

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

August 23, 2023- 2:00 PM

District Office – 57 Baca Grant Way South

Crestone, Colorado 81131

Meeting held via Zoom

ATTENDANCE

Directors in Attendance:

Vivia Lawson

John Loll

Mike Smith

Rick Hart

Also in Attendance:

Marcus Lock, District Legal Counsel

JoAnn Slivka, District Manager

Gary Potter, District Director of Utilities

Natalie DeBon, District Administrative Services Manager

Nicholaus Marcotte, Element Engineering

Community Members and Guests:

Dan Gray

CALL TO ORDER

President Lawson opened the meeting at 2:03 PM.

Board Roll Call: Directors Lawson, Smith, Hart were present. Director Loll joined at 2:06 PM.
Director Karas –unexcused absence.

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 to the Baca Grande Water and Sanitation District Board of Directors and to the Secretary of State. It was noted that a quorum was present and members of the Board were requested to disclose any potential conflicts of interest with regard to any matters scheduled for discussion at this meeting. No new disclosures were made.

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.

Discussion of The Water System Improvements Project Needs Assessment (PNA)

The District Board and staff reviewed and discussed the attached Project Needs Assessment (PNA) summary provided by Nicholaus Marcotte of Element Engineering. During the meeting he adeptly addressed inquiries and apprehensions from the Directors, providing clarification where needed.

In addition, Mr. Lock, the legal consultant of the District, actively participated in the conversation. Mr. Lock also spoke of the reasons underlying the project's vital role in shaping the District's future.

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

SECONDED BY DIRECTOR SMITH, AND UPON VOTE, UNANIMOUSLY CARRIED,

THE BOARD APPROVED SUBMISSION OF THE APPLICATION FOR THE DRINKING WATER PROJECT NEEDS ASSESSMENT FORM TO THE COLORADO DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT.

EXECUTIVE SESSION

MOTION: PURSUANT TO C.R.S. § 24-6-402(4) (A), (B), AND (E), UPON MOTION DULY MADE BY DIRECTOR HART, SECONDED BY DIRECTOR SMITH AND, UPON AN AFFIRMATIVE VOTE OF AT LEAST TWO-THIRDS OF THE QUORUM PRESENT, THE BOARD ADJOURNED TO EXECUTIVE SESSION AT 2:37 PM FOR A DISCUSSION OF PERSONNEL MATTERS INVOLVING THE DISTRICT MANAGER POSITION.

MOTION: DIRECTOR LOLL MOVED, DIRECTOR SMITH SECONDED TO RECONVENE TO REGULAR SESSION AT 3:26 PM.

ADJOURNMENT

THERE BEING NO FURTHER BUSINESS TO DISCUSS, UPON MOTION DULY MADE DIRECTOR HART, SECONDED BY DIRECTOR SMITH AND UPON VOTE, UNANIMOUSLY CARRIED, THE MEETING WAS ADJOURNED AT 3:27 PM.

THE NEXT REGULAR MEETING IS SCHEDULED FOR
September 20, 2023

Drafted by Natalie DeBon



Respectfully submitted,

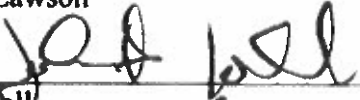
JoAnn Slivka

THESE MINUTES ARE APPROVED AS THE OFFICIAL August 23, 2023 MINUTES OF THE BACA GRANDE WATER AND SANITATION DISTRICT BY THE BOARD OF DIRECTORS SIGNING BELOW:

Vivia Lawson

Task ID: 0738416942

Vivia Lawson



John Lott




Mike Smith



Task ID: 149096483

Rick Hart



Task ID: 073810326142

David Karas

ATTORNEY STATEMENT

Regarding Privileged Attorney-Client Communication

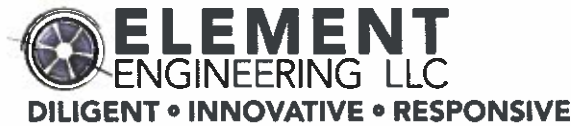
Pursuant to §24-6-402(2) (d.5) (II)(B), C.R.S., I attest that, in my capacity as the attorney representing the Baca Grande Water and Sanitation District, I attended the executive sessions on August 23, 2023, and it is my opinion that the portion of the executive session that was not recorded constituted attorney-client privileged communications.



