

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

September 27, 2019

9:00 A.M.

District Office - 57 Baca Grant Way South

Crestone, Colorado 81131

ATTENDANCE

Directors in Attendance:

Robert Salmi
John Loll
Michael Scully
Gregg Conlee

Also in Attendance:

Marcus Lock; Law of the Rockies (via speakerphone)
Cathy Fromm (via speakerphone)
JoAnn Slivka; District Manager
Joshua Cichocki; Utility Superintendent

Julia E. Firl; Division of Realty, U.S. Fish and Wildlife Service
(via speakerphone for a portion of the meeting)

Andrew Rheem; Raftelis, Inc. (via speakerphone for a portion of
the meeting)

Members of the Public

Daniel Gray; Community Member

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 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

Director Salmi opened the meeting at 9:07 with a review of the Agenda.

APPROVED: Following discussion, upon motion duly made by Director Scully, seconded by Director Salmi and upon vote, unanimously carried, the board approved the Agenda.

Recognition of Board Member Service to the District

On behalf of the Baca Grande Water and Sanitation District Board members and Staff, JoAnn Slivka recognized Lynn Drake for her service on the board and expressed everyone's appreciation for her dedication to the district. Ms. Drake was presented with flowers, a card and gift certificate. She will be missed and we all wish her the best as she pursues her passion for her art.

Appointment of Officers

The board entered into discussion regarding the appointment of officers.

Director Conlee nominated John Loll to serve as President of the Board of Directors.

Upon motion duly made by Director Conlee, seconded by Director Salmi and upon vote, unanimously carried, the board appointed Director Loll as President of the Board of Directors.

Director Salmi nominated Gregg Conlee to serve as Treasurer of the Board of Directors.

Upon motion duly made by Director Salmi, seconded by Director Loll and upon vote, unanimously carried, the board appointed Director Conlee as Treasurer of the Board of Directors.

CONSENT AGENDA

The board considered the following consent agenda items:

- Approve Minutes from the August 23, 2019 regular meeting.
- Review and accept the unaudited financial statements for the period ending August 31, 2019 and current schedule of cash position.

Ms. Fromm reviewed the August financial statements with the board.

APPROVED: Following discussion, upon motion duly made by Director Scully, seconded by Director Conlee and upon vote, unanimously carried, the board approved the Consent Agenda.

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. Daniel Gray asked for a copy of the Financial Audit. It was explained to him that the audit has not been reviewed by the State yet. Once the State Auditor's Office has reviewed it, the Audit will be posted on both the District and State's web site. Ms. Slivka offered to notify him when this process has been completed; he was not interested.

Road T Parcel – United States Fish and Wildlife (USFW)

Ms. Julia Firl from the USFW Division of Realty joined the meeting via telephone to discuss a request from Ron Garcia, Baca Refuge Manager, to purchase a parcel of land along Road T. She reviewed the background of this request and where we are at today. Following discussion, the board agreed that an in-house valuation from Ms. Firl would be acceptable; in turn, the district is to verify the acreage of the parcel and whether the parcel has any beneficial use to the district. Ms. Firl mentioned that USFW is interested in portions of the parcel if it is determined that certain areas of the parcel are beneficial to the district. Ms. Firl and Ms. Slivka will work together on the details. USFW are able to move quickly if the district is interested in selling the property to them at this time.

BOARD AND STAFF REPORTS

The board reviewed and discussed the staff reports that are attached and incorporated herein by this reference.

OPERATIONS:

Composite Sampling Project:

Mr. Cichocki reported that they have gathered all the data from the sampling.

Manhole Project Request for Proposal:

Mr. Cichocki reported on the RFPs received for the Manhole Project.

APPROVED: Following discussion, upon motion duly made by Director Salmi, seconded by Director Conlee and upon vote, unanimously carried, the board approved to award the project to RMS.

FINANCIAL MATTERS

Check Register: The board considered approval of the check register through the period ending September 20, 2019 as follows:

General Fund:	\$	2,704.16
Capital Projects Fund:	\$	67.50
Enterprise Fund:	<u>\$</u>	<u>48,578.66</u>
Total:	\$	51,350.32

APPROVED: Following discussion, upon motion duly made by Director Loll, seconded by Director Conlee, and, upon vote, unanimously carried, the board approved the check register for the period ending September 20, 2019.

