

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

January 17, 2024- 9:00 A.M.

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

David Karas

Also in Attendance:

Marcus Lock, District Legal Counsel

Diego Martinez, District Manager

Natalie DeBon, District Administrative Manager

Cathy Fromm, District Accountant (for a portion of the meeting)

Nicholaus Marcotte, Element Engineering
 (for a portion of the meeting)

Gary Potter, Director of Utilities

Community Members and Guests:

Bruce Becker

Dan Gray

Baca Grande Tech Solutions

Lori

Cheryl W.

CALL TO ORDER

President Lawson called the meeting to order at 9:02 A.M.

Board Roll Call: All Directors were present.

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 December 13th, 2023 Regular 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.

Mr. Gray expressed his concerns regarding his perceived lack of public notice for the proposed fee resolution. He suggested affirmatively sending Board packets and agendas to the public. Additionally, he spoke of the potential construction of a \$13 million wastewater plant. Mr. Gray also spoke about his belief of a problematic association between government and the press. He mentioned Director Hart's role on the Board of Directors for The Crestone Eagle, and criticized the newspaper's neglect of water and sanitation matters.

FINANCIAL MATTERS

Check Register: The Board considered approval of the check register through the period ending December 22, 2023 as follows:

General	\$	0.00
Capital	\$	0.00
<u>Enterprise</u>	\$	8,935.23
	\$	8,935.23

Check Register: The Board considered approval of the check register through the period ending January 17, 2024 as follows:

General	\$	9,495.31
Capital	\$	0.00
<u>Enterprise</u>	\$	25,892.94
	\$	35,388.25

MOTION: FOLLOWING DISCUSSION, UPON MOTION DULY MADE BY DIRECTOR SMITH, SECONDED BY DIRECTOR KARAS AND, UPON VOTE, UNANIMOUSLY CARRIED, THE BOARD APPROVED TWO CHECK REGISTERS FOR THE PERIODS ENDING DECEMBER 22, 2023 AND JANUARY 17, 2024.

Board of Director Matters:

President Lawson asked legal counsel about the requirements for public notice when adopting/raising fees, considering it was on the agenda and had been brought up in public comment.

Mr. Lock explained the legal requirement for public notice when increasing or changing fees. According to statute, the governing body of a Special District providing water and sewer services must give notice of intent to fix or increase fees, stating the date, place, and time of the meeting. This notice should be posted on the official website of the Special District 30 days before the meeting. Mr. Lock demonstrated that the notice on the District's homepage was published on December 5th, exceeding the required 30-day notice period. He assured the Board that the statutory notice requirements were fulfilled.

President Lawson acknowledged Mr. Lock's clarification, affirming that Mr. Gray's comment was incorrect. President Lawson addressed the public, expressing gratitude to those present and indicating that she was taking time to address this matter for those present who may be unfamiliar with meeting practices.

President Lawson invited Director Hart to comment. Director Hart clarified the non-profit status of Crestone Eagle and his involvement as Treasurer of the Board. Director Hart underscored the distinct separation between the business operations of the Crestone Eagle Board and editorial decision-making, the latter of which Director Hart has no control over or involvement in. Director Hart encouraged those with inquiries to reach out to the editor for further information.

President Lawson thanked Director Hart and opened the floor for any additional comments. The Directors made no further comment.

STAFF REPORTS

The Board reviewed and discussed the reports incorporated in the Board packets.

Engineer's Report

District Discharge Permit: Mr. Marcotte reported on the District's wastewater discharge permit, which expires on November 30, 2024. A new permit application must be submitted six months prior to expiration, by May 30, 2024. Mr. Marcotte recommends applying for a general permit, which is quicker to receive and more flexible than an individual permit. Mr. Marcotte noted that CDPHE could take several months to approve a new permit, and the current permit could be administratively extended, if necessary.

President Lawson expressed concern about the timeline for obtaining a General Permit. Mr. Marcotte clarified that the State can administratively extend a permit for up to five years, and acknowledged this practice as normal.

President Lawson sought clarification on the distinction between Individual and General Permits. Mr. Marcotte explained that a General Permit provides more flexibility and is based on a pre-established framework.

Water Loss Prevention Project:

Mr. Marcotte informed the Board the project plans have been finalized and approved by the District. The following bid schedule for this project is as follows:

- Advertisement Published Week of January 22nd
- Plans/Specifications Available January 26th at 4:00 PM
- Bids Due (via email to Element) February 19th at 4:00 PM
- Review Bids at Board Meeting February 21st
- Notice of Award February 23rd (estimated)

Wastewater Treatment Plant Project:

Mr. Marcotte highlighted the most recent wastewater plant data, which indicates less biological loading on the Aspen wastewater plant than previously assessed. In response to this, Mr. Marcotte submitted a proposal to update his prior analysis regarding alternatives to building a new wastewater treatment plant.

MOTION: FOLLOWING DISCUSSION, UPON MOTION DULY MADE BY DIRECTOR HART,
SECONDED BY DIRECTOR SMITH AND, UPON VOTE, UNANIMOUSLY CARRIED, THE BOARD APPROVED ELEMENT
ENGINEERING PROPOSAL FOR ENGINEERING SERVICES TO PREPARE WASTEWATER TREATMENT PLANT

(WWTP) ALTERNATIVES ANALYSIS UPDATE WITH THE PROPOSED AND APPROVED FEE FOR THE WORK IN THE AMOUNT OF \$4,500.00

Water Treatment System Improvements:

Mr. Marcotte discussed the uncertainties in funding due to potential cuts in the Colorado Department of Public Health and Environment's (CDPHE) capitalization grants. The proposed budget from the US Congress is significantly cutting the EPA capitalization grants to the various State Revolving Fund programs. Therefore, CDPHE is unsure if they will have grants available and may not know the available amount until September of 2024. Mr. Marcotte presented the Board with two options to move forward with.

1. Self-fund the design of the water project and reimburse yourself with funds from the construction loan when the project design is completed and goes to construction. In this case we could potentially apply to DOLA for a 50/50 match grant for design.
2. Wait to see if design and engineering grant funds become available later in the year and proceed accordingly if one is awarded. If those funds are not available, re-consider item number 1 above.

Director Loll inquired about Operations Manager and District Manager perspectives. Mr. Martinez noted the absence of urgency, because the project is not essential to function but included in case of failure in another component. Mr. Martinez expressed a willingness to wait for better funding opportunities. Mr. Potter agreed with the lack of urgency and preferred to wait until more funding was available.

Director Hart asked about the typical allocation of funds from CDPHE. Mr. Marcotte acknowledged the possibility of partial funding and highlighting the significant decrease in funding opportunities.

590 CR Line Extension:

The final payment advertisement and final payment processing is complete.

District Manager Report

In addition to his written report Mr. Martinez shared the following highlights from his report. The water loss prevention project is in process, and the upcoming bidding process is scheduled to start in February. Mr. Martinez emphasized the importance of efficiency and cost reduction in addressing water loss. The US Fish and Wildlife Service water lease negotiations were discussed, with negotiations ongoing, and plans for an in-person meeting in March, 2024. The 2024 budget, mill levy filing, personnel updates, and fee resolution were also covered. Some budget variance was noted regarding Vector truck repairs. Changes in the employee manual, formalization of certification and changes in connection fees, and update on the Admin Building project were shared. Progress on the new boundary map was noted. Mr. Martinez publicly expressed gratitude

to Mr. Potter and Mrs. DeBon for their efforts in ensuring a seamless transition for him within the District.

President Lawson inquired whether the repairs for the Vactor truck could be incorporated into the 2024 Budget. Mr. Lock affirmed, and Ms. Fromm remarked that the Vactor truck repair could be included through an amendment. Mr. Lock clarified the process for a budget amendment is the same process for adopting the initial budget, public notice must be published but there is no requirement for 30 days prior the meeting.

Ms. Fromm proposed sending the current draft of budget to the Board, followed by adopting an amendment to reflect the final AV and Vactor truck repair. This approach, she believed, would provide clarity on their actions.

President Lawson asked about the expected timeline, to which Ms. Fromm responded it will be presented to the Board before the next Board of Director meeting.

Administrative Manager Report

Mrs. DeBon provided key updates from her written report. She noted that 1099's have been completed electronically for the first time this year. Additionally, Mrs. DeBon highlighted changes in the health insurance benefits, introducing a personalized mental health platform effective January 1, 2024, available for eligible full-time employees at no cost.

Mrs. DeBon also shared an announcement about her graduation from the 2023 Special District Leadership Academy, and details on the successful safety grant approval, utility billing, and property sales activities.

Operations Manager Report:

Mr. Potter presented his report, highlighting concerns about a recurring main break on Spanish Creek Road. He discussed the challenges in repairing the water main pipes and the subsequent damage to roads and infrastructure. Mr. Potter also provided updates on equipment status, including the Vactor truck needing extensive repairs.

President Lawson inquired about backup plans for the Vactor truck, and Mr. Potter mentioned borrowing equipment from the POA.

Additionally, Mr. Potter reported zero accidents in 2023 and discussed operator certification training. He touched on water loss projects and shared a graph indicating consistent data below the 50% mark in organic capacity at the treatment plant.

President Lawson explained to the public the state requirement to plan for a new wastewater treatment plant, prompted by exceeding 80% capacity. Recent data that has consistently shown that the plant is operating at around 50% capacity has led the District to take a second look at the plan. This more recent data is what has prompted the Board to direct Element engineering to present a complete an updated evaluation of the alternatives.

Legal Matters:

Mr. Lock, highlighted various resolutions in the Board of Director's packet. The first and third resolutions are routine housekeeping matters to be adopted annually in January. He emphasized their procedural nature and welcomed questions. The second resolution, related to a fee increase, was confirmed earlier in the meeting, with legal notice provided; the annual transparency notice. Mr. Lock also mentioned extensive changes made to the employee handbook, now ready for the Board's consideration.

After Board and Staff discussions, the Board approved the following:

MOTION: FOLLOWING DISCUSSION, UPON MOTION DULY MADE BY DIRECTOR HART, SECONDED BY DIRECTOR SMITH AND, UPON VOTE, UNANIMOUSLY CARRIED, THE BOARD APPROVED RESOLUTION NO. 202401-01: ANNUAL ADMINISTRATIVE RESOLUTION.

MOTION: FOLLOWING DISCUSSION, UPON MOTION DULY MADE BY DIRECTOR LOLL, SECONDED BY DIRECTOR SMITH AND, UPON VOTE, UNANIMOUSLY CARRIED, THE BOARD APPROVED RESOLUTION No. 2024-01-02 NINTH AMENDED AND RESTATED RESOLUTION CONCERNING THE IMPOSITION OF VARIOUS FEES, RATES, TOOLS, PENALTIES AND CHARGES FOR WATER AND SEWER SERVICE AND FACILITIES.

MOTION: FOLLOWING DISCUSSION, UPON MOTION DULY MADE BY DIRECTOR LOLL, SECONDED BY DIRECTOR HART AND, UPON VOTE, UNANIMOUSLY CARRIED, THE BOARD APPROVED RESOLUTION No. 2024-01-03: DESIGNATION THE DISTRICT'S 24-HOUR POSTING LOCATION.

MOTION: FOLLOWING DISCUSSION, UPON MOTION DULY MADE BY DIRECTOR LOLL, SECONDED BY DIRECTOR HART AND, UPON VOTE, UNANIMOUSLY CARRIED, THE BOARD APPROVED THE FINAL VERSION OF THE BGWSD EMPLOYEE MANUAL BOOK

EXECUTIVE SESSION

Motion: Pursuant to C.R.S. § 24-6-402(4) (a), (b), and (c), 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, Adjourn to Executive Session pursuant to C.R.S. § 24-6-402(4) (a), (b), and (c), which respectively concern the purchase or lease of real property, specific legal advice from counsel, and determining positions relative to matters subject to negotiation regarding the lease rate for the next 20-year term of the Water Service Agreement and the terms and conditions for continued provision of sewer service to the Town of Crestone as well as negotiations related thereto.


MOTION: DIRECTOR LAWSON MOVED; DIRECTOR HART SECONDED TO ADJOURN EXECUTIVE SESSION AND RECONVENE TO REGULAR SESSION AT 11:15 A.M.

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 11:15 A.M.

THE NEXT REGULAR MEETING IS SCHEDULED FOR
February 21, 2023

Drafted by Natalie DeBon



Respectfully submitted,



Diego Martinez

THESE MINUTES ARE APPROVED AS THE OFFICIAL JANUARY 17th, 2024 MINUTES OF THE BACA GRANDE WATER AND SANITATION DISTRICT BY THE BOARD OF DIRECTORS SIGNING BELOW:

Vivia Lawson

Signed with DocuSign — 6720e4ad57b5

Vivia Lawson

JAL

Signed with DocuSign — 4577436f589d

John Loll

Mike Smith

Mike Smith

rh

Signed with DocuSign — 649668aa7049

Rick Hart

David Karas

Signed with DocuSign — 7d04483aaf54

David Karas

ATTORNEY STATEMENT

Regarding Privileged Attorney-Client Communication

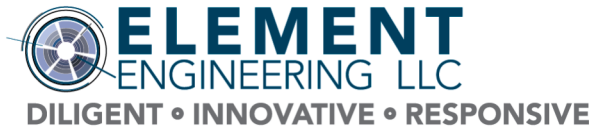
Pursuant to §24-6-402(2) (d.5) (II)(B), C.R.S., I attest that, in my capacity as the attorney representing the Baca Grande Water and Sanitation District, I attended the executive sessions on January 17, 2024, and it is my opinion that the portion of the executive session that was not recorded constituted attorney-client privileged communications.



Marcus J. Loek

General Counsel

Baca Grande Water and Sanitation District



MONTHLY ENGINEER'S REPORT

DATE OF MEETING: JANUARY 17, 2024
CLIENT: BACA GRANGE WATER & SANITATION DISTRICT (BGWSD)
SUBJECT: MONTHLY ENGINEER'S REPORT **NEW ITEMS IN BOLD**

GENERAL ENGINEERING (PROJECT NO. 0001)

The district's discharge permit expires on November 30, 2024. A discharge permit application must be filed six months prior to the termination of the permit. Therefore, the permit application is due on May 30, 2024. Element will assist the district with the discharge permit application. Currently the district has an individual permit. If it is possible, Element recommends the district apply for a general permit as there are several benefits of a general over an individual. We are currently reviewing if the district is eligible for a general permit.

