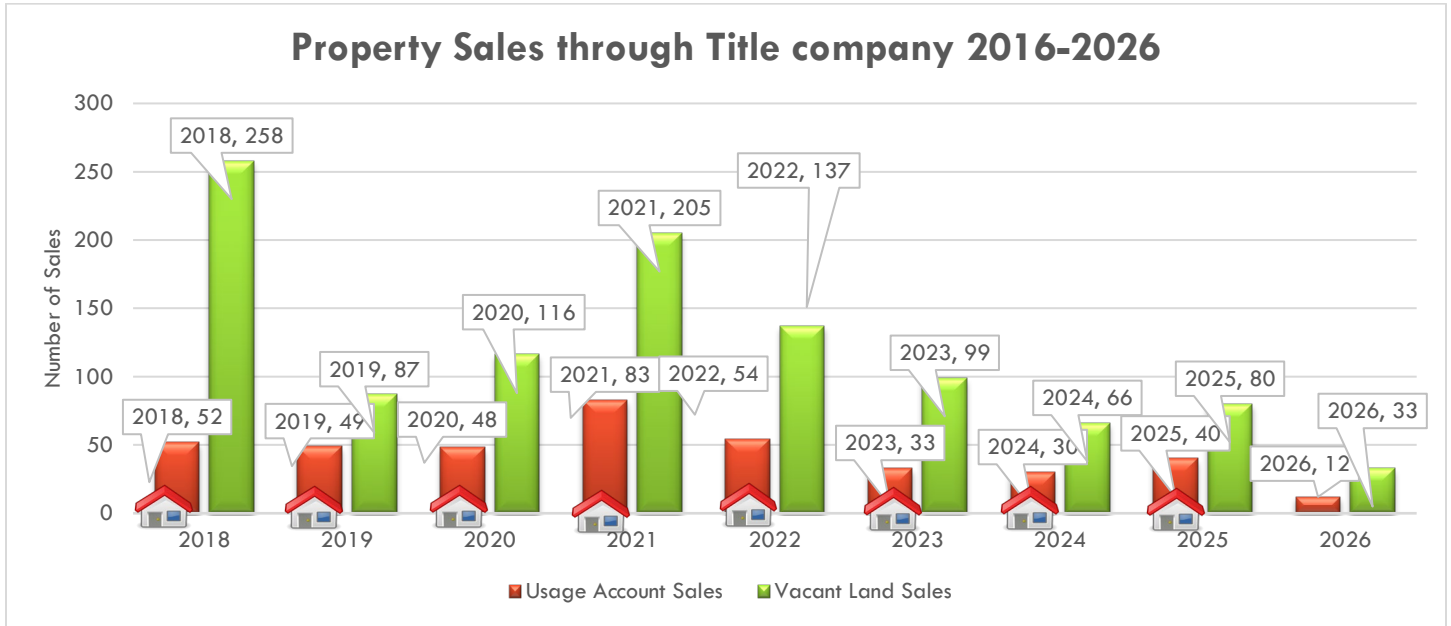
Date	Monthly Total	Monthly Flow	Flow Charges	Average Daily BOD	Monthly BOD	BOD Charges	Paid	Balance Due
January	401,972	3,683,269.44	\$3,683.27	37	1110	\$1,282.05	\$10,256.73	\$4,965.32-02/28/2026 + past due of \$5,291.41
February	334,680	3,066,672.84	\$3,066.67	64	1792	\$2,069.76	\$5,156.43	\$5,136.43-03/30/2026 + \$20.00 Late Fee
March	409,212	3,749,609.56	\$3,749.61	34	1088	\$1,256.64	\$5,006.25	\$5,006.25-4/30/2026
April	370,916	3,398,703.31	\$3,398.70	75	2325	\$2,685.38	\$6,084.08	\$6,084.08-05/31/2026
May	344,106	3,153,043.28	\$3,153.04	66	1782	\$2058.21		\$5,211.25-06/30/2026
June								
July								
August								
September								
October								
November								
December								
2026 Totals	1,860,886		\$17,051.30	276	8097	\$9,352.04	\$26,503.49	