Marcus J. Lock

General Counsel

Baca Grande Water and Sanitation District



PROJECT NEEDS ASSESSMENT SUMMARY

DATE OF MEETING: August 23, 2023
PROJECT TITLE: Water System Improvements
ELEMENT JOB NO.: 0098.0011
CLIENT: Baca Grande Water & Sanitation District

PROJECT PURPOSE AND NEED

The Baca Grande Water and Sanitation District's water treatment plant (WTP) treats the supplied water from its two primary deep groundwater wells, Well No. 17 and Well No. 18. The WTP has a permitted raw water pumping capacity of 648,000 gallons per day (gpd) (equal to 450 gpm) which is the maximum permitted pumping capacity allowed by the district's water rights. The booster pumps at the WTP act to pump the treated water into the main zone of the distribution system which then reach the remaining portions of the system through the various other booster stations. The WTP booster pumps consist of two (2) vertical in-line centrifugal pumps equipped with 50 HP motors. Both pumps have a pumping capacity of 238 gpm. Therefore, the firm capacity of the system is set by the booster pumps at 342,000 gpd, which equals the pumping capacity with one booster pump out of service. The existing demand during peak day can exceed the existing firm capacity of the system which is limited by the capacity of the WTP booster pumps. The proposed water system improvements will replace the existing booster pumps with larger pumps each rated for 450 gpm.

The district owns the decommissioned Mobile Home Estates (MHE) booster pump station, chlorine treatment system, and water storage tank. In order to provide supply redundancy and improve system resiliency, the district intends to rehabilitate the currently decommissioned Mobile Home Estates (MHE) booster pump station. Rehabilitating the station includes the chlorine disinfection system and water storage tank. This would include replacement of the existing pump station with a quad-plex booster pump skid (four pumps) including variable frequency drives (VFD), a new well pump with VFD, and new control panels, disconnects, and interior building piping.

PROPOSED PROJECT

The Baca Grande Water and Sanitation District's wishes to rehabilitate and bring online the decommissioned Mobile Home Estates (MHE) booster pump station, chlorine treatment system, and water storage tank to provide redundancy and resiliency in the water system. This project would include replacement of the existing pump station with a quad-plex booster pump skid (four pumps) including variable frequency drives (VFD), a new well pump with VFD, and new control panels, disconnects, and interior building piping.

Another portion of the proposed project is to increase the water treatment facility's pumping capacity through the replacement of the existing booster pumps with pumps rated at 450 gpm is proposed. This would increase the firm capacity of the WTP to equate to the permitted pumping capacity of the raw water wells. As currently configured, the existing demand during peak day can exceed the existing firm capacity of the booster pumps.



PROJECT FUNDING

A Project Needs Assessment (PNA) report has been prepared in order to secure project funding, including a conservative construction cost estimate. The project needs assessment was funded by a planning grant (\$10,000) provided by CDPHE. The town was required to match \$2,500 for a total of \$12,500 to fund the PNA.

The PNA serves as a design and engineering grant application to pay for 100% of the design and engineering costs (through bidding). This grant is a principal forgiveness loan with a 0% interest rate. CDPHE will refund design and engineering costs, through bidding, at 80%. When a loan is executed for construction CDPHE will refund the remaining 20% of design and engineering costs.

COST ESTIMATE

Construction	\$805,902
Contingency	\$108,370
Engineering	\$108,370
Legal	\$20,000
Construction Management	\$40,295
Total	\$1,082,938

GRANT AND LOAN ASSUMPTIONS

CDPHE D/E Grant	\$108,370
CDPHE SRF Loan	\$974,568 (30-year term, 2.5% interest rate)
Total	\$1,082,938

USER RATES

Existing Base User Rate	\$48.13
Required Increase to Monthly Base User Fee	\$9.30
Total Monthly User Rate	\$57.43