WATER AND WASTEWATER MASTER PLAN UPDATE (PROJECT NO. 0009)

The Water and Wastewater Master Plan Update document has been finalized in draft format and provided to the BGWSD staff and board for review.

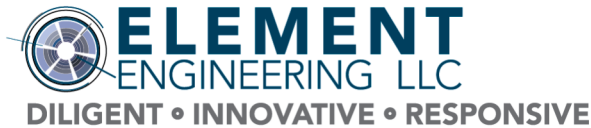
The master plan was approved by the district board in September 2022. The district approved Water and Wastewater Master Plan culminated in recommendations for water and wastewater system improvements. These recommendations are being included in the Wastewater Treatment Plant Improvements (Project No. 0010) and Water Treatment Plant Improvements (Project No. 0011) projects. Status reports on these projects are presented under their respective project numbers.

The master plan also included recommendations for water loss reduction. Reporting on progress for this item is listed under General Engineering (Project No. 0001). As the master plan document itself has been approved, and action is being taken on the master plan recommendations, no additional updates will be included on this project number.

WASTEWATER TREATMENT PLANT IMPROVEMENTS (PROJECT NO. 0010)

Element has provided the district with a proposal to complete a Wastewater Treatment Plant (WWTP) Improvements Preliminary Engineering Report and Environmental Report. The report will be assembled for United States Department of Agriculture (USDA) Rural Development (RD) funding of a new or upgraded/expanded WWTP. A preliminary schedule for the proposed project is shown below. Note that this schedule may vary widely based on review time by CDPHE and USDA as each entity reviews and processes the required submittals.

- Compile and submit Preliminary Engineering Report December 2022
(Includes ER and RD Apply funding application)
- USDA review and funding/underwriting January 2023 – July 2023
(Note this timeline is assumed and is shown conservatively long)
- USDA Letter of Conditions Coordination July 2023 – September 2023



- Design, CDPHE and local permitting
- Bidding
- Construction

September 2023 – August 2024
November 2024
March 2025 – March 2026

Element was approved on the wastewater PER/ER in the district's September special meeting. We intend to meet the deadline for the PER/ER of the end of December 2022.

The PER was submitted to district staff for review in December of 2022. We are working to schedule a staff review meeting prior to updating the draft for submittal to the board for review. It is expected that the PER will be submitted to the board for review in late January or early February.

The PER was reviewed with staff on January 23, 2023. An updated PER has been provided to the district along with a PER summary handout. A work session to review the PER has been scheduled for Thursday February 23rd. USDA has informed Element that, based on the suggested project scope, an Environmental Report is required. Our original goal was to demonstrate that this was not required due to the fact that the disturbance would all occur at existing project locations, however, after review USDA has required the ER to be compiled and submitted as part of the project. Our current proposal has funding for this work but excludes State Historic Preservation Act site surveys. If a survey is required, we will let the district know and pass that on with no markup.

After review of the PER by the board, and any necessary updates, the PER and ER will be submitted to USDA, along with the RDAApply application to finalize the grant and loan funding request.

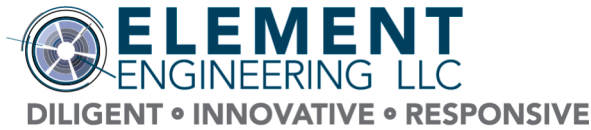
The PER was reviewed at a board special meeting on February 23rd, 2023. The board approved moving forward with the project and completing the RDAApply application. Element is in the process of compiling the required Environmental Report. The Environmental Report and RDAApply application will be completed by the end of April 2023. Please note that the Environmental Report requires 30 and 45-day review periods for various state, federal, and tribal agencies for review and comment on the project scope.

The Environmental Report (ER) has been drafted. We are waiting for final responses from the State Historic Preservation Office (SHPO) and other agency responses to finalize the ER. The RDAApply application is being processed and drafted by Element and district staff.

The RDAApply application and Preliminary Engineering Report have been finalized in draft format. The Environmental Report is nearly complete. We are finalizing correspondence with the State Historic Preservation Office (SHPO). Further environmental compliance reporting may be required, and we are scheduling a meeting with SHPO to determine the necessary scope of this additional work, if any. It is anticipated we will finalize our conversations with SHPO by the end of May.

The USDA funding application has been completed. The PER and ER have been submitted to USDA. We are now waiting for the USDA underwriting process to be completed. USDA will generate a letter of conditions that outlines the funding package grant/loan combination.

USDA provided their review comments of the PER and ER. Element has completed the comment responses and resubmitted the reports. The comments were minor and did not necessitate major changes to either report.



At the December meeting it was requested that Element provide a proposal to complete an updated evaluation of the alternatives (improvements to existing facility and replace existing secondary unit processes). This was based on newer data showing that a facility expansion may not be necessary. A proposal for this evaluation is attached to this board report.

WATER TREATMENT SYSTEM IMPROVEMENTS (PROJECT NO. 0011)

The Water and Wastewater Master Plan Update recommended a water project be completed including the following:

- Integrate the Motel Well and Booster Pump Station into the large BGWSD system.
- Increase Water Treatment Plant (WTP) Pumping Capacity
- Add Administrative Building for district.

It is recommended that these projects be funded through the Colorado Department of Health and Environment (CDPHE) State Revolving Fund (SRF) Loan Program. Upon completion of the WWTP PER and ER the funding process for the water system improvement project should begin. A preliminary schedule for the proposed project is shown below. Note that this schedule may vary widely based on review time by CDPHE.

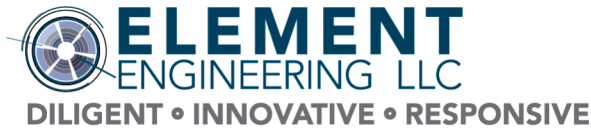
- | | |
|---|----------------------------|
| • Compile and submit pre-qualification form (CDPHE funding) | December 2022 |
| • Compile and submit Project Needs Assessment | April 2023 |
| • CDPHE review and design and engineering grant execution | July 2023 |
| • Design, CDPHE permitting | August 2023 – March 2024 |
| • CDPHE funding coordination and loan execution | February 2024 – April 2024 |
| • Bidding | April 2024 |
| • Construction | June 2024 – December 2024 |

The pre-qualification form was submitted in December of 2022. A pre-qualification meeting has been scheduled with CDPHE, DOLA, BGWSD, and Element staff on Tuesday January 31st at 10:00. The pre-qualification meeting is the next step in the CDPHE funding process where all entities discuss the proposed project and review the steps in the funding process.

The prequalification meeting was held to discuss the CDPHE funding process specific to the BGWSD water project. The district qualifies for a planning grant of \$10,000 to support compilation of the Project Needs Assessment. The planning grant requires a local match of \$2,500, for total funding of \$12,500 for the Project Needs Assessment. The Project Needs Assessment (PNA) is an engineering planning document similar to the PER but compiled in a format and form acceptable to CDPHE. Element has compiled a proposal to complete the PNA on behalf of the district.

The draft PNA is nearly complete with an internal (Element) review by the middle of April. We are on target to provide the draft to district staff by the end of April.

CDPHE has provided a pre-qualification review letter after our January pre-qualification meeting. The review letter (dated April 19, 2023) is attached to this report. This letter clarifies that the district is eligible



for a planning grant (already obtained), a design and engineering grant, and Bipartisan Infrastructure Law (BIL) funding.

Element finalized a draft of the PNA and transmitted it to district staff on May 9, 2023. It is recommended the district board schedule a work session or special meeting to review the final PNA during the month of June. In the meantime, Element and district staff will work to resolve any initial questions and/or comments.

The draft PNA is scheduled to be reviewed by the district at an August 23rd meeting. A handout summarizing the PNA has been transmitted to district staff for board distribution.

The district approved submittal of the PNA at the August 23rd meeting. Element has coordinated with district staff and the PNA has been submitted to CDPHE. We are awaiting CDPHE review of the document. Element will respond to any questions or CDPHE comments.

The PNA has been approved. See the attached approval letter.

We have been exchanging email correspondence with CDPHE regarding the district's potential Design and Engineering grant (D/E grant) for the drinking water project. The proposed budget from the US Congress is significantly cutting the EPA capitalization grants to the various state SRF programs. Therefore, CDPHE is unsure if they will have D/E grants available and may not know the available amount until September of 2024.

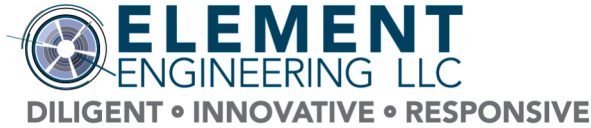
CDPHE will, however, allow the district to recoup funds spent on design and engineering costs from the construction loan, when it is issued to build the project. This would mean funding the design of the project upfront and recouping the costs at the time of construction. The district may apply for a DOLA grant to fund up to half of the design related costs. Therefore, the two options moving forward are as follows:

- 1. Self-fund the design of the water project and reimburse yourself with funds from the construction loan when the project design is completed and goes to construction. In this case we could potentially apply to DOLA for a 50/50 match grant for design.**
- 2. Wait to see if D/E grant funds become available later in the year and proceed accordingly if one is awarded. If those funds are not available, re-consider item number 1 above.**

The design and engineering costs associated with the water system project is \$108,370.00. Therefore, the district could apply for a DOLA grant in the amount of \$54,185.00, which would be a Tier II grant. The upcoming DOLA cycle begins accepting applications on March 1 and closes on April 1. Awards are estimated to be made by July of 2024. Note that if the district intends to use this grant, no work can begin until the grant contract is executed.

2023 WATER LOSS PREVENTION PROJECT (PROJECT NO. 0013)

Element staff are periodically working with district staff in developing a water loss prevention program. It is likely that this prevention program will take several months to collaboratively develop prior to



presentation by district staff and Element to the board. Element is assisting the district in assembling cost estimates for PRV vault and water main replacement program. Our initial meeting has identified the following items to focus on:

- PRV Vault Cost Estimate
- Metering Vault Cost Estimate
- Cost Estimate 1,000 Feet of Main (General)
- Meter Inventory (Ages, Visual Inspection)
- Unmetered Service Survey
- Testing Meters
- Leak/Break Fix Map
- Water Main Replacement Program

District staff is interested in applying for Saguache County grant funds to potentially pay for relocation of PRVs and installation of flow meter vaults to study. Potential uses for this grant money is installation of metering vaults, PRVs, and water shutoff valves to better isolate for breaks. Also, money could be used for leak detection equipment. A cost estimate of a PRV and metering vault has been provided to district staff for review.

Element has been released on design services of the PRV relocation, new PRV installation, and two new meter vaults. Element is completing design and bidding documents so the project can be publicly bid. We are currently waiting for the field survey work to be completed in order to finalize our draft documents for internal review.

We have received the survey and are finalizing the water loss prevention project deliverable design documents for review by district staff.

We created a cost estimate for replacement of the receiving manhole of the Wagon Wheel Lift Station with a polymer manhole that is corrosion resistant.

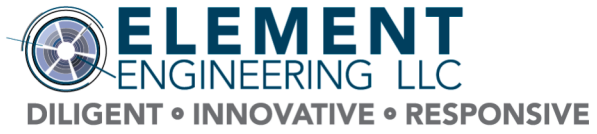
We have finalized the water loss prevention plans and met with district staff to review. Upon approval of the drawings the next step is project bidding. The project may be advertised and bid in early 2024 if desired by the district.

The project plans have been finalized and approved by the district. The following bid schedule for this project is as follows:

- | | |
|-----------------------------------|---------------------------------------|
| • Advertisement Published | Week of January 22 nd |
| • Plans/Specifications Available | January 26 th at 4:00 PM |
| • Bids Due (via email to Element) | February 19 th at 4:00 PM |
| • Review Bids at Board Meeting | February 21 st |
| • Notice of Award | February 23 rd (estimated) |

DEVELOPMENT SERVICES

590CR Hillcrest Overlook Extension:



The final payment advertisement and final payment processing is complete.

December 26, 2023

JoAnn Slivka, District Manager
Baca Grande Water and Sanitation District
PO Box 520
57 Baca Grant Way S
Crestone, CO 81131

Re: Baca Grande Water and Sanitation District Drinking Water Revolving Fund (DWRF)
Project Needs Assessment (PNA) Approval Letter
DWRF Project No. 960062D-Q, Saguache County
PWSID No. CO0155200

Dear JoAnn:

The Water Quality Control Division (Division), Grants and Loans Unit has reviewed the Drinking Water Revolving Fund (DWRF) PNA prepared by Element Engineering, and dated August 30, 2023 for the Baca Grande Water and Sanitation District (applicant). The PNA is approved and the project may proceed through the SRF process with the conditions listed in the following sections.

Engineering Section Review Comments

- Engineering Section review comments from the PNA review letter have been adequately addressed.
- **Self Certification:** The system does not intend to self-certify all or a portion of the project.
- **Design Review Process:** For all public water systems, the supplier must not begin construction of any new waterworks, make improvements to or modify existing waterworks, or begin using a new source until the supplier submits and receives Department approval of plans and specifications for such construction, improvements, modifications, or use.

Final Environmental Determination

CATEGORICAL EXCLUSION

The project meets the criteria for a Categorical Exclusion (CatEx) as the State Environmental Review Process states a CatEx may be granted for projects where no federal crosscutters are impacted, there are no known or expected Extraordinary Circumstances, and the facilities planning are solely directed toward:

DWRF

- Minor rehabilitation of existing facilities.
- Functional replacement of equipment.
- Minor upgrades and expansions of existing water systems in communities of 10,000 population or less (distribution line extensions are not included).

At minimum, the following coordination appears to be required to confirm there is no significant impact to state and/or federal crosscutters:

- SHPO - State Register Act review
- Other local, state, and federal crosscutter coordination as applicable. It is the responsibility of the applicant to ensure that all required crosscutter coordination is completed to meet NEPA requirements.

The PNA did not provide evidence of a properly noticed public meeting. The public meeting is a requirement of the environmental review process and CO SRF public meeting requirements must be completed.

Review of submissions regarding SRF environmental review requirements including agency coordination and Environmental Assessment review etc. is conducted under a separate cover. Please contact your GLU Project Manager regarding the status of reviews.

Financial Analysis Comments

- An updated financial analysis has been completed by DOLA and is attached to this memo. Please review the memo for important notes and recommendations.
- Based on 2017-2021 ACS data, the District met the requirements of a disadvantaged community. This determination is valid for eighteen months from the date of the PNA review letter.

