

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE
BACA GRANDE WATER AND SANITATION DISTRICT
AUGUST 17, 2018
 9:00 A.M.
 District Office - 57 Baca Grant Way South
 Crestone, Colorado 81131

ATTENDANCE

Directors in Attendance:

Lynn Drake
 Robert Salmi
 John Loll
 Michael Scully

Also in Attendance:

Marcus Lock; Law of the Rockies (via speakerphone
 for a portion of the meeting)
 JoAnn Slivka; District Manager
 Josh Cichocki; Utility Superintendent

Members of the Public:

Frank Judson
 Daniel Gray

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. It was 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.

AGENDA

President Drake opened the meeting with a review of the agenda.

*Following discussion, upon motion duly made by
 Director Salmi
 Seconded by Director Loll
 And upon vote, unanimously carried, the Agenda was approved.*

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.

The Board considered the following actions:

- Approve Minutes from the July 20, 2018 meeting.
- Review and accept the unaudited Financial Statements for the period of July 31, 2018 and current schedule of cash position.

*Following discussion, upon motion duly made by
 Director Loll,
 Seconded by Director Scully,
 And upon vote, unanimously carried, the Consent Agenda was approved.*

BOARD AND STAFF REPORTS

The Board reviewed and discussed the reports that are attached therein. Ms. Slivka pointed out areas of interest in the administrative statistics.

2018 Energy Audit

The Directors reviewed the San Luis Valley Rural Electric Cooperative (SLV REC) billing statement to get a better understanding of our electric usage.

Mr. Loll reported on his meeting with representatives of the SLV REC regarding solar energy.

Rocky View Way Infrastructure

Mr. Cichocki has met with local excavators to discuss the project idea and to see if there was any interest in the project. There is ~2200 sewer LF, and 1600 LF water (using 6” pipe) that would need to be installed. The District would be the project manager. The Board agrees this is a good project that would add value all around. They encouraged staff to move forward with this project. The next step is to draft a design plan and bring it back to the Directors for their review.

Water Resource Engineer

The District has chosen the Applegate Group, LLC for their Water Resource Engineer and will be meeting with them in early September.

PUBLIC COMMENT (ITEMS NOT ON THE AGENDA ONLY. COMMENTS LIMITED TO THREE MINUTES PER PERSON AND TAKEN IN ORDER LISTED ON SIGN IN SHEET).

Mr. Judson states that he has the same concerns that he brings to the Board of Directors every year. Those being the loss of water due to leaks and what plans if any, are there to reduce the size of the system in the outskirts of the District where there isn’t any property development. Discussion followed regarding development in the county.

FINANCIAL MATTERS

Claims: Consider approval of the check register for the period ending June 22, 2018, as follows:

General Fund:	\$	4,862.44
Capital Projects Fund:	\$	5974.18
Enterprise Fund:	\$	<u>44,560.59</u>
Total:	\$	55,397.21

FINANCIAL MATTERS

*Following discussion, upon motion duly made by
Director Loll,
Seconded by Director Drake,
And upon vote, unanimously carried, the Check Register was approved.*

Operations

The Operations staff are working on the effluent pump and then integrate it into the SCADA system.

Water-Sewer Rate Study

The Directors discussed the rate study and how it relates to budget planning. They are relying on staff to package the budget then present it to the Board. President Drake wants to see \$3000.00 for advertising next year. She has spoken with the Crestone Eagle to do articles that will promote the District.

CAPITAL IMPROVEMENTS**Status of the Sludge Drying Beds Project**

The District is still waiting to receive the site application approval from the State, then we will submit the Preliminary Design Review (PDR).

The Board Mission Statement

Director Loll presented a draft version of an updated Mission Statement for the Board's consideration. Director Loll would like to see the District make a commitment to "Establish a measure for evaluating carbon footprint reduction effectiveness, with the intention of achieving the goal that by the year 2023 the District operations will be powered by 100% renewable energy." Discussion ensued about the draft statement.

*Following discussion, upon motion duly made by
Director Salmi,
Seconded by Director Loll,
And upon vote, carried, the 2018 Mission Statement was accepted and
adopted, with Director Scully casting a No vote.*

LEGAL

Mr. Lock gave a quick update noting there were a number of various tasks assigned to him during the Retreat which are all in progress.

EXECUTIVE SESSION MATTERS - §24-6-402(4) (a), (b), (e)(I) and (f)(I), C.R.12.S.

*Upon motion duly made by
Director Scully
seconded by President Drake,
and upon vote, unanimously carried, the Board entered into Executive Session
at 10:51 A.M. for the purpose of discussing Personnel Matters.*

The Board reconvened in regular session at 10:57 A.M.

OTHER BUSINESS

*There being no further business to discuss, upon motion duly made by
Director Scully,
seconded by Director Loll,
and upon vote, unanimously carried,
the Board adjourned the meeting at 11:01 A.M.*

ADJOURNMENT

**THE NEXT REGULAR MEETING IS SCHEDULED FOR
SEPTEMBER 21, 2017**


Respectfully submitted,


By  _____
Secretary for the Meeting

THESE MINUTES ARE APPROVED AS THE OFFICIAL AUGUST 17, 2018 MINUTES OF THE BACA GRANDE WATER AND SANITATION DISTRICT BY THE BOARD OF DIRECTORS SIGNING BELOW:


Lynn Drake


Robert Salmi

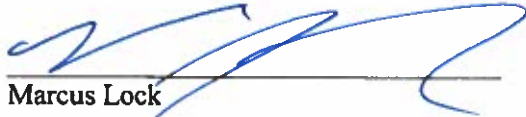

John Loll


Michael Scully

ATTORNEY STATEMENT

Regarding Privileged Attorney-Client Communication

Pursuant to §24-6-402(2)(d.5)(II)(B), C.R.S., I attest that, in my capacity as the attorney representing the Baca Grande Water and Sanitation District, I attended the executive session on August 17, 2018, and it is my opinion that the portion of the executive session that was not recorded constituted attorney-client privileged communications.



Marcus Lock

General Counsel

Baca Grande Water and Sanitation District