2026 RATE – Effective January 1st:

\$9.163 - per 1,000 gallons of flow

\$1.155 per pound of Biochemical Oxygen Demand (BOD)

May – 2026 - Property Sales: 2 – Homes 3 - Lots



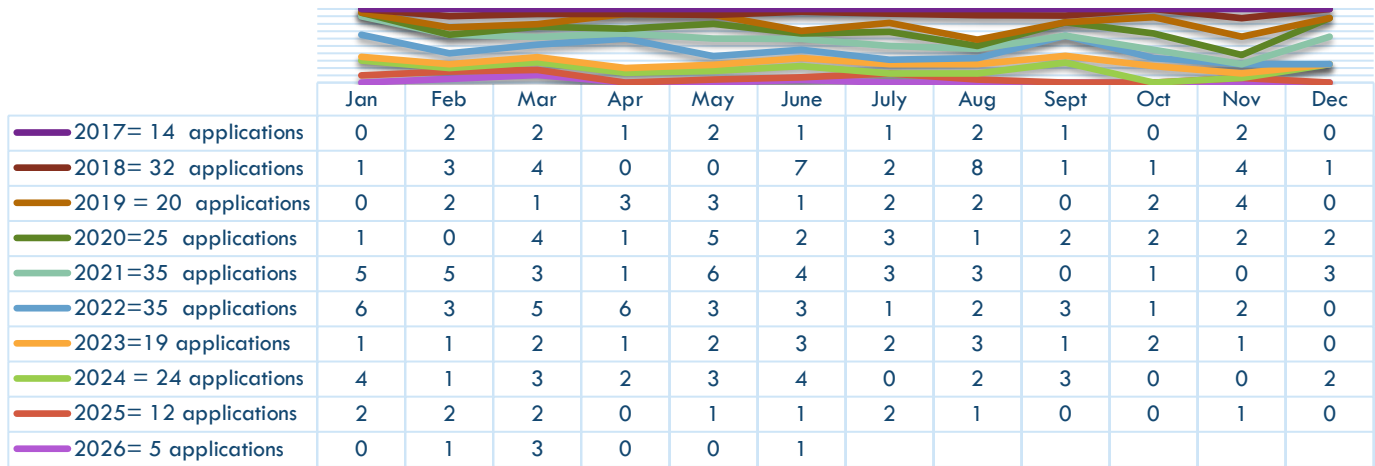
May - 2026– Other Sales Statistic Including Name Changes Only

Type	Vacant Lot	House	Total Charges
Quit Claim Deed	0	2	\$0.00
Bargain and Sale Deed	1	3	\$0.00
Personal Representative's Deed	1		\$0.00
Special Warranty Deed		1	\$0.00
TOTAL	2	6	Total: \$0.00 Name Changes Only

2017- 2026- Water and Sewer Hook up Applications

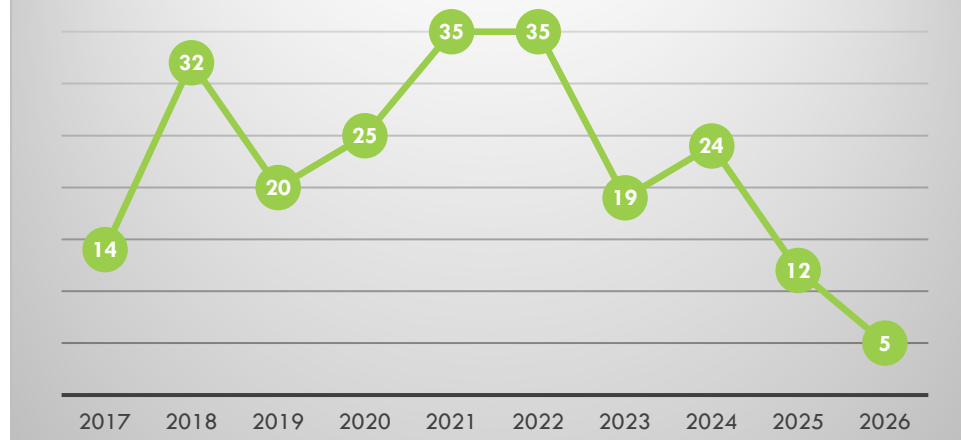
0 - Application (s) received in May, 1- in June so far, 5 –Total application (s) received in 2026