Bipartisan Infrastructure Law (BIL) Principal Forgiveness Eligibility Review:

- In an email to the department project manager dated November 15, 2023, Baca Grande Water and Sanitation District confirmed BIL funding is requested for the project. BIL funding will be used to evaluate the loan package, including the amount of BIL principal forgiveness the applicant may be eligible for at loan application. This is not a guarantee of funds and may be subject to prioritization, potential caps, and availability of funds.

Important Notes and Requirements

- The following are outstanding items the Baca Grande Water and Sanitation District Drinking must still complete prior to submittal of a loan application to the SRF program:
 - Public Meeting
 - CatEx required agency coordination submission
 - Basis of Design Report
 - Plans and Specifications submission
- A public meeting is required to inform the citizens in the affected area of the proposed project. The meeting must be publicly noticed in a local newspaper a minimum of one time at least 30 days prior to the meeting. The meeting must include a discussion of project alternatives, preferred alternative, projected rate increases, construction and environmental impacts of the project. Projects requiring an EA must provide a draft EA for review at the meeting. An affidavit of publication, agenda, meeting minutes, and list of attendees must be submitted to the Division. [SRF Public Meeting guidance](#) is available on the Grants and Loans Unit website.
- The project is required to comply with federal requirements as described and detailed in the *Colorado SRF Required Specifications*. The requirements are listed below. Please note this list may be subject to change, and the final list of requirements will be verified at bid package approval.
 - Davis-Bacon Prevailing Wages
 - American Iron & Steel (AIS)
 - Suspension and Debarment, Equal Opportunity & Civil Rights, OSHA, and Archeological & Historic Preservation Act

- Signage (if BIL funding received)
- This project is required to comply with the following SRF Certifications as applicable:
 - Technical, Managerial and Financial compliance resolution
- All State Revolving Fund recipients are required to include the **Colorado SRF Required Specifications** in the bid package and construction documents. The bid package must be submitted to the Grants and Loans Unit project manager for approval prior to any bidding. Submit bid package and construction documents a minimum of 14 days prior to bid advertising. This requirement also includes all materials and equipment procurement, Construction Manager at Risk (CMAR) requests for proposals, Design-Build contracts, and any other construction related contracts.
- The environmental clearance must be completed prior to starting construction. This means that the Categorical Exclusion (CatEx) has been published or the Finding of No Significant Impact (FONSI) has been published and the 30-day comment period has lapsed with no comments or all comments, if any, have been resolved.
- Prior to construction, the project must receive Final Plans and Specifications for Construction Approval from the Water Quality Control Division Engineering Section or receive acceptance of self-certification for eligible projects. If you have questions regarding the status, please contact the WQCD Engineering Section review engineer Steven Daniels at or email at steven.daniels@state.co.us or contact CDPHE.WQEngReview@state.co.us
- If the project scope changes, the Baca Grande Water and Sanitation District Drinking must submit an amended PNA for approval. Project amendments may result in environmental and/or design approval changes.
- This letter does not guarantee the award of funds. Award of funds is subject to meeting all technical and SRF requirements, and approval by the Colorado Water Resources & Power Development Authority Board of Directors. Availability and terms of funding for both BIL and base program SRF funds are subject to change at any time.

Resources:

- Information regarding the Bipartisan Infrastructure Law (BIL) and important updates regarding the funding are posted at <https://cdphe.colorado.gov/wqibill>
- Coaching assistance is available to assist the borrower in addressing drinking water system issues and/or meeting TMF capacity requirements. The division Local Assistance Unit offers free training and assistance for applicants who would like assistance. The training is presented onsite at the system and provides an understanding of the TMF requirements and tools. In addition, the unit can provide additional training for training units (TUs) to certified operators. To request assistance visit: <http://cdphe.colorado.gov/dwtrain> and click "Online training request" under "Customized coaching and assistance" or contact the Local Assistance Unit at cdphe.wqdwtraining@state.co.us.

Questions can be directed to me via telephone at 303-691-4945, or via e-mail at amy.schultz@state.co.us.

Sincerely,



Amy Schultz
 Project Manager
 Infrastructure Unit
 Water Quality Control Division

ec: Gary Potter, Baca Grande WSD
Natalie DeBon, Baca Grande WSD
Nicholaus Marcotte, Element Engineering
Desi Santerre, DOLA Division of Local Government
Randi Snead, DOLA Regional Manager
Austin Reichel, Colorado Water Resources and Power Development Authority
Steven Daniels, Review Engineer, WQCD Engineering Section
Emily Wong, WQCD Engineering Section
Ana Ruiz, Project Manager, WQCD Infrastructure Unit
Alex Hawley, Work Group Lead, WQCD Grants and Loans Unit
Margaret Talbott, Unit Manager, WQCD Infrastructure Unit

Attachments:

DOLA Financial Analysis

BACA GRANDE WATER AND SANITATION DISTRICT

Proposal for Engineering Services

Wastewater Treatment Plant (WWTP) Alternatives Analysis Update

UNDERSTANDING

Element Engineering, LLC (Element) understands that the BGWSD wishes to compile an updated WWTP Alternatives Analysis based on recent raw wastewater data. This data shows that the influent organic loading to the plant has been falling. Element recently completed and submitted a Preliminary Engineering Report (PER) to USDA for project funding. This PER recommended replacement of the existing secondary treatment process, and expansion of the facility's organic rating. Recent data, however, shows that an expansion may not be necessary.

Therefore, the district would like an updated alternatives analysis of the two primary alternatives without considering increasing the hydraulic or organic loading rates. The two primary alternatives are as follows:

1. Rehabilitation of the existing WWTP facility and process building.
2. Replacement of the existing WWTP secondary treatment system and construction of new structures and equipment.

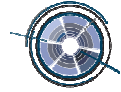
SCOPE OF SERVICES

The following Scope of Work is proposed:

- Compile a new alternatives analysis without considering an increase to the hydraulic and organic loading rates. This alternatives analysis shall mirror that completed in the PER and will be limited to the project construction and non-construction costs, and ongoing maintenance costs.
- Summarize the new hydraulic and organic data in the memorandum and discuss its impact on previous recommendations.
- Summarize updated cost estimates in the memorandum and discuss findings and recommendations based on the new data review.

EXCLUSIONS

Exclusions include a topographical survey and geotechnical report (not required for this project phase). A new PER, ER and loan application are not included.



FEE PROPOSAL

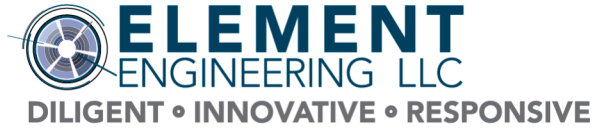
The proposed fee for the work is \$4,500.

This work order is provided as an exhibit and/or attachment to the Baca Grande Water and Sanitation District General Owner-Engineer Agreement.

Approved By: _____

Approved For: Baca Grande Water and Sanitation District

Date: _____



ELEMENT ENGINEERING, LLC
RATE SCHEDULE FOR PROFESSIONAL ENGINEERING SERVICES

<u>LABOR CLASSIFICATION</u>	<u>HOURLY BILLING RATE</u>
Principal	\$160.00
Project Manager	\$150.00
Project Engineer	\$130.00
Design Engineer (CADD)	\$120.00
Construction Manager	\$160.00
Construction Observer	\$120.00
Office Assistant	\$65.00
 <u>DIRECT EXPENSES</u>	
Prints/Copies	At Cost
Mileage	Prevailing Fed Rate
Travel Time	At Cost
Sub-Consultants	At Cost

BACA GRANDE WATER AND SANITATION DISTRICT

NOTICE OF INTENT TO FIX OR INCREASE FEES, RATES, TOLLS, PENALTIES OR CHARGES FOR WATER AND/OR SANITARY SEWER SERVICE

NOTICE IS HEREBY GIVEN pursuant to Section 32-1001(2) (a), C.R.S., that on Wednesday, January 17, 2024, at 9:00 A.M, the District's Board of Directors will consider fixing and/or increasing fees, rates, tolls, penalties or charges for water and/or sanitary sewer services, and that any customer or other interested person may appear at said time and place for the purpose of providing input, comments, or objections regarding any proposed increase. Information regarding any proposed increase may be obtained from the District office, Monday – Friday during normal business hours. You may also call the District at 719-256-4310.

**BY ORDER OF THE BOARD OF DIRECTORS:
BACA GRANDE WATER AND SANITATION DISTRICT**



District Manager Report – January 17, 2023

MASTER PLAN:

Saguache County Grant - Water Loss Prevention Project (Capital Project)

- 7/19/2023: BGWSD Board approved the proposal from Element Engineering for Construction Plans and Specifications: \$7,000, Bid Documents and Bidding Process: \$8,500.
- Element has now begun working on the design services and bidding documents. Once again, gratitude to EE for working with the District on our water conservation efforts.
- 11/15/2023: Approximately \$8,300 of the \$15,000 budgeted for the year has been used. Remainder of funds will be deferred to 2024
- Draft design plans were received and a list of edits has been returned to Element
 - Finalized plans should be available this month
 - Next step will be to advertise and send the project for bids

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

- Received a response on 11/6/23
- Council has reviewed the correspondence, met with the attorney representing USFWS, and sent the District's reply on 12/05/23
- USFWS reply was received on 12/20/2023
 - Need to come to agreement on pricing, handling of administration costs, process for working together during drought conditions, and compensation for retiring some of the water rights.
- Next step – In person meeting with USFSW
 - Tentatively scheduled for week of 3/11

2024 Budget

January 10 – Mill Levy certified to County

January 31 (no change) - Budget must be submitted to the Division of Local Government of the budget year.

PERSONNEL

- COVID – No cases to report

Employee Manual

- Draft reviewed by counsel
 - Final draft included for Board approval
 - Questions?

OTHER EVENTS:

Ninth Fee Resolution

- Formalize \$200 Certification fee
- Disconnection/Reconnection Fee 50% of Connection Fee
- Permit extension \$250
 - Adjustment \$25

Administration Building

- Reengaged contractor to complete the design

Vector Truck

- Requires approximately \$32K in maintenance
- Significant budget variance for vehicle maintenance

New Boundary Map

- The draft map was review and feedback sent to IMEG for implementation
 - Reviewed by counsel
 - Surveyor working on updating legal description

Administrative Monthly Report

January 17th, 2024 - Board of Directors Meeting

Prepared by Natalie DeBon

Caselle: Caselle billing software was updated to the newest version.

Caselle Webinar: On December 12th, I took Caselle webinar for the Accounts Payable focused on AP Year-End reporting.

IRS governmental reporting and filing: Starting tax year 2023, if we have more than 10 information returns, we must file them electronically. To use the IRIS Taxpayer Portal, we need an IRIS Transmitter Control Code (TCC). District manager and I applied for, and received the code for the District. The 1099's will be filed with IRIS and recipient copies mailed out before the deadline of January 31st, 2024.

CEBT: CEBT, our health insurance provider, is introducing Modern Health effective January 1st, 2024. This new program is a comprehensive and personalized mental health care platform offering self-guided, community-based, and one-on-one mental health support for members and dependents. I shared the program information with qualified employees, and encouraged them to sign up. This platform offers a range of benefits, including 8 coaching sessions, 8 therapy sessions, and much more, such as videos, circles, and courses.

Transparency notice: The annual transparency notice was posted on the District website.

Case Backhoe: For sale notice created and posted on the website, Crestone Eagle online page, Saguache Crescent and Craigslist. Notice included in my report.

Other notices: Notice of intent to fix or increase fees posted on the District website, Crestone Eagle and Saguache Crescent. District manager letter to the community was posted on the District website and also attached to January's billing statements.

SDA Leadership Academy: I graduated from 2023 Special District leadership Academy and will receive certificate shortly. SDA's Leadership Academy was a year-long program featuring leadership professionals discussing issues centered on personal and professional development.

Office update: We created new office space by moving equipment from copy room into main office area and refreshed the room with new paint, moved filing cabinets and added a new desk. Now each member of the admin team has their own workspace. We worked with WSB to set up phone and internet connections.

CSDPL Safety Grant: I submitted a safety grant request to CSDPLP, for recently purchased gloves, wipes, soap, and HEPA filters. In the total amount of 751.55. Once approved they will reimburse us for 50%.

Vector Solutions Platform: Three courses were assigned to Admin Employees as an annual training: Anti-Harassment Training, Diversity Equity and Inclusion and Ethics in the workplace. Courses are in progress and close to completion.

IDP Plan: Individual Development plans were distributed to admin employees, they were filled out and meaningful conversation took place. Admin team has their goals and activities in place for the year.

Website verification project: Website tap and AOS verification project, continue to be in progress. Admin staff are working to ensure the information displayed on the website remains accurate and up-to-date. Meanwhile, we highly recommend that our customers contact our office to verify the information found on the website.

Billing Message: Happy New Year! Please read the letter to the community from BGWSD District Manager, Diego Martinez on our website at <https://www.bacawater.com/bgwsd-district-manager-letter-to-the-community>. In honor of Martin Luther King Jr. Day, the District office will be closed on Monday, January 15, 2024. To pay your bill by phone, please call the Payment Center at 800-720-6847 or the IVR line at 888-504-0548 and Dial '0' to speak with a live operator.

File Organization & Archiving: files organization, scanning and archiving project is ongoing.

