



## Baca Grande Water & Sanitation District

P.O. Box 520 • Crestone, CO 81131-0520 • t (719) 256-4310 • f (719) 256-4309  
www.bacawater.com • info@bacawater.com

### NOTICE OF PROCEEDING BACA GRANDE WATER & SANITATION DISTRICT

Chairman Clem Gasseling called the meeting to order at 9:03 on Friday, May 16, 2008 at the District office in Crestone, Colorado. Directors present included Clem Gasseling, Christine Canaly, Lisa Cyriacks, Charles Grant, and Phillip Madonna. District employees Steve McDowell and Annessa Valdez were present, along with the District's attorney, Erich Schwiesow, and the District's engineering consultant, Debra Phoenixie. Election Winner Vicki Matthews was also present. Audience guests were numerous.

Chairman Clem Gasseling announced Darla Tiernan is no longer an employee of the District.

#### OATH OF OFFICE

There has been a challenge to the election results. The Board consulted with Mr. Schwiesow to determine whether to proceed with the swearing in of the election winners. Mr. Schwiesow advised that new officers are sworn in regardless of any challenges, and are members of the Board until a court of law says otherwise.

Director Gasseling moved to swear in, Director Philip Madonna seconded.

Christine Canaly, Vicki Matthews, Clem Gasseling, and Philip Madonna were sworn in at 9:14, and the suitable documents were notarized by Erich Schwiesow.

Mr. McDowell asked Mr. Schwiesow to handle the mailing of the oath forms to the Saguache County Clerk & Records Office and the Department of Local Affairs, to which Mr. Schwiesow agreed.

#### ORGANIZATION OF THE BOARD

##### CHAIRMAN

Director Gasseling stepped down as chairman of the board. Director Madonna nominated Director Canaly to be Chairman. Directors Canaly, Madonna, Matthews voted yes, Director Cyriacks voted no, and Director Gasseling abstained.

##### SECRETARY

Director Cyriacks was nominated by Director Madonna to be Secretary of the Board, which was declined by Director Cyriacks. Director Canaly nominated Director Matthews as secretary, Director Cyriacks seconded, the vote was unanimous.

##### VICE-CHAIRPERSON

Director Matthews nominated Director Madonna as vice-chairperson; Director Canaly seconded, the vote was unanimous.

All changes were effective immediately.



### **BOARD CONDUCT**

Director Madonna moved that board conduct be moved ahead of the agenda. Director Matthews seconded; the vote was unanimous.

The Board noted it is important to pledge communication and respect and to honor the decisions of the board. Mr. Schwiesow suggested a board retreat with a facilitator in the near future and the board agreed.

Additionally, Director Canaly polled the board as to their conduct regarding staff, all said that their conduct had been acceptable.

### **ACCOUNTING PRESENTATION**

The Board noted a need to close out the 2007 books before deciding on the lease, because full awareness of the District's financial situation is needed before they can make this decision. The Board decided to invite William Desouchet, the District's accountant, to present to them.

### **READING AND APPROVAL OF MINUTES**

Two small amendments were added to the minutes of April 11, 2008. Director Madonna moved to approve the minutes as amended. Director Gasseling seconded; the vote was unanimous.

### **TREASURER'S REPORT**

The Board noted that there had been no treasurer's report for the months of March or April.

### **LEGAL REPORT**

Mr. Schwiesow reported that Mr. Ireland still has not made contact with his office regarding the land on which well 18 sits. Mr. Schwiesow advised that the condemnation process needs to begin at this point. Mr. Schwiesow advised the Board about condemnation processes. Mr. Schwiesow will be sending a letter to Mr. Ireland explaining that he needs to either recognize the agreement between himself and the District, or condemnation of the road and the land will begin.

### **MANAGER'S REPORT**

Mr. McDowell notified the Board that Cease and Desist orders will be sent to the District from the United States Fish and Wildlife Service if meters are not installed in all of the District's source water wells by June.

The Golf course well is in service, and the meter has been installed.

Mr. McDowell advised the Board of the agreement with United States Fish & Wildlife that we will pay for our own meters and they will deduct the cost of the meters from the amount we will owe them for water.

The Board asked why the Golf Course was moved to priority when work was not scheduled to begin on the site until a later date. Mr. McDowell explained that this site was made a priority because the well was sinking.

Director Cyriacks moved that Mr. McDowell could increase the salary of the systems operator to



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as much as 55,000 as long as it fits within the 286,716 budget (approved gross payroll) and that Mr. McDowell could proceed to the interviews. Director Madonna seconded. Directors Madonna, Matthews, Cyriacks and Gasseling voted in favor, Director Canaly abstained.

### ADMINISTRATIVE REPORT

#### A. Oil & Gas Commission

Amendments were made to the letter to David Neslin, Acting Director of the Colorado Oil and Gas Conservation Commission. Director Cyriacks moved that the letter go forward, with the amendments to Mr. Neslin. Director Matthews seconded, the vote was unanimous.

### OLD BUSINESS

#### A. District Management Considerations

Management companies have been contacted and supplemental material requested.

#### District Manager

The Board noted their preference of District Manager for the position. Director Gasseling motioned that Directors Canaly and Cyriacks continue with the hiring of a management firm, which was seconded by Director Madonna, the vote was unanimous.

Director Cyriacks motioned that Directors Canaly and Cyriacks continue to research SDMS and have authority to make a decision and enter into a contract that has been reviewed by Mr. Schwiesow. Director Gasseling seconded, all in favor.

### NEW BUSINESS

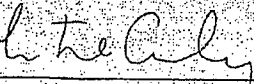
- a. The nature of the Crestone Youth Project's request is determined to be unclear. It was decided that Director Matthews would call Mr. Winwood of Crestone Youth Project and ask that he call Mr. McDowell.

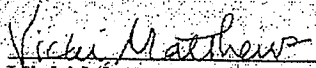
### NEXT MEETING

The next Regular meeting was set for June 20, 2008, at 9 AM. A Special meeting for May 23, 2008 at 8 AM was also set.

### EXECUTIVE SESSION

Director Madonna motioned for an executive session at 12:10 PM to discuss personnel matters. Seconded by Director Matthews, vote was unanimous. They emerged from this meeting at 2:00 PM.

  
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Christine Canaly, Chairperson

  
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Vicki Matthews, Secretary