Water-Sewer Hookups 2016-2026



2026= 5 applications 2025= 12 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

Received water & sewer hook up applications 2017-2026



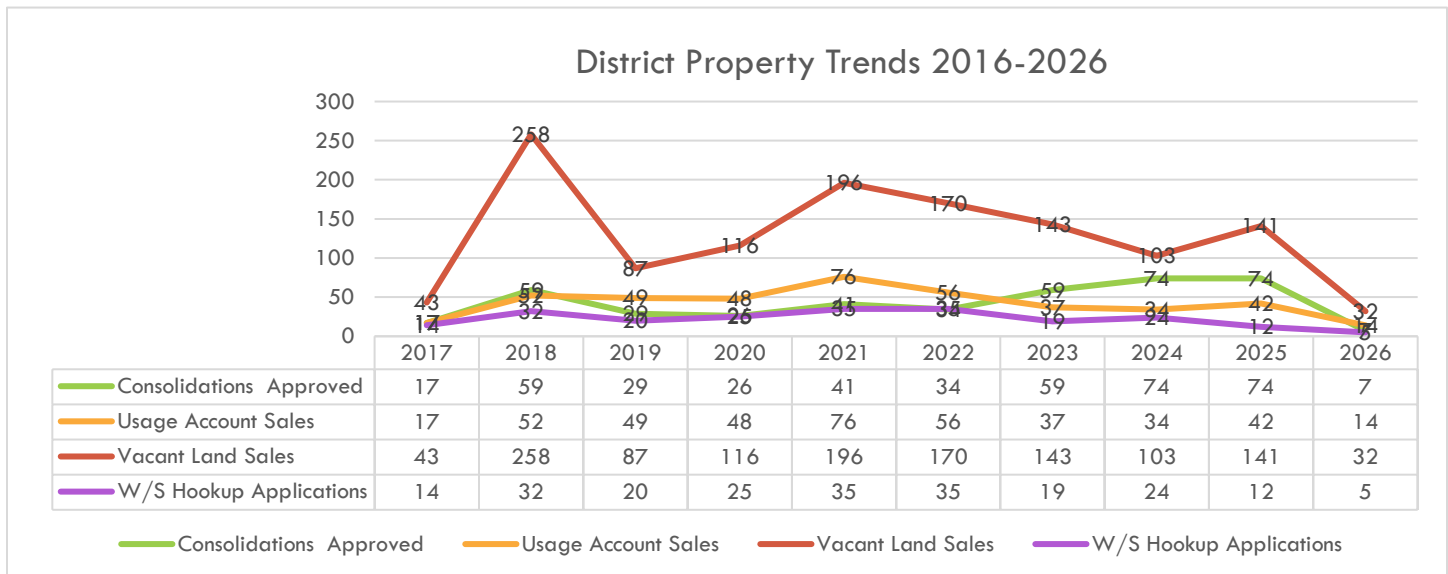
2026 – 1 CONNECTED HOOK UP'S

CHALET I
LOT 1021

CHALET II

CHALET III

MHE



ADMINISTRATIVE UPDATES

Inclusion Petition

- Inclusion petition received for lot 1511 Badger Road located in Grants
- Notice published.
- Public hearing held at the May Board meeting.
- Inclusion was approved and the resolution was adopted.

Delinquent Accounts / Shut-Offs

- One water shut-offs occurred during the month of June.
- There are currently five (5) active payment plans.
- Staff continue to increase communication and outreach regarding available payment plan options.

Certification process

- Pre certification process started
- Draft certification documents have been prepared.
- Data verification is currently underway.

Xpress Bill Pay

- Caselle has announced the discontinuation of its integration with Xpress Bill Pay. No immediate changes are expected, and the transition will occur gradually.
- Caselle offers the Caselle Citizen Portal, an integrated platform for billing, payments, and customer services.

- Staff attended informational webinars presented by Xpress Bill Pay and Caselle to review available options.
- A demo meeting with Springbrook has been scheduled to review its ERP platform.
- Staff have also requested a demo of the Caselle Citizen Portal.
- Additional updates will be provided as more information becomes available.