UTILITY BILLING ACTIVITY FOR THE MONTH OF DECEMBER (BILLED IN JANUARY)		
Customer Utility Billing		
Billing Category	Number of Accts	Amount Billed
Usage Customers Billed - SEWER	821	\$39,968.21
Usage Customers Billed - WATER	843	\$46,319.78
ON/OFF Service	7	\$300.00
LATE FEE	45	\$860.00
TRANSFER	11	\$3,850.00
CONSOLIDATIONS	0	\$.00
EQR	27	\$785.75
NSF FEE	2	\$60.00
WATER & SEWER HOOK UP	0	\$.00

DECEMBER - XPRESS BILL PAY TRANSACTION ACTIVITY

Product / Service Description	Qty	Unit Price	Line Total
EFT Web Transactions	233	\$0.64	\$149.12
Credit/Debit Card Web Transactions	349	\$0.49	\$171.01
Online Banking - Bank Bill Pay Transactions	17	\$0.25	\$4.25
Lock Box Service Transactions	114	\$0.58	\$66.12
Toll Free Operator Assisted Transactions	12	\$1.25	\$15.00
Toll Free IVR Transactions	13	\$1.25	\$16.25
Support, Maintenance, Hosting - Fee	1	\$100.00	\$100.00

Town of Crestone Sewer 2023

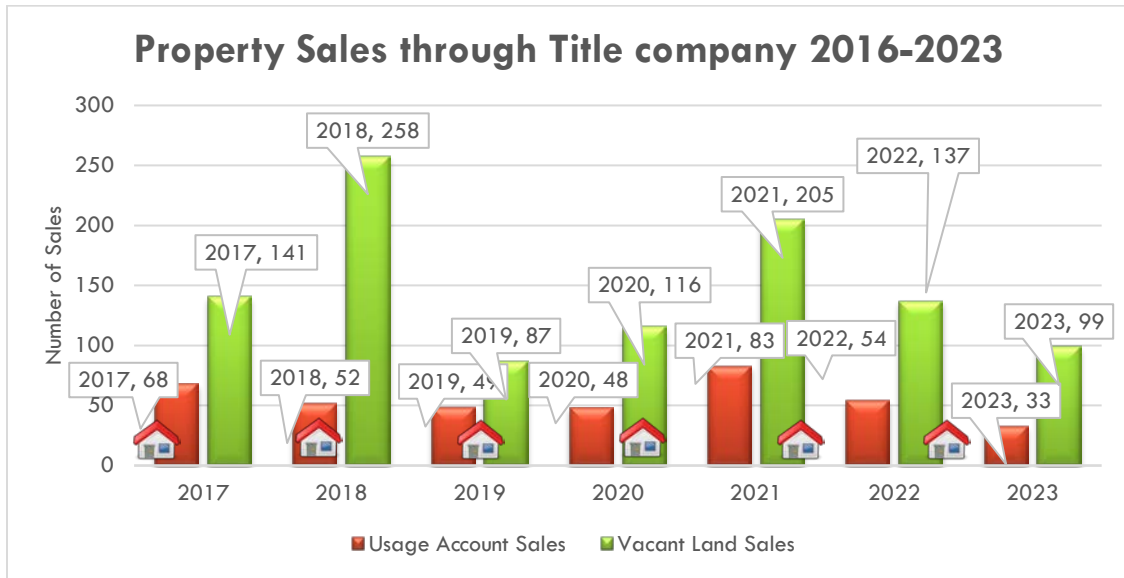
Town of Crestone Sewer Billing - 2023

Date	Monthly Total	Monthly Flow	Flow Charges	Average Daily BOD	Monthly BOD	BOD Charges	Paid	Balance Due
January	434,425	3,431,957.50	\$ 3,431.96	54	1674	\$ 1,658.93	Check # 2596	02/28/2023- \$5,090.89
February	404,042	3,191,931.80	\$3,191.33	57	1596	\$1,581.64	Check #2604	03/31/2023- \$4,773.57
March	391,356	3,091,172.40	\$3,091.71	51	1581	\$1,566.77	Check #2612	04/30/2023- 4,658.48
April	484,123	3,825,282.70	\$3825.28	38	1140	\$1,129.74	Check # 2587	05/31/2023- \$4955.02
May	452,229	3,572,609.10	\$3,572.61	43	1333	\$1,321.00	Check #2630	06/30/2023- \$4,893.61
June	474,843	3,751,259.70	\$3,751.26	63	1890	\$1,872.99	Check #2630	07/31/2023- \$5,624.25
July	517,982	4,092,057.80	\$4,092.06	60	1860	\$1,843.26	Check #2636	08/31/2023- \$5,935.32
August	497,162	3,927,579.80	\$3,927.58	53	1590	\$1,575.69	Check #2638	09/30/2023- \$5,503.27
September	488,582	3,859,797.80	\$3,859.80	47	1363	\$1,350.73	Check # 2649	10/31/2023- \$5,210.53
October	524,932	4,146,962.80	\$4,146.96	41	1312	\$1,300.19	Check #2654	11/30/2023- \$5,447.15
November	419,372	3,313,038.80	\$3,313.04	41	1230	\$1,218.93		12/31/2023- \$4,531.97
December	399,446	3,155,623.40	\$3/155.62	45	1305	\$1,293.26		\$4,448.88
2023 Totals	5,488,584		\$43,359.81	593	17874	\$17,713.13		

New Rate 10/2022

Rate per 1,000 Gallons of Flow: \$7.900 / 1,000 gallons
Rate per Pound of BOD: \$0.991 / pounds BOD

December - 2023- Property Sales: 3- Homes, 3- Lots

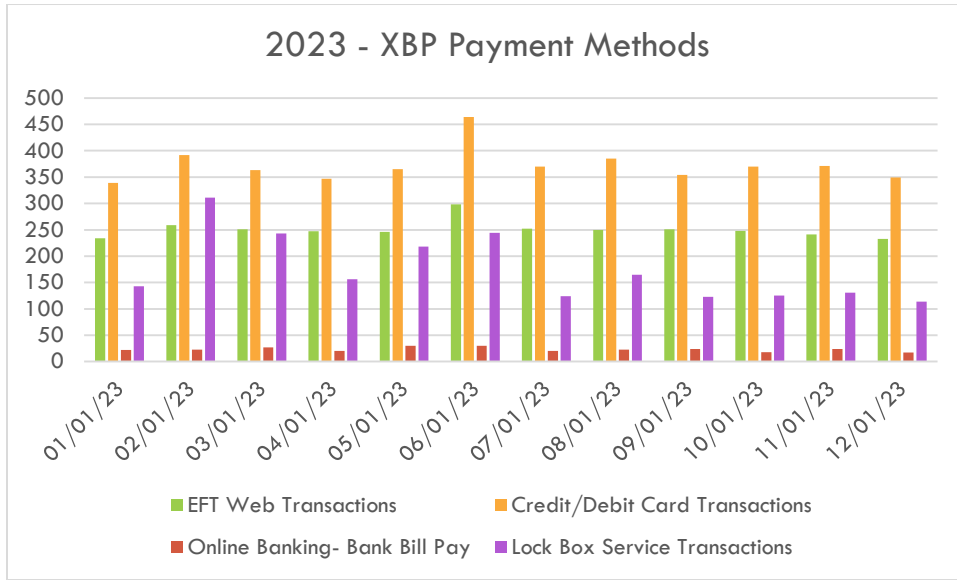


December- 2023 – Other Sales Statistic Including Name Changes Only

Prepared by Jennifer Jenkins:

Type	Vacant Lot	House	Total Charges
Quick Claim Deed	4	2	\$1,050.00
Warranty Deed	1	0	\$350.00
Treasurer's Deed	2	0	\$700.00
Bargain & Sale Deed	0	0	\$0.00
Contract for Deed	0	0	\$0.00
			Total: \$2,100.00

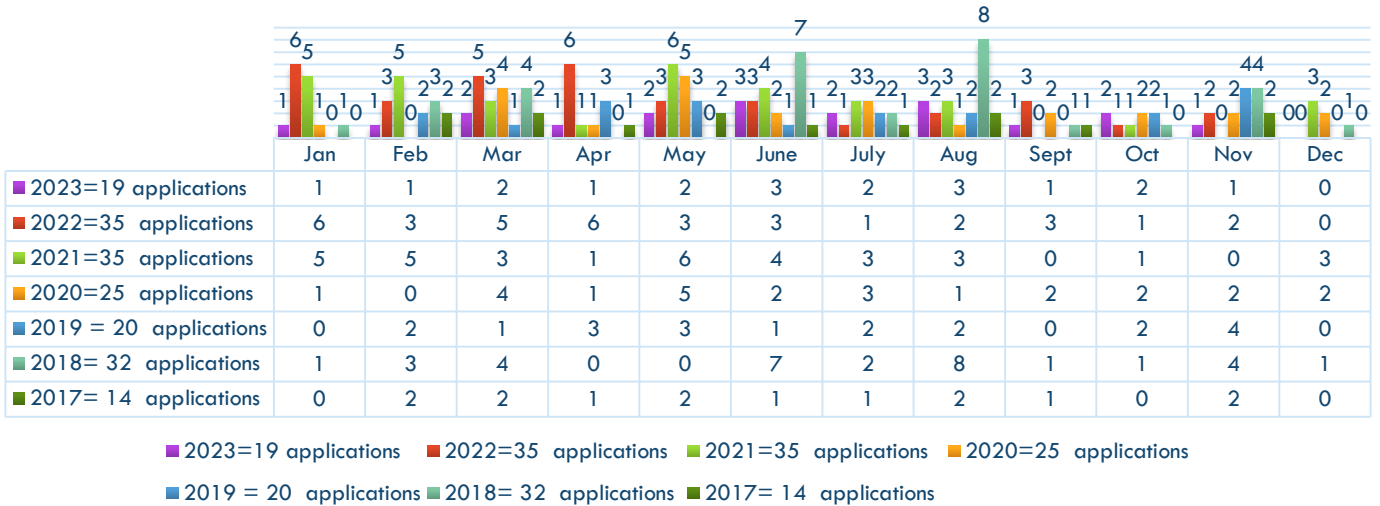
2023 - Xpress Bill Pay Customers Transactions Activity



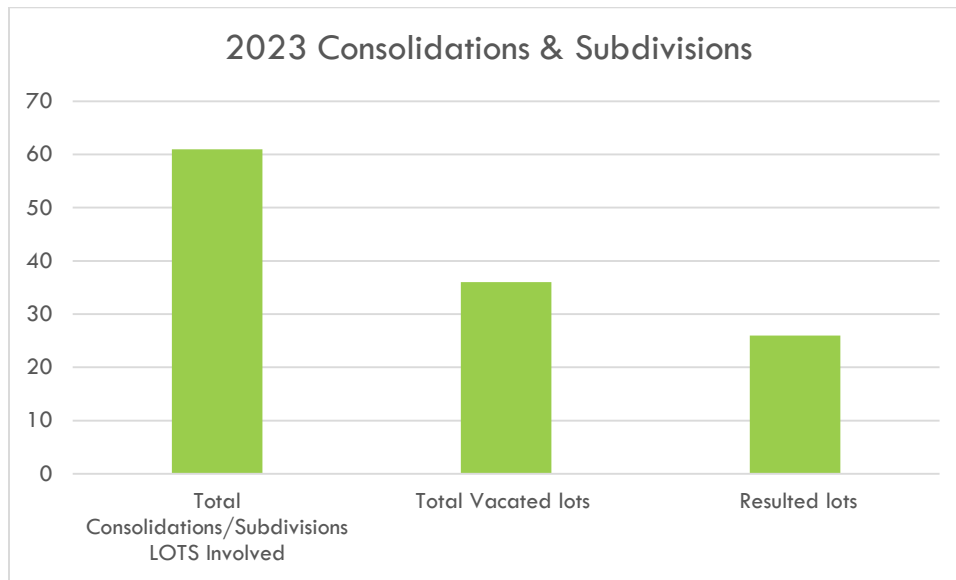
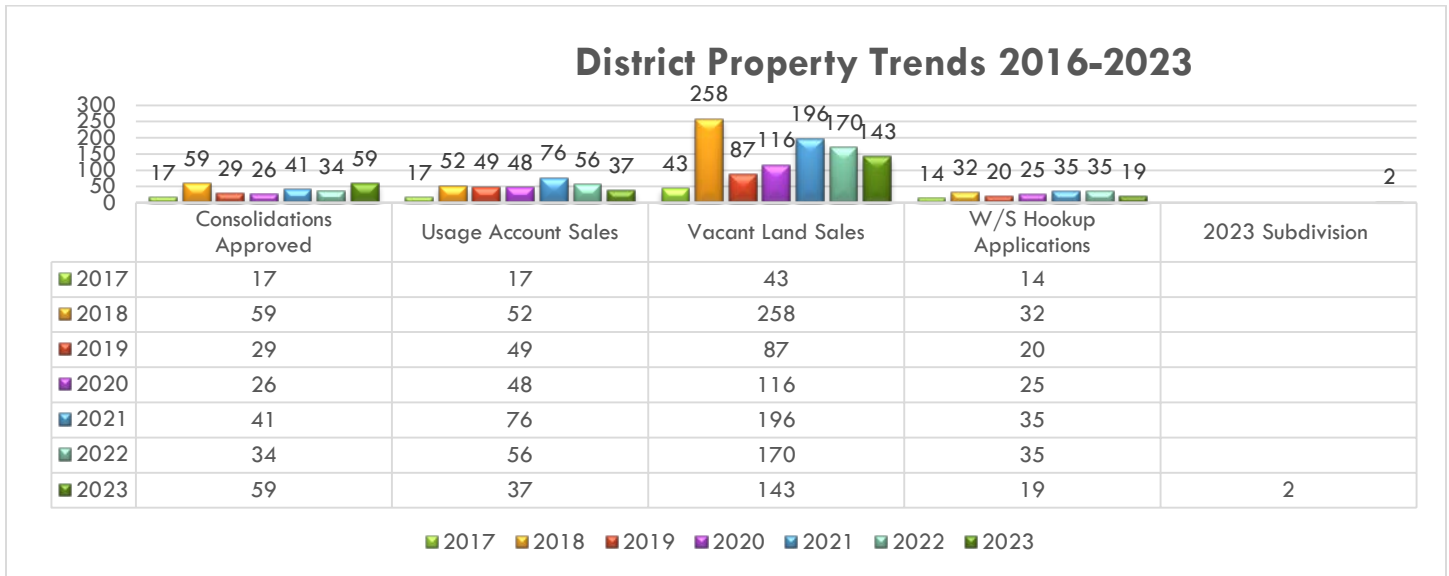
2023 - Water and Sewer Hook up Applications

0- Application (s) received in December. **19** – Total application (s) received in 2023

Water-Sewer Hookups 2016-2023



2016-2023 PROPERTY TRENDS



Total Consolidations/Subdivisions LOTS Involved	Total Vacated lots	Resulted lots	Total 2023 Consolidation/Subdivision Revenue
61	36	26	\$30,500.00

For Sale Notice

For Sale 1986 Case 580E Backhoe - \$15,000

Backhoe comes with 5,678 hours on the engine and the following specifications:

- Model: Case 580E
- Condition: Used
- Year: 1986
- Issues: Missing bolts in rear axle, brakes need work

This backhoe has served us well, but we're ready to pass it on to someone who can give it the attention it needs. Priced to sell at \$15,000. Serious inquiries only. Contact Baca Grande Water & Sanitation District at 719-256-4310 or info@bacawater.com to schedule a viewing and discuss further details.