Review and Consider Acceptance of 2018 Draft Audited Financial Statements

Mr. Eric Barnes reviewed the 2018 draft audited financial statements with the board. He notified the board that the district will be receiving a clean opinion on the financial statements from his firm. Mr. Barnes reported that he performed an onsite visit this Spring. He reviewed processes and looked over documents with Ms. Slivka while he was here. He did not see any issues on that visit and explained that the financial control systems in place are good for a district our size. Our processes are similar as other small districts he works with.

Director Salmi asked what happened with the PERA report. Mr. Barnes explained that there was a gap in timing; because of the pension and post-employment benefits, they had to wait for the PERA calculations to wrap up the audit. They received all the documents they asked for from Ms. Fromm and Ms. Slivka and everything aligned with the financial statements. It was a smooth audit and there were no issues with the district on being able to complete the audit. Director Loll asked about filing a complaint against PERA. Mr. Barnes explained that any complaints would have to come from the District Manager.

APPROVED: Following review and discussion, upon motion duly made by Director Conlee, seconded by Director Scully, and, upon vote, unanimously carried, the board approved the 2019 Financial Audit subject to a clean final review. The Audit will be filed by the September 30, 2019 deadline.

Review and Consider the Raftelis Water and Wastewater Utility Financial Plan and Rate Study Proposal

The Board reviewed and discussed the proposal with Mr. Andrew Rheem who attended the meeting via telephone.

Concerns raised included the aggressive schedule and the need to engage the community.

APPROVED: Following discussion, upon motion duly made by President Loll, seconded by Director Conlee, and, upon vote, unanimously carried, the board accepted the Raftelis proposal contingent on an acceptable scope of work that includes a community engagement portion not to exceed \$27,500.

BOARD of DIRECTOR MATTERS

Director Scully reported on a recent experience he had while visiting the Golf Course. He met the Baca Grande POA golf course technician, John Alter. They had a nice conversation and Mr. Alter was happy to meet a district board member. Everyone agrees that Mr. Alter is doing a great job and the BGPOA Golf Course is looking great.

LEGAL MATTERS

Mr. Lock reported that the September meeting with USFW went well. He has since received a copy of the template subdistrict contract from Mr. Caruso, and as expected, contracting with a subdistrict is not a comprehensive solution for complying with the new groundwater withdrawal rules. But, discussions are moving forward productively.

ADJOURNMENT:

There being no further business to discuss, upon motion duly made by Director Conlee seconded by Director Scully and upon vote, unanimously carried, the meeting was adjourned at 12:25 P.M.

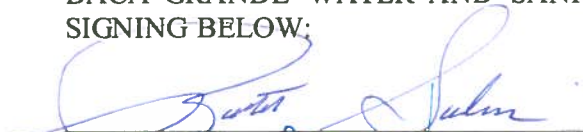
Respectfully submitted,



JoAnn Slivka

Secretary for the meeting

THESE MINUTES ARE APPROVED AS THE OFFICIAL September 27, 2019 MINUTES OF THE BACA GRANDE WATER AND SANITATION DISTRICT BY THE BOARD OF DIRECTORS SIGNING BELOW:



Robert Salmi



John Loll



Michael Scully



Gregg Conlee



Baca Grande
Water And Sanitation
District

Baca Grande Water and Sanitation District
P.O. Box 520 | 57 Baca Grant Way S
Crestone, CO 81131-0520

September 27, 2019
Board Meeting

Board of Directors Sign-in

Bob Salmi:	
John Lott:	
Michael Scully:	
Gregg Conlee:	



Baca Grande
Water And Sanitation
District

Baca Grande Water and Sanitation District
P.O. Box 520 | 57 Baca Grant Way S
Crestone, CO 81131-0520

September 27, 2019
Board Meeting

Please print your name, address and contact information along with any issues you are interested in addressing at today's Board Meeting.

Name	Address	Telephone/Email	Would you like to speak?	Issues to be addressed
Daniel Gray	3898 Ruby Way	970-497-6010	No	