Special District Association (SDA)

- Regional Workshop scheduled for June 23 in Buena Vista.
- Gregg Hess is registered to attend.

2025 CCR Report

- Mailed out to all District usage owners.
- Copy posted on the District website

Consolidations

- 11 consolidation requests received in 2026 involving 35 lots.

Availability of Service (AOS)

- AOS – Billing Due date – 06/30/2026

In celebration of JUNETEENTH Freedom Day, the Baca Grande Water & Sanitation District office will be closed on Thursday, June 18th 2026 and will reopen at 8 AM on Monday, June 22nd 2026.

24/7 Water or Sewer emergency contact: you can reach us at 719-256-4310. An operator on-call will respond promptly.

Bill Payments Options after Business Hours:

Pay Online with Xpress Bill Pay: Our online bill payment option saves you time and gives you more flexibility in how you pay your bill. If you have an Internet connection and an e-mail address, you can now pay your bill online. It's fast, it's easy, and you no longer have to write a check each month or find a stamp when it's time to send in your payment.

Overnight Payment Box: You can drop off your payment at the office anytime:

There is a drive-up payment box in the parking lot at the District office located at 57 Baca Grant Way S.

By Phone: You can also pay by phone with either a credit/debit card or E-check. Just call our Interactive Voice Response Line 24hrs a day, 7 days a week at 888-504-0548.