Don't miss out on a great deal for a powerful backhoe.



**Notice: District office will be
closed Monday,
JANUARY 15, 2024**

In honor of Martin Luther King, Jr. Day, the district office will be closed Monday, January 15, 2024.

Emergencies can be called in at 719-256-4310 and an operator will be dispatched to assist you.

If you need to make a payment, please call 888-504-0548 any time.

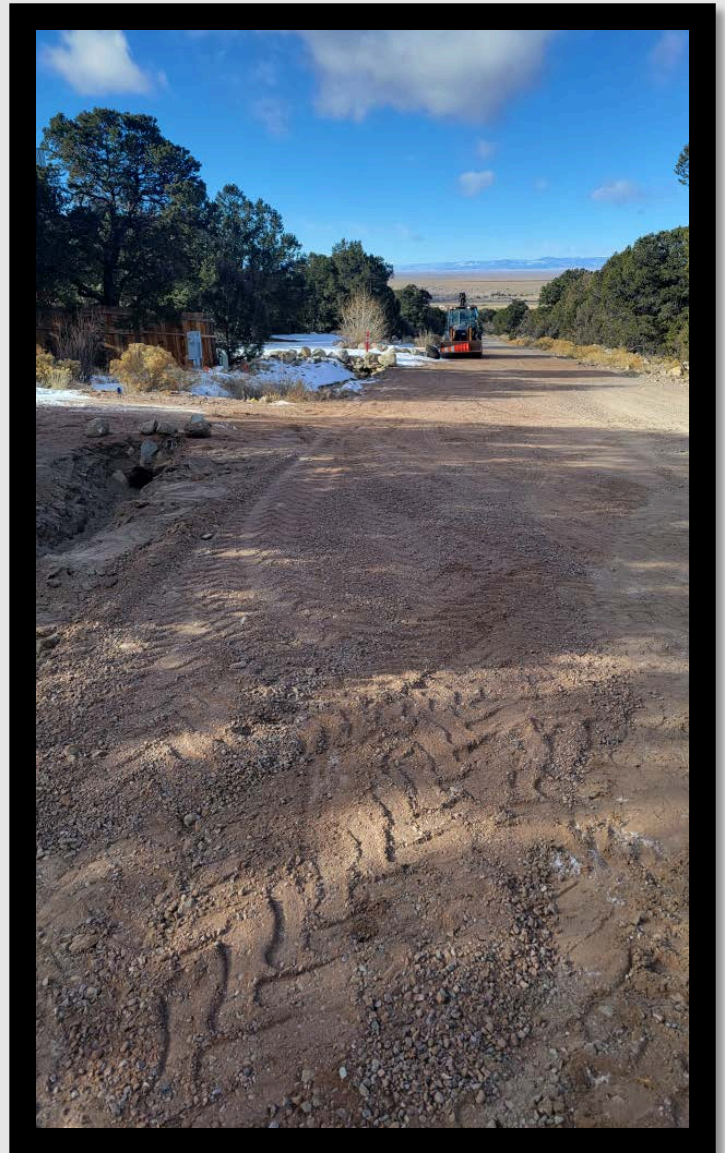


Baca Grande Water and Sanitation District Monthly Operations Report

January 17th, 2024



Repaired water main on Spanish Creek



Road Repair after main break

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

- **Wagon Wheel Lift Station**
 - Both pumps at Wagon Wheel Lift Station are fully operational!
- **Vactor**
 - Received a quote from Faris Machinery for maintenance and rehab.
 - We are currently evaluating the suggested repair.
- **Accidents**
 - Happy to report no accidents in 2023!!

Operations Updates

➤ Aspen Wastewater Treatment Plant

- We are currently running duplicate samples. One set is being analyzed in house and the other set is being sent to Colorado Analytical Laboratory.
- These duplicate sample will ensure we get the best data possible regard the current loading of the plant
- Duplicate samples from Colorado Analytical Laboratories for December are generally consistent with in-house results and show Organic plant loading below 50% of plant capacity.

➤ Training and Education

- Gary Potter attended 2 day recertification course in Pueblo to renew Backflow Prevention and Cross-Connection Control Tester Certification.
- All operator are signed up for online exam prep training courses and are currently working on study of water and wastewater certification exams.

➤ Water Loss Prevention Project

- We worked with Element Engineering on plan review for this project and we believe we are ready to start the bidding process.
- We hope to have construction on this project underway by early spring.

➤ New Lead and Cooper Rule Revision

- Continuing to build a spreadsheet to determine the age of residences in the District.
- Residences build after 1988 do not need to be surveyed for water service line material type.

➤ Water Main Break

- Operations staff repaired a water main break on Spanish Creek Road on 1/4/24.
- This is the 4th break on this section of pipe in 4 years.
- We will be evaluation replacement on the main line in this area.

➤ Projects

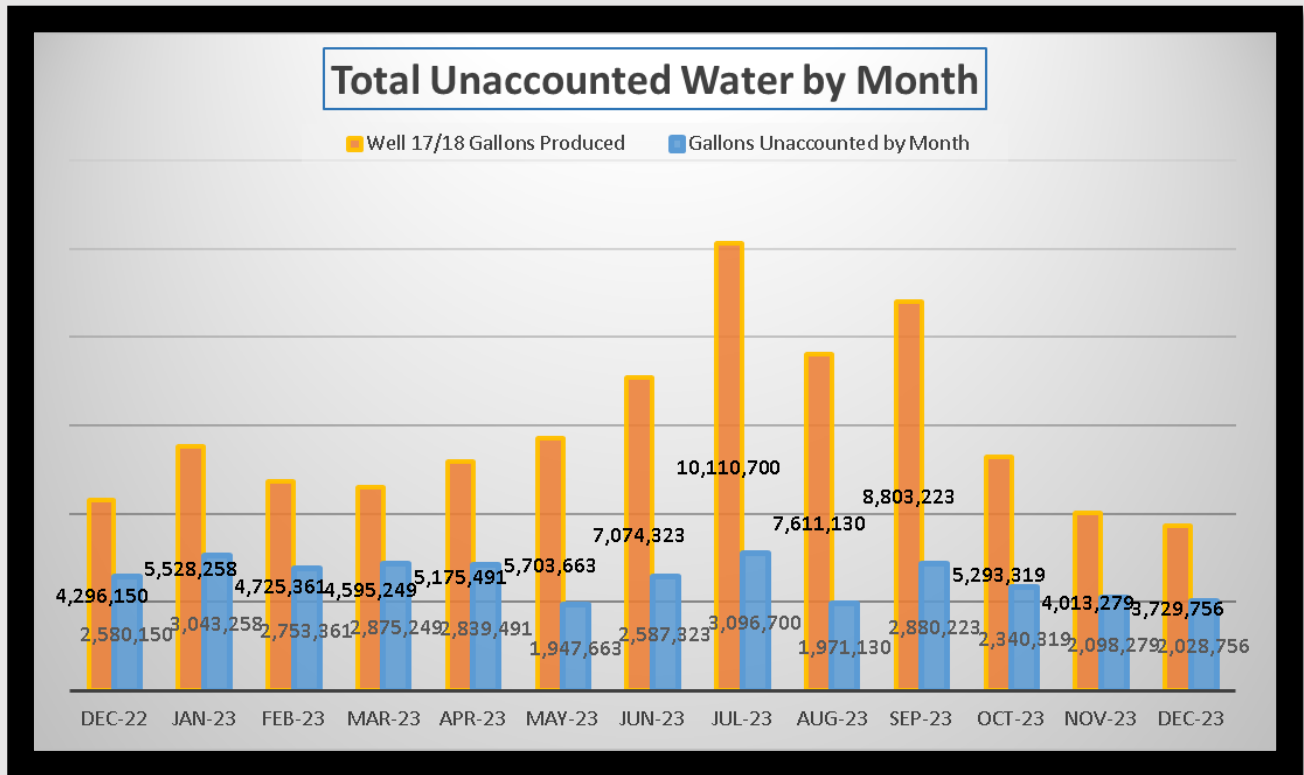
- Winter cleaning in storage area above office and in storage area above shop
- Clean and organize shop
- End of year internal audit on CDPHE Compliance Documentation for 2023
- Small equipment repair and maintenance

➤ **Unaccounted Water**

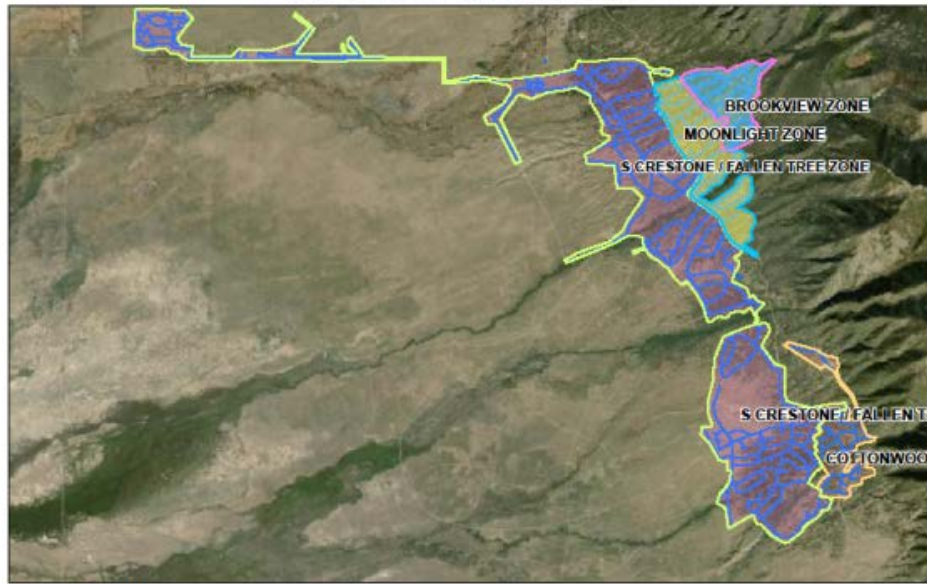
- Wells 17 and 18 produced 3,729,756 gallons of water in the month of December.
- The District sold its customers 1,701,000 gallons of water in the month of December, leaving 2,098,279 gallons unaccounted for.
- 54% of the water produced is unaccounted for in the month of December

➤ **Aspen WWTP and Town of Crestone Loading**

- Aspen WWTP averaged 42% of hydraulic loading capacity in the month of December, the Town of Crestone contributed an average of 21% of the treatment plants hydraulic load.
- Aspen WWTP averaged 44% of organic loading capacity in the month of December. The Town of Crestone contributed an average of 36% of the treatment plants organic load.



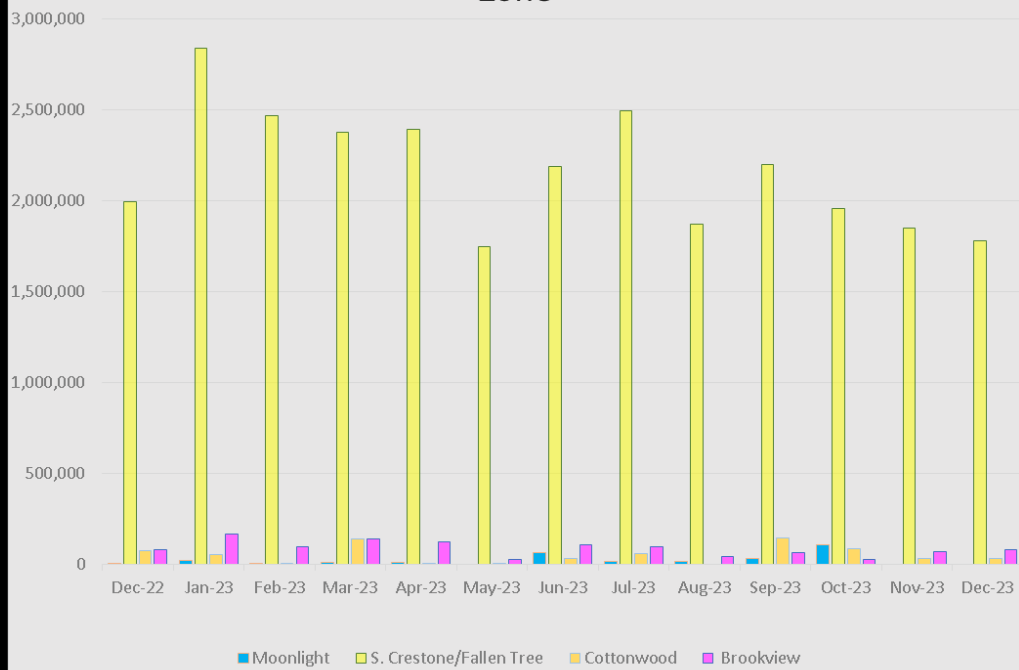
BGWSD Unaccounted Water Zone's



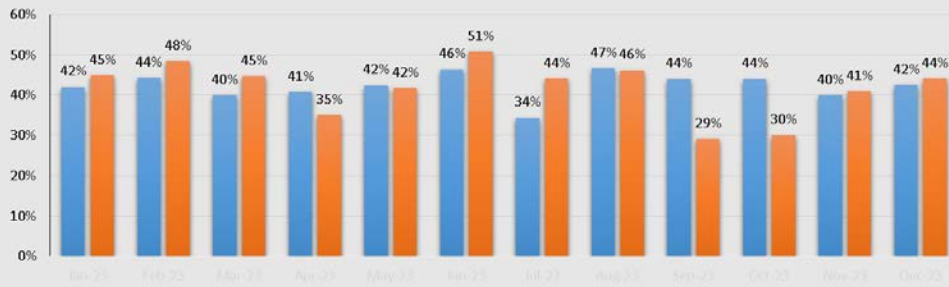
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Earthstar Geographics
Base Oracle Water and Distribution
Earthstar Geographics

Total Monthly Unaccounted in Gallons by Pressure Zone



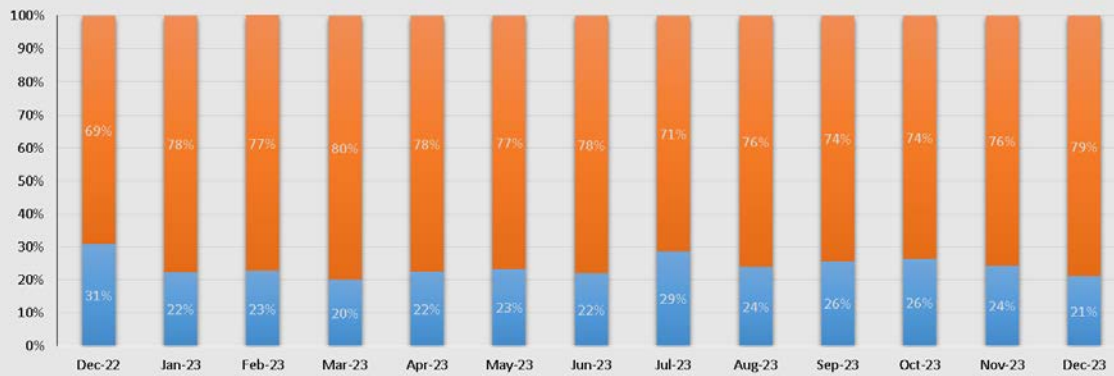
Percentage of Plant Capacities by Month at Aspen Wastewater Treatment Plant



	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23
Plant % of Hydraulic Capacity	42%	44%	40%	41%	42%	46%	34%	47%	44%	44%	40%	42%
Plant % of Organic Capacity	45%	48%	45%	35%	42%	51%	44%	46%	29%	30%	41%	44%

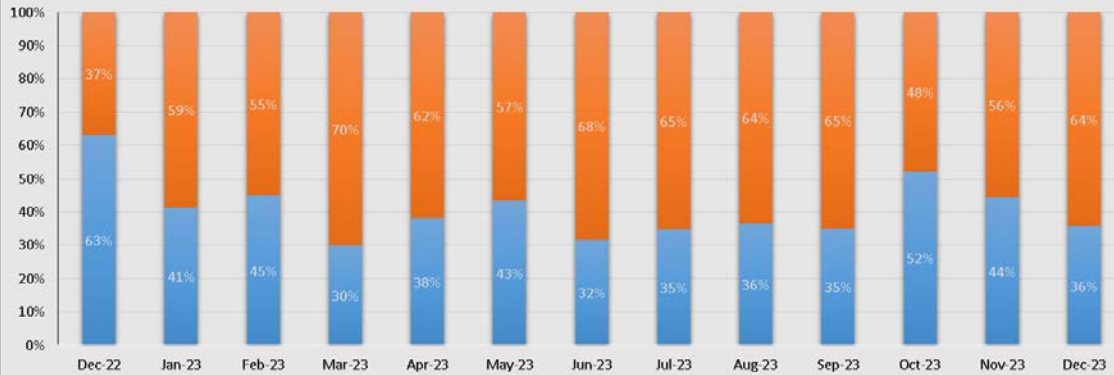
■ Plant % of Hydraulic Capacity ■ Plant % of Organic Capacity

Average % of Total Hydraulic Loading of Aspen Wastewater Treatment Plant by Month 2022-2023



■ Town of Crestone % of Hydraulic Loading ■ Baca % of Hydraulic Loading

Average % of Total Organic Loading of Aspen Wastewater Treatment Plant by Month of 2022-2023



■ Town of Crestone % of Organic Loading ■ Baca % of Organic Loading

Baca Grande Water and Sanitation District

Pursuant to section 32-1-809, Colorado Revised Statutes for Transparency Notices may be filed with Special District Association of Colorado. This information must be provided annually to the eligible electors of the district no later than January 15 of each year.

*Note that some information provided herein may be subject to change after the notice is posted.

District's Principal Business Office

Company	Baca Grande Water and Sanitation District
Contact	Diego Martinez
Address	PO Box 520, 57 Baca Grant Way S, Crestone, Colorado 81131
Phone	719-256-4310

District's Physical Location

Counties	Saguache County
-----------------	-----------------

Regular Board Meeting Information

Location	District Office
Address	57 Baca Grant Way S, Crestone, Colorado 81131
Day(s)	3rd Wednesday of every month
Time	9:00 AM

Posting Place for Meeting Notice

Location	District Office
Address	57 Baca Grant Way S, Crestone, Colorado 81131

Notice of Proposed Action to Fix or Increase Fees, Rates, Tolls, Penalties or Charges for Domestic Water or Sanitary Sewer Services

Location	Baca Grande Water and Sanitation District
Address	57 Baca Grant Way S, Crestone, Colorado 81131
Date	11/15/2023

Notice

BACA GRANDE WATER AND SANITATION DISTRICT PROPOSED 2024 BUDGET and NOTICE OF INTENT TO FIX OR INCREASE FEES, RATES, TOLLS, PENALTIES OR CHARGES FOR WATER AND/OR SANITARY SEWER SERVICE NOTICE IS HEREBY GIVEN to all interested parties of the Baca Grande Water and Sanitation District, that a proposed 2024 Budget has been submitted to the Board of Directors of said District and that copies of the proposed 2024 Budget have been filed at the District's office, 57 Baca Grant Way S, Crestone, Colorado, where the same is open for public inspection. District meetings are currently being held by Zoom video conference. The 2024 Budget will be considered at a regular public meeting of the Board of Directors of the District to be held at the District Office on Wednesday, November 15, 2023, at 9:00 A.M. Any interested elector of the Baca Grande Water and Sanitation District may inspect the proposed budget and file or register any objections thereto at any time prior to the final adoption of the budget. NOTICE IS FURTHER GIVEN pursuant to Section 32-1001(2) (a), C.R.S., that at the meeting described above, the District's Board of Directors will also consider fixing and/or increasing fees, rates, tolls, penalties or charges for water and/or sanitary sewer services, and that any customer or other interested person may appear at said time and place for the purpose of providing input, comments, or objections regarding any proposed increase. Information regarding any proposed increase may be obtained from the District office, Monday – Friday during normal business hours. You may also call the District at 719-256-4310. BY ORDER OF THE BOARD OF DIRECTORS: BACA GRANDE WATER AND SANITATION DISTRICT

Current District Mill Levy

Mills	54.000
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Ad Valorem Tax Revenue

Revenue reported may be incomplete or unaudited as of the date this Notice was posted.

Amount(\$) 774,785

Date of Next Regular Election

Date 05/06/2025

Pursuant to 24-72-205 C.R.S

The district's research and retrieval fee is **\$30.00** per hour

District Policy

The Board has adopted a policy regarding the research and retrieval of the District's public records.

District contact information for open records request:

Diego Martinez

Names of District Board Members

Board President

Name Vivia Lawson

Contact Info vivia.lawson.baca.water.board@gmail.com

Election **Yes**, this office will be on the next regular election ballot

Board Member 2

Name John Loll

Contact Info john.loll.baca.water.board@gmail.com

Election **Yes**, this office will be on the next regular election ballot

Board Member 3

Name Jack M. Smith

Contact Info mike.smith.baca.water.board@gmail.com

Election **No**, this office will not be on the next regular election ballot

Board Member 4

Name Rick Hart

Contact Info rick.hart.baca.water.board@gmail.com

Election **Yes**, this office will be on the next regular election ballot

Board Member 5

Name David Karas

Contact Info david.karas@bacawater.com

Election **No**, this office will not be on the next regular election ballot

Board Candidate Self-Nomination Forms

Any eligible elector of the special district who desires to be a candidate for the office of special district director must file a self-nomination and acceptance form or letter with the designated election official.

Deadline for Self-Nomination Forms

Self-nomination and acceptance forms or letters must be filed not less than 67 days before the date of the regular election.

District Election Results

The district's election results will be posted on the website of the Colorado Secretary of State (www.sos.state.co.us) and the website indicated below, if any.

Website www.bacawater.com

Permanent Mail-In Voter Status

Absentee voting and Permanent absentee voter status (formerly Permanent Mail-In voter status): Where to obtain and return forms.

Baca Grande Water and Sanitation District PO Box 520 - 57 Baca Grant Way S Crestone, CO 81131

Applications for absentee voting or for permanent absentee voter status are available from and must be returned to the Designated Election Official.

Notice Completed By

Name	Diego Martinez
Company/District	Baca Grande Water and Sanitation District
Title	District Manager
Email	diego@bacawater.com
Dated	01/04/2023

Baca Grande Water and Sanitation District

Pursuant to section 32-1-809, Colorado Revised Statutes for Transparency Notices may be filed with Special District Association of Colorado. This information must be provided annually to the eligible electors of the district no later than January 15 of each year.

*Note that some information provided herein may be subject to change after the notice is posted.

District's Principal Business Office

Company	Baca Grande Water and Sanitation District
Contact	Diego Martinez
Address	PO Box 520, 57 Baca Grant Way S, Crestone, Colorado 81131
Phone	719-256-4310

District's Physical Location

Counties	Saguache County
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Regular Board Meeting Information

Location	District Office
Address	57 Baca Grant Way S, Crestone, Colorado 81131
Day(s)	3rd Wednesday of every month
Time	9:00 AM

Posting Place for Meeting Notice

Location	District Office
Address	57 Baca Grant Way S, Crestone, Colorado 81131

Notice of Proposed Action to Fix or Increase Fees, Rates, Tolls, Penalties or Charges for Domestic Water or Sanitary Sewer Services

Location	Baca Grande Water and Sanitation District
Address	57 Baca Grant Way S, Crestone, Colorado 81131
Date	11/15/2023

Notice

BACA GRANDE WATER AND SANITATION DISTRICT PROPOSED 2024 BUDGET and NOTICE OF INTENT TO FIX OR INCREASE FEES, RATES, TOLLS, PENALTIES OR CHARGES FOR WATER AND/OR SANITARY SEWER SERVICE NOTICE IS HEREBY GIVEN to all interested parties of the Baca Grande Water and Sanitation District, that a proposed 2024 Budget has been submitted to the Board of Directors of said District and that copies of the proposed 2024 Budget have been filed at the District's office, 57 Baca Grant Way S, Crestone, Colorado, where the same is open for public inspection. District meetings are currently being held by Zoom video conference. The 2024 Budget will be considered at a regular public meeting of the Board of Directors of the District to be held at the District Office on Wednesday, November 15, 2023, at 9:00 A.M. Any interested elector of the Baca Grande Water and Sanitation District may inspect the proposed budget and file or register any objections thereto at any time prior to the final adoption of the budget. NOTICE IS FURTHER GIVEN pursuant to Section 32-1001(2) (a), C.R.S., that at the meeting described above, the District's Board of Directors will also consider fixing and/or increasing fees, rates, tolls, penalties or charges for water and/or sanitary sewer services, and that any customer or other interested person may appear at said time and place for the purpose of providing input, comments, or objections regarding any proposed increase. Information regarding any proposed increase may be obtained from the District office, Monday – Friday during normal business hours. You may also call the District at 719-256-4310. BY ORDER OF THE BOARD OF DIRECTORS: BACA GRANDE WATER AND SANITATION DISTRICT

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Notice Completed By

Name	Diego Martinez
Company/District	Baca Grande Water and Sanitation District
Title	District Manager
Email	diego@bacawater.com
Dated	01/04/2023

C.R.S., requires the Board to hold a public hearing on proposed budgets and amendments thereto, to adopt budgets and to file copies of the budgets and amendments thereto with the Division; and

WHEREAS, the District is required to certify its mill levy to the Board of County Commissioners for 2024 on or before January 10, 2024; and

WHEREAS, § 29-1-205, C.R.S., requires the District to prepare an informational listing of all contracts in effect with other political subdivisions and submit said list to the Division within thirty (30) days after receiving a written request; and § 29-1-205 further requires that the District file with the Division a copy of any contract establishing a separate governmental entity pursuant to § 29-1-204, C.R.S., or an amendment or a modification thereof, within ten (10) days after the execution of such contract, amendment, or modification; and

WHEREAS, in accordance with the Public Securities Information Reporting Act, §§ 11-58-101, *et seq.*, C.R.S., issuers of non-rated public securities must file an annual report with the Department of Local Affairs within sixty (60) days of the close of the fiscal year; and

WHEREAS, pursuant to § 29-1-604(1), C.R.S., any local government where neither revenues nor expenditures exceed One Hundred Thousand Dollars (\$100,000) in any fiscal year commencing on or after January 1, 1998, may, with the approval of the State Auditor, be exempt from the provisions of the Colorado Local Government Audit Law, §§ 29-1-601, *et seq.*, C.R.S.; and

WHEREAS, pursuant to § 29-1-604(2)(b), C.R.S., any local government where revenues or expenditures for any fiscal year commencing on or after January 1, 2015, are least One Hundred Thousand Dollars (\$100,000) but not more than Seven Hundred and Fifty Thousand Dollars (\$750,000), may, with the approval of the State Auditor, be exempt from the provisions of the Colorado Local Government Audit Law, §§ 29-1-601, *et seq.*, C.R.S.; and

WHEREAS, pursuant to § 29-1-606(7), C.R.S., if the District has authorized but unissued general obligation debt as of the end of the fiscal year, the District shall submit its audit report or a copy of its application for exemption from audit to the Board of County Commissioners; and

WHEREAS, the Unclaimed Property Act, §§ 38-13-101, *et seq.*, C.R.S., requires that political subdivisions, if applicable, file an annual report listing unclaimed property with the State Treasurer; and

WHEREAS, §§ 32-1-101, *et seq.*, C.R.S., requires the District to publish certain legal notices in a newspaper of general circulation in the District; and

WHEREAS, the Directors may receive compensation for their services subject to the limitations imposed by §§ 32-1-902(3)(a)(I) & (II), C.R.S.; and

WHEREAS, pursuant to § 32-1-902(1), C.R.S., the Board shall elect officers of the District; and

WHEREAS, the Directors are governed by § 32-1-902(3)(b), C.R.S., which requires a Director to disqualify himself or herself from voting on an issue in which the Director has a conflict of interest, unless the Director has properly disclosed such conflict in compliance with law and files said conflict disclosure statements at least seventy-two (72) hours prior to any regular or special meeting of the District; and

WHEREAS, § 32-1-903, C.R.S., requires that the Board shall meet regularly at a time and in a place to be designated by the Board and requires that notice of such meetings be posted in accordance with § 24-6-402, C.R.S.; and

WHEREAS, elections may be held pursuant to the Colorado Local Government Election Code, §§ 1-13.5-101, *et seq.*, C.R.S., Special District Act, §§ 32-1-101, *et seq.*, C.R.S., and the Uniform Election Code of 1992, §§ 1-1-101, *et seq.*, C.R.S., for the purpose of: (1) electing members of the Board; (2) presenting certain ballot issues to the eligible electors of the District as required by Article X Section 20 of the Colorado Constitution; and (3) presenting certain ballot issues and questions to the eligible electors of the District; and