Baca Grande Water and Sanitation District

Monthly Operations Report

June 17th , 2026



Locates for the Leak on Del Rey

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

- One leak on N Crestone overlook
- One leak on Camino Del Rey

➤ Projects

Summer Project List

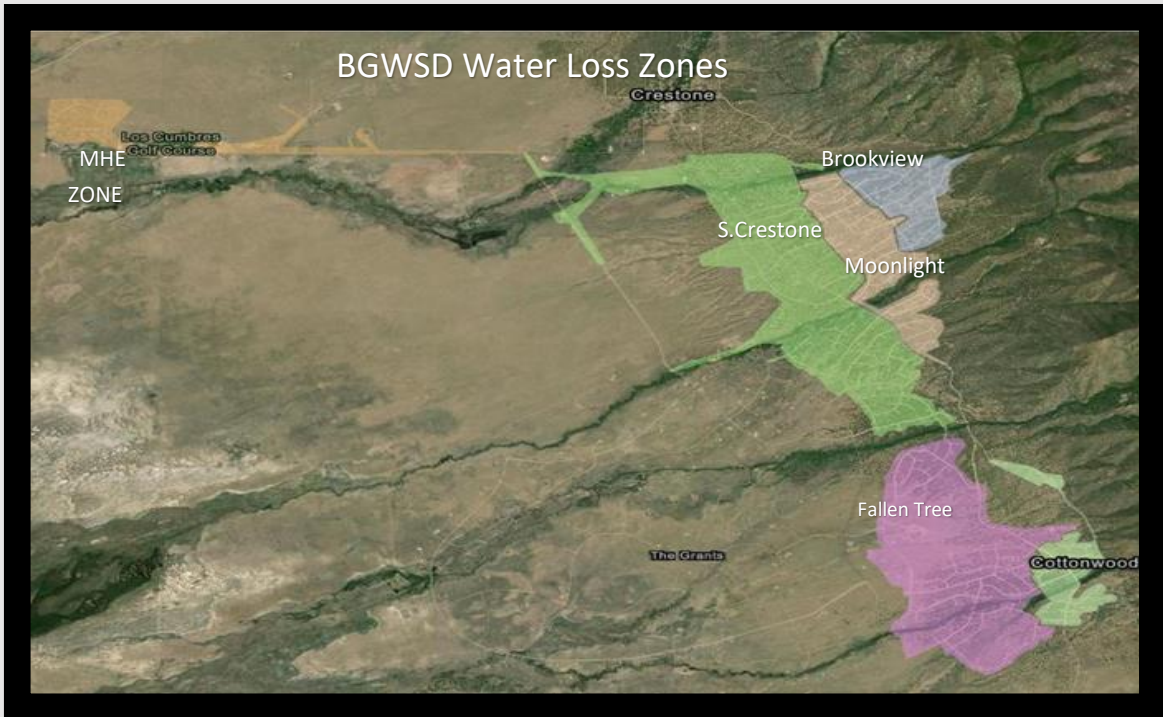
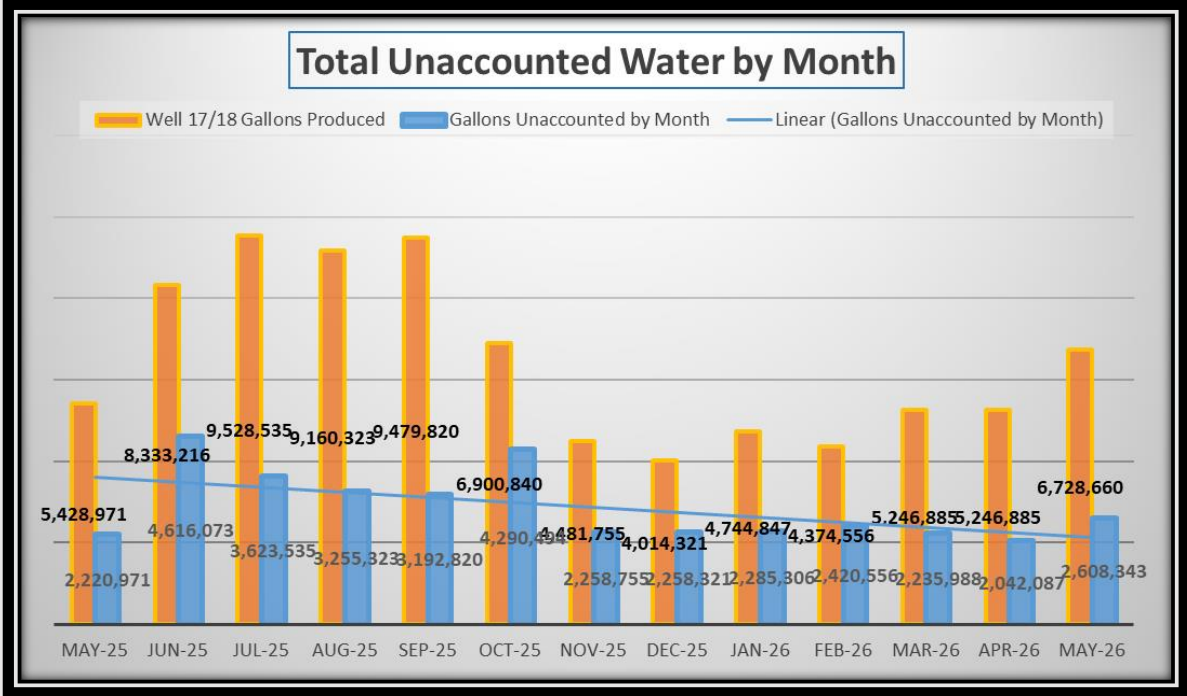
- Fire Hydrant Maintenance (In Process)
- Valve Maintenance (In Process)
- Collection system cleaning (In Process)
- Collection system inspections (In Process)
- Grounds Maintenance and weed control (In Process)
- Dig list (A variety of excavation projects)
- Leak Detection (On Going)