WHEREAS, § 1-5-102, C.R.S., specifies that the Board shall designate polling places for nonpartisan elections, other than coordinated elections, no later than twenty-five (25) days prior to an election; and

WHEREAS, § 1-11-103(3) and § 32-1-1101.5, C.R.S., require the District to notify the Division of the results of any elections held by the District within thirty (30) days after the election and to certify results of any election to incur general obligation indebtedness via certified mail to the Board of County Commissioners within forty-five (45) days after the election; and

WHEREAS, §§ 32-1-1604, C.R.S., requires the Board to record a notice of authorization of or notice to incur general obligation debt with the County Clerk and Recorder within thirty (30) days of authorizing or incurring said indebtedness; and

WHEREAS, in accordance with §§ 32-1-1101.5(1.5) and (2), C.R.S., the Board of County Commissioners may require the District to file an application for quinquennial finding of reasonable diligence; and

WHEREAS, pursuant to § 32-1-207(3)(c), C.R.S., the District, if requested, may be required to file an annual report with the Board of County Commissioners, the Division, the State Auditor, the County Clerk and Recorder and any interested parties entitled to notice pursuant to § 32-1-204(1), C.R.S.; and

WHEREAS, in accordance with the Colorado Governmental Immunity Act, §§ 24-10-101, *et seq.*, C.R.S., the Board is given authority to obtain insurance; and

WHEREAS, in accordance with the Workers' Compensation Act of Colorado, §§ 8-40-

101 – 8-47-101, *et seq.*, C.R.S., the District is required to carry workers' compensation coverage for its employees, but the Board members may opt out of such coverage by the methods prescribed in the Workers' Compensation Act of Colorado; and

WHEREAS, in accordance with C.R.S. § 32-1-809(1), not more than sixty (60) days prior to and not later than January 15 of each year, the District shall provide notice to the District's eligible electors in the manner set forth in C.R.S. § 32-1-809(2); and

WHEREAS, pursuant to C.R.S. § 32-1-104.8(1), the District is required to record a public disclosure document and map of the boundaries of the District with the County Clerk and Recorder; such public disclosure document shall contain certain information pertaining to the District as further described in C.R.S. § 32-1-104.8(1), and, pursuant to C.R.S. § 32-1-104.8(2), such public disclosure document and map shall be recorded with the County Clerk and Recorder, and such public disclosure document(s) and map(s) shall be recorded with the County Clerk and Recorder at the same time any decree or order confirming the inclusion of any real property into the boundaries of the District is recorded pursuant to C.R.S. § 32-1-105.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE BACA GRANDE WATER AND SANITATION DISTRICT AS FOLLOWS:

1. The Board directs the District's engineer to prepare an accurate map of the District and for legal counsel to keep accurate maps on file with the Division, County Assessor, and County Clerk and Recorder and shall submit any changes to the maps on or before January 1 of each year.
2. The Board directs the District's manager to file a copy of the notice otherwise required by § 32-1-809(1), C.R.S., with the Board of County Commissioners, the County Assessor, the County Treasurer, the County Clerk and Recorder, and the Division on or before January 15.
3. The Board directs the District's accountant to submit a proposed budget to the Board by October 15, to prepare a final budget, including any amendments thereto, if necessary, and directs the District's manager and legal counsel to schedule a public hearing on the proposed budget, to prepare all budget resolutions and to file the budget resolution with the Division on or before January 30.
4. The Board directs the District's manager to certify the mill levy with the Board of County Commissioners for 2024 on or before January 10, 2024.
5. The Board directs the District's manager to provide the Division with a current list of all contracts in effect with other political subdivisions within thirty (30) days after receiving a written request, pursuant to Section 29-1-205, C.R.S. Within ten (10) days after execution of a contract establishing a separate governmental entity pursuant to Section 29-1-204, C.R.S., or an amendment or modification thereof, the Board directs the District's manager to file a copy of such contract, amendment or modification with the Division, pursuant to Section 29-1-205(2), C.R.S.

6. The Board directs the District's manager to prepare and file with the Department of Local Affairs the annual public securities report for nonrated public securities issued by the District within sixty (60) days of the close of the fiscal year.
7. The Board directs the District's auditor to prepare an audit of the financial statements and submit such draft audit to the Board before June 30; further, the Board directs that the auditor file the final audit with the State Auditor by July 31.
8. The Board directs the District's accountant and auditor, if the District has authorized but unissued general obligation debt as of the end of the fiscal year, as follows: (1) if the District is eligible for an audit exemption pursuant to §§ 29-1-604(1) or (2), C.R.S., then, pursuant to § 29-1-606(7), C.R.S., the District's accountant shall submit a copy of the District's application for exemption to the Board of County Commissioners; and (2) if the District is required to submit an annual audit pursuant to §§ 29-1-601, *et seq.*, C.R.S., then, pursuant to § 29-1-606(7), C.R.S., the District's auditor shall submit its audit report to the Board of County Commissioners.
9. The Board directs the District's manager to prepare the Unclaimed Property Act report and submit the same to the State Treasurer.
10. The Board designates the Saguache Crescent as a newspaper of general circulation within the boundaries of the District, or in the vicinity of the District if none is circulated within the District, and directs that all legal notices shall be published in accordance with applicable statutes in the Saguache Crescent.
11. The Board determines that each Director shall receive compensation for services as Directors in accordance with §§ 32-1-902(3)(a)(I) & (II), C.R.S.
12. The Board hereby elects the following officers for the District:

Vivia Lawson, President
John Loll, Vice-President
Mike Smith, Secretary and Treasurer
13. The Directors are governed by § 32-1-902(3)(b), C.R.S., which requires a Director to disqualify himself or herself from voting on an issue in which the Director has a conflict of interest, unless the Director has properly disclosed such conflict in compliance with law and files said conflict disclosure statements at least seventy-two (72) hours prior to any regular or special meeting of the District.
14. The Board designates the District Office located at 57 Baca Grant Way South, Crestone, CO 81131 as the District's posting place for notices of meetings which were not otherwise posted under §§ 32-1-101, *et seq.*, C.R.S.

15. The Board determines to hold regular meetings on the 3rd Wednesday of every month except December (second Wednesday) virtually and/or at 9:00 AM at the offices of Baca Grande Water and Sanitation District, 57 Baca Grant Way South, Crestone, CO 81131. In addition, regular and special meetings notices shall be posted on the District's website at least twenty-four hours prior to said meeting. If the District is unable to post a regular or special meeting notices on its website due to exigent or emergency circumstances, or if such circumstances prohibit the public from accessing the District's website, the District shall post regular and special meetings notices at 57 Baca Grant Way South, Crestone, Colorado, at least twenty-four hours prior to said meeting.
16. In the event of an emergency, the Board may conduct a meeting outside of the limitations prescribed in § 24-6-402(2)(c), C.R.S., provided that any actions taken at such emergency meeting are ratified at the next regular meeting of the Board or at a special meeting conducted after proper notice has been given to the public.
17. District Manager Diego Martinez is hereby appointed as the "Designated Election Official" of the Board for any elections to be held during 2024. The Board hereby grants all powers and authority for the proper conduct of the election to the Designated Election Official, including, but not limited to, appointing election judges, appointing a canvass board and cancellation, if applicable, of the election.
18. For the convenience of the electors of the District, and pursuant to its authority set forth in § 1-13.5-1101, C.R.S., the Board hereby deems that all regular and special elections of the District shall be conducted as independent mail ballot elections in accordance with §§ 1-13.5-1101, et seq., C.R.S., unless otherwise deemed necessary and expressed in a separate election resolution adopted by the Board.
19. In accordance with § 1-11-103(3) and § 32-1-1101.5, C.R.S., the District directs legal counsel and the Designated Election Official to notify the Division of the results of any elections held by the District within thirty (30) days after the election and to certify results of any election to incur general obligation indebtedness to the Board of County Commissioners within forty-five (45) days after the election and to file a copy of such certification with the Division of Securities.
20. In accordance with § 32-1-1604, C.R.S., the Board directs legal counsel to record a notice of authorization of or notice to incur general obligation debt with the County Clerk and Recorder within thirty (30) days of authorizing or incurring any indebtedness.
21. The Board directs legal counsel and the District's manager to prepare and file with the Board of County Commissioners, if requested, the quinquennial finding of reasonable diligence in accordance with §§ 32-1-1101.5(1.5) and (2), C.R.S.
22. The Board directs the District's manager to prepare and file, if requested, the special district annual report.

23. The Board directs the District's manager to obtain proposals for insurance to insure the District against all or any part of the District's liability for injury; to insure the Directors acting within the scope of employment by the Board against all or any part of such liability for an injury; to insure against the expense of defending a claim for injury against the District or its Board. The Board will annually review all insurance policies in effect.
24. The Board hereby opts to include elected or appointed officials as employees within the meaning of § 8-40-202(1)(a)(1)(A), C.R.S., and hereby directs the District's manager to obtain workers' compensation coverage for the District.
25. In accordance with C.R.S. § 32-1-809(1), the Board hereby directs the District's manager, not more than sixty (60) days prior to and not later than January 15 of each year, to provide notice to the District's eligible electors in the manner set forth in C.R.S. § 32-1-809(2). Further, the Board hereby designates the following website as the District's official website for the purposes thereof: www.bacawater.com.
26. Pursuant to C.R.S. § 32-1-104.8(1), the Board hereby directs the District's legal counsel to prepare and record any amended public disclosure document(s) and map(s) with the County Clerk and Recorder pursuant to C.R.S. § 32-1-105 should any property be included into the boundaries of the District.
27. The Board hereby directs its legal counsel, accountant, manager, and all other consultants to adhere to the Colorado Special District Records Retention Schedule as adopted by the District.
28. The Board confirms its obligations under § 24-10-110(1), C.R.S., with regards to the defense and indemnification of its public employees, which, by definition, includes elected and appointed officers.
29. The Board hereby appoints District Manager Diego Martinez as the official custodian for the maintenance, care, and keeping of all public records of the District, in accordance with §§ 24-72-202, et seq., C.R.S.
30. The Board directs its accountant to prepare and submit the documentation required by any continuing disclosure obligation in conjunction with the issuance of debt by the District.

Whereupon, the motion was seconded by Director Smith, and upon vote, unanimously carried.

ADOPTED AND APPROVED this 17th day of January, 2024.

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



Vivia Lawson, President

ATTEST:




John Loll, Vice-President

CERTIFICATION

I, John Loll, Vice-President of the Board of the Baca Grande Water and Sanitation District, do hereby certify that the annexed and foregoing resolution is a true copy from the records of the proceedings of the Board of said District on file at the District Office.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the District this 17th day of January, 2024.



John Loll, Vice-President

Resolution No. 2024-01-02

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

**CONCERNING THE IMPOSITION OF VARIOUS FEES, RATES, PENALTIES AND
CHARGES FOR WATER AND SANITARY SEWER SERVICES AND FACILITIES**

WHEREAS, the Baca Grande Water and Sanitation District (the “**District**”) was formed pursuant to §§ 32-1-101, *et seq.*, C.R.S., as amended (the “**Special District Act**”), by order of the District Court for Saguache County, Colorado, and after approval of the District’s eligible electors at an election; 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, the Board has determined it to be in the best interests of the District, and the property owners, taxpayers, and residents of the District, to acquire, construct, operate and maintain certain amenities and facilities benefitting property and inhabitants within the District, which amenities and facilities generally include water and sanitary sewer improvements, facilities, appurtenances and rights-of-way (collectively, the “**Facilities**”); and

WHEREAS, the Board has determined it to be in the best interests of the District, and the property owners, taxpayers, and residents of the District, to provide certain water and sanitary sewer services to property and inhabitants within and without the boundaries of the District (collectively, the “**Services**”); 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 which, until such fees, rates, tolls, penalties and charges are paid, shall constitute a perpetual lien on and against the property served; and

WHEREAS, the District incurs certain direct and indirect costs associated with the acquisition, construction, installation, repair, replacement, improvement, reconstruction, operation and maintenance of the Facilities, as necessary, inclusive of the costs of utilities and capital replacement costs (collectively, the “**Facility Costs**”) in order that the Facilities may be properly provided and maintained; and

WHEREAS, the District incurs certain direct and indirect costs associated with the provision of the Services in order that the Services may be properly provided, the property within

WHEREAS, the Board desires to adopt this Resolution to update the Prior Fee Resolution; and to amend and restate the Prior Fee Resolution in its entirety. Any fees, rates, tolls, penalties or charges due under the Prior Fee Resolution, to the extent outstanding and unpaid, shall remain in effect until fully paid and shall not be eliminated hereby.

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

1. **DEFINITIONS.** Except as otherwise expressly provided or where the context indicates otherwise, the following capitalized terms shall have the respective meanings set forth below:

“Consolidation” shall include every action by which separate parcels of real property are combined into one parcel of real property.

“Subdivision” shall include every action by which one parcel of real property is divided into more than one parcel of real property.

“District Boundaries” means the legal boundaries of the District, as the same are established and amended from time to time pursuant to §§32-1-101, *et seq.*, C.R.S., as well as properties outside of the District’s legal boundaries which receive service from the District, all as more particularly set forth in the map and legal description attached hereto as **Exhibit B** and incorporated herein by this reference.

“Due Date” means the date by which the Fees and Charges and Tap Fee are due, which Due Date is reflected on the Schedule of Fees.

“Fee Schedule” or **“Schedule of Fees and Charges”** means the schedule of fees set forth in **Exhibit A**, attached hereto and incorporated herein by this reference, until and unless otherwise amended and/or repealed.

“Lot” means each parcel of land established by a recorded final subdivision plat, or any other legally created parcel of land regardless of how created, and which is located within the District Boundaries.

“Property Owner” shall include all owners of real property, customers, users, residents, leaseholders and other recipients of District services.

“Residential Unit” means each residential dwelling unit (including, without limitation, condominiums, townhomes, and any other attached dwelling unit and detached single family dwelling units) located within the District Boundaries.

“Transfer” or **“Transferred”** shall include a sale, conveyance or transfer by deed, instrument, writing, lease or any other documents or other means by which real property is

District determines that the transaction is being undertaken for the purpose of improperly avoiding the Fees and Charges:

i. Any Transfer, Consolidation, or Subdivision wherein the United States, or any agency or instrumentality thereof, the State of Colorado, any county, city and county, municipality, district or other political subdivisions of this State, is a party.

ii. Any Transfer, Consolidation, or Subdivision by document, decree or agreement partitioning, terminating or evidencing termination of a joint tenancy, tenancy in common or other co-ownership; however, if additional consideration or value is paid in connection with such partition or termination the applicable fees shall apply.

iii. Any Transfer, Consolidation, or Subdivision of title or change of interest in real property by reason of death, pursuant to a will, the law of descent and distribution, or otherwise.

iv. Any Transfer, Consolidation, or Subdivision made and delivered without consideration for the purpose of: confirming, correcting, modifying or supplementing a prior transaction; making minor boundary adjustments without creating any new Lot; removing clouds of title; or granting easements, rights-of-way or licenses.

v. Any Transfer, Consolidation or Subdivision made pursuant to any decree or order of a court of record quieting, determining, or declaring title, except for a decree of foreclosure.

vi. Transfers to secure a debt or other obligation, or releases other than by foreclosure, which is security for a debt or other obligation.

vii. Transfers pursuant to a decree or separation of divorce.

f. The Board has determined, and does hereby determine, that the Fees and Charges are reasonably related to the overall cost of providing the Facilities and Services, and are imposed on those who are reasonably likely to benefit from or use the Facilities and Services.

g. The revenues generated by the Fees and Charges will be accounted for separately from other revenues of the District, specifically *ad valorem* property tax revenues, if applicable. The revenue from Fees and Charges will be used solely for the purpose of paying Costs, and, if *ad valorem* property tax revenues are available, may not

7. CERTIFICATION OF ACCOUNT TO COUNTY TREASURER. Pursuant to §32-1-1101(1)(e), C.R.S., the Board may elect to certify any delinquent account and late fees satisfying the criteria established therein to the Saguache County Treasurer for collection with the District's *ad valorem* property taxes. The certification process may be in addition to or in lieu of any procedures set forth in this Resolution in the Board's sole discretion. The fees for the certification process shall be in accordance with Colorado law and Saguache County policy.

8. SHUT OFF OR DISCONTINUATION OF SERVICE. Pursuant to § 32-1-1006(1)(d), C.R.S., the Board may elect to shut off or discontinue water and/or sewer service for delinquencies. The shut off or discontinuation of service may be in addition to or in lieu of any procedures set forth in this Resolution in the Board's sole discretion. The fees associated with the shut off or discontinuation of service as set forth in the Schedule of Fees and Charges.

9. 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.

10. THE PROPERTY. This Resolution shall apply to all property within the District's boundaries, including, but not limited to, the property set forth in **Exhibit B**, attached hereto and incorporated herein by this reference, and any additional property included into the District after the date of this Resolution.

11. EFFECTIVE DATE. This Resolution shall become effective as of the Effective Date set forth on **Exhibit A**.

ADOPTED this 17th day of January, 2024.

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



Officer of the District

ATTEST:




Mike Small

Ninth Amended and Restated Resolution of the Board of Directors of the Baca Grande Water and Sanitation District Concerning the Imposition of Various Fees, Rates, Penalties and Charges for Water and Sanitary Sewer Services and Facilities

APPROVED AS TO FORM:

LAW OF THE ROCKIES



General Counsel to the District

Ninth Amended and Restated Resolution of the Board of Directors of the Baca Grande Water and Sanitation District Concerning the Imposition of Various Fees, Rates, Penalties and Charges for Water and Sanitary Sewer Services and Facilities

EXHIBIT A

BACA GRANDE WATER AND SANITATION DISTRICT
Schedule of Fees and Charges, Effective February 1st, 2024, unless otherwise indicated

WATER TAP FEE/SEWER TAP FEE

This fee is a one-time contribution per lot required of new Customers (or existing Customers having change of use) to be used for capital investment in regional facilities and District operations. This fee shall be due at the time of application for service. The Water Tap Fee /Sewer Tap Fee is subject to change at the discretion of the Board. The EQR determination and tap fee for both the water and sewer tap are based on the size of the water tap as set forth below.

Water Tap Size	EQR	Water Tap Fee	Sewer Tap Fee	Total Fee for both Water and Sewer Tap
¾"	1	\$ 5,000	\$ 5,000	\$ 10,000
1"	2	\$ 10,000	\$ 10,000	\$ 20,000
1 ½"	5	\$ 25,000	\$ 25,000	\$ 50,000
2"	8	\$ 40,000	\$ 40,000	\$ 80,000
3"	16	\$ 80,000	\$ 80,000	\$ 160,000
4"	36	\$ 180,000	\$ 180,000	\$ 360,000

Larger than 4" As Determined by District

NOTE: In low pressure areas (having a static pressure less than 40 psi) designed by the District Engineer, the Manager may permit the use of a 1" tap at the same fee as a ¾" tap.

CONNECTION FEE

This fee is intended to cover the cost of the equipment and installation of the water and sewer tap, curb stop valve and meter pit assembly required to connect new water and sewer service to the District's services. Connection fees include costs to inspect the backfill and final grade of the new service line. If repeat inspection services are required due to unacceptable installation or improper scheduling, then the District will charge additional re-inspection fees as stated herein, per occurrence.

All connection fees for all tap sizes will be the amount of the current costs for labor and materials. At the time of application, the District will provide an estimate of the current costs for labor and materials that must be paid by the Customer before the application will be processed by the District. Should the actual costs of labor and materials be more than the estimate, the Customer shall be responsible for the amount of actual costs over the estimate.

Ninth Amended and Restated Resolution of the Board of Directors of the Baca Grande Water and Sanitation District Concerning the Imposition of Various Fees, Rates, Penalties and Charges for Water and Sanitary Sewer Services and Facilities

Sewer Base Rate			
Meter Size	Equivalent Residential Units	2023	2024
¾"	1	\$ 40.73	\$ 40.73
1"	2	\$ 81.47	\$ 81.47
1 ½"	5	\$ 203.67	\$ 203.67
2"	8	\$ 325.86	\$ 325.86
3"	16	\$ 651.73	\$ 651.73
4"	36	\$ 1,466.39	\$ 1,466.39

REINSPECTION FEE OR RETURN VISIT FEE \$ 150.00 / hour
(2 hour minimum)

METER MAINTENANCE SERVICE FEE \$ 40.00 / hour
(1 hour minimum)

METER COST Current cost to District

WATER TURN ON/TURN OFF \$ 25.00 each on/off
(Customer Requested)

SEWER SERVICE \$ 40.00 / hour
(1 hour minimum)

MISCELLANEOUS FEES:

FIRE HYDRANT METER FEES

Meter Assembly Rental Deposit \$ 2,000.00
Monthly Fee \$ 10.00 / 1,000 gallons

FORECLOSURE FEE \$ 2,000.00 / incident
Plus all costs of engineering and attorneys' fees

HEARING FEE - DISPUTES \$ 250.00

CERTIFICATION OF DELIQUENT ACCOUNT FEE \$ 200.00

ADDITIONAL SERVICE LINE APPLICATION \$ 250.00 (if applicable)

Ninth Amended and Restated Resolution of the Board of Directors of the Boca Grande Water and Sanitation District Concerning the Imposition of Various Fees, Rates, Penalties and Charges for Water and Sanitary Sewer Services and Facilities

For subdivision of property; per resulting lot \$ 500.00

WATER QUALITY SAMPLING FEES

Any property owner or customer requesting a contaminant testing shall pay the current laboratory fees for each of the requested tests, and pay the hourly rate for district personnel time for applicable pickup and delivery.

PENALTY FEES / FINES:

Excavation During Non-Excavation Period \$ 5,000.00 (bond)
December 1 through March 31 of each year. The District may adjust the no-excavation period based on actual weather conditions. The bond is security for repairs which may be required due to damage to the District's existing facilities.

Installation of any non-metered device \$ 1,000.00 / occurrence
Installation of any device (i.e., "jumper") to allow for circumvention of the District's monitoring or delivery systems shall constitute unauthorized tampering and the use of the District water system shall be subject to a penalty fee. Such fines shall, until paid, constitute a lien upon the subject property, pursuant to Section 32-1-1001, C.R.S.

Failure to Possess Rules and Regulations \$ 1,000.00 / occurrence
Failure to purchase and/or have a copy of the Baca Grande Water and Sanitation District Rules and Regulations, and updates, and approved construction plans on site during construction.

Failure to Possess Permit \$ 500.00 / occurrence
Failure to obtain a permit and/or have permit on-site during construction.

Repair of Broken or Damaged Water Meters, Meter Pits and Curb Stop Boxes 100%¹

Unauthorized Tampering with District systems or meters: \$ 2,000.00 / incident
Plus actual cost of damage, expense, and loss.

Unauthorized Connection Fee \$ 2 x the current then-current tap fee

¹ A) If a Customer damages or breaks their water meter, the Customer shall pay 100% of the associated costs for the repair and/or replacement of the water meters, meter pits and curb stop boxes, plus any attorneys' fees incurred to collect associated costs
B) The District will notify the Customer of the broken or damaged water meters, meter pits and curb stop boxes and the costs of repair and/or replacement. A copy of the invoice for the work will be included with the notice. The Customer will reimburse the costs to the District within thirty (30) days of receipt of the notice.
C) If reimbursement is not received by the District within thirty (30) days of the notice, the costs will be added as a charge to the Customer's water bill for the next billing cycle.

EXHIBIT B

BACA GRANDE WATER AND SANITATION DISTRICT

District Boundaries

The Baca Grande as shown on map recorded on May 12, 1971 as document number 199438 in the office of the Recorder of the County of Saguache, Colorado, which area includes Chalet lots 1 through 2420 inclusive, Mobile Home Estates lots 1 through 2620 inclusive, and Tracts A and B and Tracts G through R-R inclusive, all as shown on the aforementioned map.

EXCEPTING therefrom that portion thereof lying westerly and southwesterly of the following described line Beginning at Boundary Point 31 as shown on sheet T 2 of 2 of said map. Thence, Southeasterly in a direct line to the most northerly corner of Grant Number 1511 as shown on Sheet GR 22 or 22 of said map, Thence, Southerly along the generally easterly boundary of the Grants Unit One as shown on said Map to the most easterly corner of Grant number 927 as shown on Sheet GR 21 or 22 of said Map. Thence, Southerly in a direct line to boundary point 19 as shown on above mentioned Sheet T 2 of 2.

TOGETHER WITH

A part of THE LUIS MARIA BACA GRANT #4 as described in a patent dated February 20, 1900 from the United States to the heirs of Luis Maria Baca and recorded in Book 86 at Page 20 in the office of the Clerk and Recorder of Saguache County, Colorado, more particularly described as follows:

Commencing at Boundary Point #10 of THE BACA GRANDE CHALETS UNIT ONE as shown on Sheet T2 of 2 of the boundary map of said subdivision; Thence S22°03'07"E along the west boundary of said CHALETS UNIT ONE a distance of 793.19' to the TRUE POINT OF BEGINNING; Thence S22°03'07"E along said west boundary a distance of 926.67'; Thence S77°28'15"W a distance of 334.79'; Thence N66°30'50"W a distance of 242.19'; Thence S86°12'25"W a distance of 300.53'; Thence N80°20'45"W a distance of 174.19'; Thence N24°57'58"E a distance of 331.25'; Thence N3°23'11"E a distance of 449.86'; Thence N81°25'48"E a distance of 511.96' to the TRUE POINT OF BEGINNING, containing 14.124 acres more or less.

TOGETHER WITH

Ninth Amended and Restated Resolution of the Board of Directors of the Baca Grande Water and Sanitation District Concerning the Imposition of Various Fees, Rates, Penalties and Charges for Water and Sanitary Sewer Services and Facilities

TOGETHER WITH

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Resolution No. 2024-01-03

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

DESIGNATING THE DISTRICT'S 24-HOUR POSTING LOCATION

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 § 24-6-402(1)(a), C.R.S., the District is a local public body and subject to the provisions of §§ 24-6-401, *et seq.*, C.R.S.; and

WHEREAS, pursuant to § 32-1-903(2), C.R.S., notice of the time and place for meetings of the Board of Directors of the District (the "Board") is required to be provided in accordance with § 24-6-402(2)(c); and

WHEREAS, pursuant to § 24-6-402(2)(c)(III), C.R.S., a local public body shall be deemed to have given full and timely notice of a public meeting if the local public body posts the notice, with specific agenda information if available, no less than twenty-four hours prior to the holding of the meeting on a public website of the local public body, provided that the notice is accessible at no charge to the public; and

WHEREAS, pursuant to § 24-6-402(2)(c)(III), C.R.S., a local public body shall designate a public place within the boundaries of the local public body at which it may post a notice no less than twenty-four hours prior to a meeting if it is unable to post a notice online in exigent or emergency circumstances such as a power outage or an interruption in internet service that prevents the public from accessing the notice online; and

WHEREAS, pursuant to § 24-6-402(2)(c)(III), C.R.S., a local public body that posts a notice of a public meeting on a public website pursuant to this subsection (2)(c)(III) may in its discretion also post a notice by any other means including in a designated public place pursuant to subsection (2)(c)(I) of § 24-6-402, C.R.S.; and

WHEREAS, pursuant to § 24-6-402(2)(c)(I), C.R.S., the public place or places for posting such notice shall be designated annually at the local public body's first regular meeting of each calendar year.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD AS FOLLOWS:

1. Pursuant to § 24-6-402(2)(c)(III), C.R.S., notices of the time and place for regular and special meetings of the Board, with specific agenda information if available, shall be posted on the District's website, www.bacawater.com, at least twenty-four hours prior to any such meeting.

2. If the District is unable to post a regular or special meeting notices on its website due to exigent or emergency circumstances that prohibit the public from accessing the District's website, the District shall post regular and special meetings notices at the District's office, located at 57 Baca Grant Way South, Crestone, Colorado, at least twenty-four hours prior to said meeting.
3. As a courtesy to the public, but not as a statutory requirement, the District will also endeavor to post physical notices of Board meetings, with specific agenda information if available, at the District's office, located at 57 Baca Grant Way South, Crestone, Colorado, at least twenty-four hours prior to said meeting.

ADOPTED this 17th day of January, 2024.

BACA GRANDE WATER AND SANITATION
DISTRICT



Officer of the District

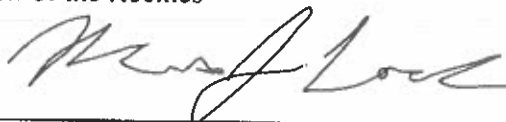
ATTEST:



APPROVED AS TO FORM:

Marcus Lock

Law of the Rockies



General Counsel to the District