➤ Unaccounted Water

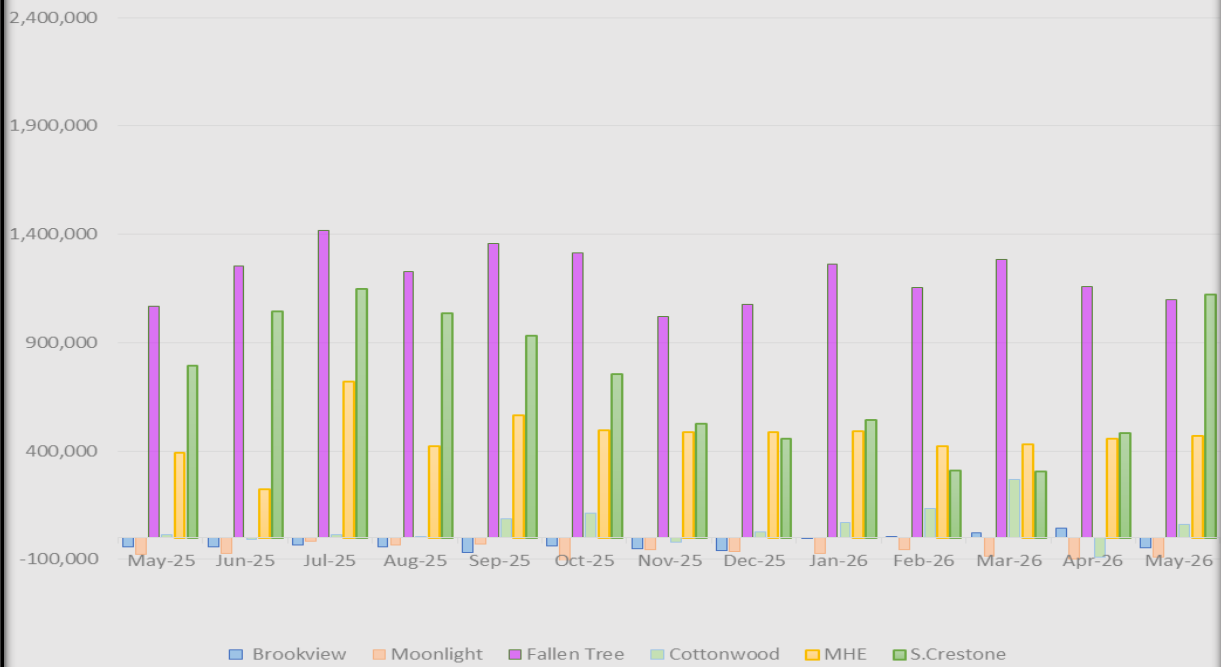
- Wells 17 and 18 produced 6,582,675 gallons of water in the month of May.
- The District sold its customers 3,392,000 gallons of water in the month of May, leaving 2,608,343 gallons unaccounted for.
- 39% of the water produced is unaccounted for in the month of May.

➤ Aspen WWTP and Town of Crestone Loading

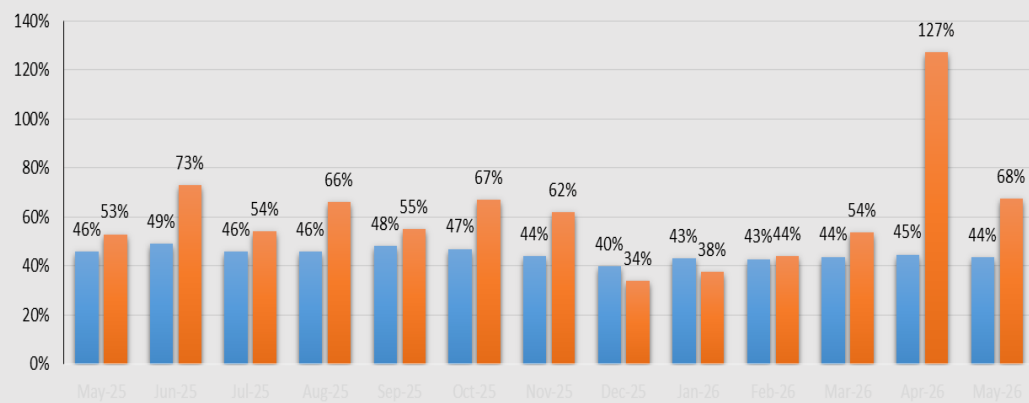
- Aspen WWTP averaged 44% of hydraulic loading capacity in the month of May, the Town of Crestone contributed an average of 16% of the treatment plants hydraulic load.
- Aspen WWTP averaged 68% of organic loading capacity in the month of May. The Town of Crestone contributed an average of 26% of the treatment plants organic load.



Unaccounted Water Loss by Zone



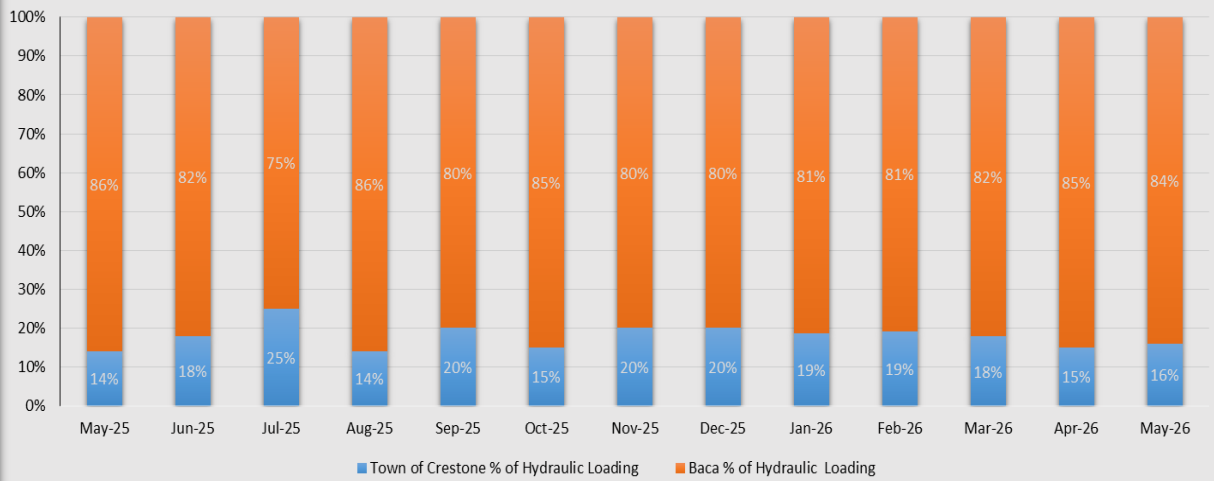
Percentage of Plant Capacities by Month at Aspen Wastewater Treatment Plant



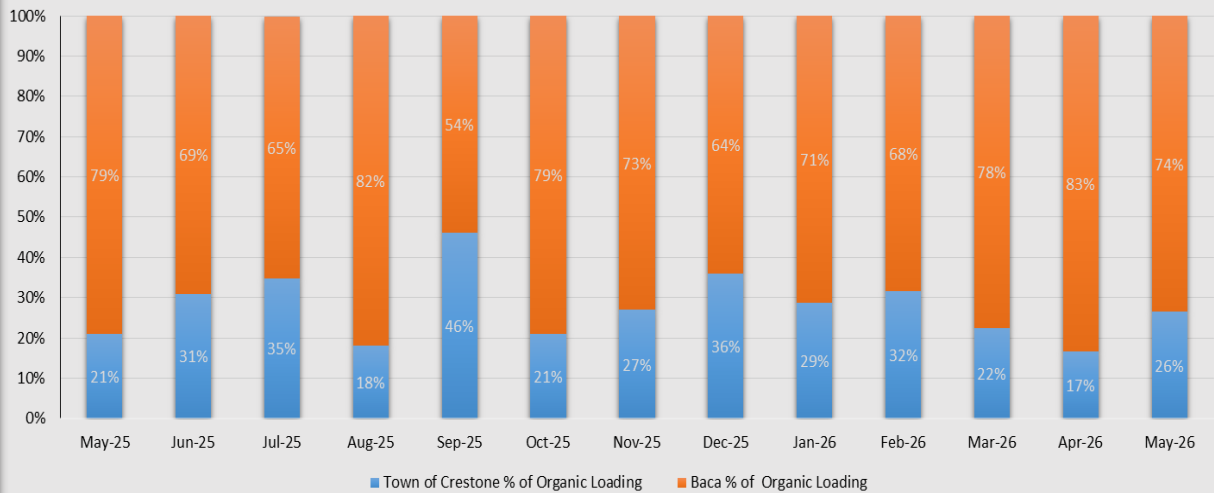
	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26
Plant % of Hydraulic Capacity	46%	49%	46%	46%	48%	47%	44%	40%	43%	43%	44%	45%	44%
Plant % of Organic Capacity	53%	73%	54%	66%	55%	67%	62%	34%	38%	44%	54%	127%	68%

Plant % of Hydraulic Capacity Plant % of Organic Capacity

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



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



Resolution No. 2026-06-17-01

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

REGARDING TAP FEES FOR AFFORDABLE HOUSING LOTS

WHEREAS, the Baca Grande Water and Sanitation District (the “District”) is a quasi-municipal corporation and political subdivision of the State of Colorado; and

WHEREAS, pursuant to § 32-1-1001(1)(h), C.R.S., the Board of Directors of the District (the “Board”) shall have the management, control, and supervision of all the business and affairs of the District; and

WHEREAS, pursuant to § 32-1-1001(1)(j)(I), C.R.S., the District is authorized to fix and impose fees, rates, tolls, penalties, and charges for services or facilities furnished by the District; and

WHEREAS, pursuant to § 32-1-1001(1)(j)(II), C.R.S., the Board may waive or amortize all or part of the tap fees and connection fees or extend the time period for paying all or part of such fees for property within the District in order to facilitate the construction, ownership, and operation of affordable housing on such property, as such affordable housing is defined by resolution adopted by the Board; and

WHEREAS, pursuant to § 32-1-1001(1)(j)(II), C.R.S., the Board may condition such waivers upon the recordation against the property of a deed restriction, lien, or other lawful instrument requiring the payment of such fees in the event that the property’s use as affordable housing is discontinued or no longer meets the definition of affordable housing as established by the Board; and

WHEREAS, the Board desires to continue encouraging the development of affordable housing to address the ongoing shortage of available housing units within the District;

NOW, THEREFORE, be it resolved by the Board as follows:

1. DEFINITION OF AFFORDABLE HOUSING. For the purposes of this Resolution, “affordable housing” shall mean housing which is restricted to occupancy by households which earn less than one-hundred and twenty percent (120%) of the Area Median Income (“AMI”) of Saguache County, as annually provided by the U.S. Department of Housing and Urban Development or the Colorado Housing and Finance Authority.
2. WAIVER OF TAP FEES. Pursuant to § 32-1-1001(1)(j)(II), C.R.S., the Board may grant a full or partial waiver of the Water Tap Fee and/or Sewer Tap Fee set forth in Appendix A to the Rules and Regulations of the Baca Grande Water and Sanitation District if the

subject lot meets the definition of affordable housing as established by the Board in this Resolution.

3. CONDITIONAL WAIVER. Any full or partial waiver of a fee by the Board under this Resolution may be conditioned upon the recordation against the subject lot of a deed restriction, lien, or other lawful instrument requiring the payment of such waived amount in the event that the property's use as affordable housing is discontinued or no longer meets the definition of affordable housing as established by the Board in this Resolution.
4. SEVERABILITY. If any portion of this Resolution is declared by any court of competent jurisdiction to be void or unenforceable, such decision shall not affect the validity of any remaining portion of this Resolution, which shall remain in full force and effect. In addition, in lieu of such void or unenforceable provision, there shall automatically be added as part of this Resolution a provision similar in terms to such illegal, invalid or unenforceable provision so that the resulting reformed provision is legal, valid and enforceable.

ADOPTED this ____ day of _____, 2026.

BACA GRANDE WATER AND SANITATION
DISTRICT, a quasi-municipal corporation and
political subdivision of the State of Colorado

Officer of the District

ATTEST:

APPROVED AS TO FORM:

LAW OF THE ROCKIES

General Counsel to the District

Area Median Income (AMI)

Saguache

Income Limit	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
80% AMI	\$ 57,120	\$ 65,280	\$ 73,440	\$ 81,600	\$ 88,150	\$ 94,700	\$ 101,200	\$ 107,750
60% AMI	\$ 42,840	\$ 48,960	\$ 55,080	\$ 61,200	\$ 66,120	\$ 71,040	\$ 75,900	\$ 80,820
50% AMI	\$ 35,700	\$ 40,800	\$ 45,900	\$ 51,000	\$ 55,100	\$ 59,200	\$ 63,250	\$ 67,350
40% AMI	\$ 28,560	\$ 32,640	\$ 36,720	\$ 40,800	\$ 44,080	\$ 47,360	\$ 50,600	\$ 53,880
30% AMI	\$ 21,420	\$ 24,480	\$ 27,540	\$ 30,600	\$ 33,050	\$ 35,500	\$ 37,950	\$ 40,400

100% = \$71,400

120% = \$85,650