



Baca Grande Water & Sanitation District

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NOTICE OF PROCEEDINGS BACA GRANDE WATER & SANITATION DISTRICT

Chairman Clem Gasseling called the Regular Meeting of the Baca Grande Water & Sanitation District to order at 9:05 A.M. on Friday, October 19, 2007 at the District office in Crestone, Colorado. Directors present were Clem Gasseling, Philip Madonna, Chris Canaly, Lisa Cyriacks and Charles Grant. Also present were District employees Steve McDowell, Darla Tiernan, and Deb Phenicie.

BOARD PHOTO

The Board gathered outside for a photo to include in the 2008 Budget.

2008 BUDGET

Director Gasseling noted that there were no public participants present for the 2008 Budget Hearing.

CERTIFICATION OF VALUATION

Director Cyriacks asked what percentage of our valuation is for residential property and what percentage is for commercial property. Ms. Tiernan will call the Saguache County Assessor to find out.

5.5% LIMITATION

Pursuant to C.R.S. 29-1-301, et seq., otherwise known as the "5.5% Limitation" prevents a District from collecting more than a 5.5% increase in property tax revenue. However, at the November 3, 1998 election, Question 5A was passed which allows for an exemption from this limitation. Ms. Tiernan advised the Board that she would inquire with the Department of Local Affairs as to how long this exemption applies.

PROPERTY TAX EVALUATION

The Board requested that Ms. Tiernan print a list of houses to present to the Saguache County Assessor so she can compare it with her listing and ensure that all houses are being appropriately taxed.

P I L T

Ms. Tiernan presented to the Board that we have over a dozen spiritual centers who are not paying property taxes and whom do not have an agreement in place for Payment in Lieu of Taxes (PILT) with the District. The Board directed her to inquire with an appropriate attorney who specializes in this type of work to see about getting agreements set up. In addition, the Board requested that Ms. Tiernan contact the Colorado College about 2007 PILT payment.

MINUTES

The Minutes of the Regular Meeting of September 14, 2007 were unanimously approved on a motion by Director Grant, seconded by Director Cyriacks.

The Minutes of the Special Work Session Meeting of October 12, 2007 were unanimously approved on a motion by Director Canaly, seconded by Director Grant, with a note that the intention of the Board in the "Employee Handbook – Paid Days Off" section was to state "<5 years = 224 hours including holidays, and >5 years = 264 hours including holidays".

At this time, the following guests joined the meeting: Michael Bertin, Dharma Ocean Foundation Architect; Warren Steven, general public; Ralph Abrams, White Jewel Mountain Executive Director; Harry Reynolds, Colorado Construction; Julie Green, Dharma Ocean Foundation Chair; Ceal Smith, Crestone Baca Land Trust (CBLT); and JoAnne Kaiser, CBLT Treasurer.

CAMINO BACA GRANDE SEWER PROJECT

WHITE JEWEL MOUNTAIN/DHARMA OCEAN FOUNDATION

Discussions ensued about how to create a win/win solution for the three parties involved in the Camino Baca Grande capital sewer line extension project, those parties being the Baca Grande Water & Sanitation District, Dharma Ocean Foundation, and White Jewel Mountain. Dharma Ocean was in receipt of correspondence from District Manager Steve McDowell, and proposed that the District holds their \$25,000 sewer tap fee as a credit towards this new negotiation.

Lots of ideas were thrown out on how to solve this matter, but no decisions were made. There was suggestion that the District pays for half of the project, and split the remaining cost accordingly between White Jewel Mountain and Dharma Ocean Foundation. There was also a suggestion to take the overall cost of \$130,000 and divide it by six, which is the number of potential taps along the line extension. This proposal goes against our current line extension protocol though. There was another suggestion to subtract out the cost of the lift station (\$46,800) from the total cost and then divide the balance between Dharma Ocean Foundation and White Jewel Mountain. There was a suggestion to pursue a bond that Dharma Ocean Foundation and White Jewel Mountain could use to pay off this project over time. Dharma Ocean Foundation requested that a site visit be conducted wherein we look at the option of taking the sewer line to Happy Hollow Way. At the time of the site visit, the District will also inspect their retreat house which was built without water or sewer connections. On a side note, the Board offered to reimburse White Jewel Mountain if proof of payment to the Baca Grande Water & Sanitation District is shown by the Naropa Institute. The Board requested that this item be added to the November agenda.

ROAD CLEAN-UP

The Board received a bid from Skoglund Excavating in the amount of \$10,250 to clean up Camino Baca Grande. Mr. McDowell recommended that we do the work ourselves and save some money on this already over-budgeted project. We can rent a D5 CAT from Wagner and get the job done in-house for less than \$3,000.00.

WOODMAN CONSTRUCTION

The Board was presented with an adjusted invoice from Woodman Construction for his last two weeks' of work on Camino Baca Grande. On a motion by Director Grant, seconded by Director Madonna, the Board unanimously voted to not pay Woodman's invoice until we receive an adequate invoice detailing the work that he completed in those last two weeks. In addition, the Board requested an opinion from Attorney Schwiesow and for him to follow-up if needed.

CRESTONE BACA LAND TRUST REQUEST

JoAnne Kaiser presented to the Board a request letter from the Crestone Baca Land Trust (CBLT) to have their annual fees waived for their Quit Claim Deed lots that have deed restrictions in place. The Board suggested that CBLT have a conversation with the Baca Grande Property Owners Association (POA) about paying the fees for Chalet Unit One Lots 251 and 252C, and Chalet Unit Two Lot 3925. In addition, the Board suggested that if the zoning were changed from Residential to Open Space on the remaining lots, then that would ultimately protect the land from being further developed.

CBLT Request, Continued:

On a motion by Director Cyriacks, seconded by Director Grant, the Board unanimously voted to hold off on certifying delinquent fees to the Saguache County Treasurer on Mobile Home Estates Lots 106C, 111, 112C, 120C, 129C, 409C, 456C, 576C, and Chalet Unit One Lot 1667 until the County determines if these lots have or can be changed to Open Space Zoning and until CBLT has a conversation with the POA about taking over ownership. The Board directed Ms. Tiernan to follow-up with CBLT in December if we have not heard anything back from them by that time.

RESOLUTION CERTIFYING DELINQUENT ACCOUNTS

On a motion by Director Cyriacks, seconded by Director Canaly, the Board unanimously voted to pass Resolution Number 2007-02 Certifying Delinquent Accounts as listed in the amount of \$25,686.74, which excludes the CBLT accounts in the amount of \$856.48.

TREASURERS REPORT

The Treasurer's Report for the period ending October 31, 2007 was confirmed on a motion by Director Cyriacks, seconded by Director Canaly.

LIST OF BILLS PAID

The List of Bills Paid for the period of 09/15/07 – 10/19/07 was confirmed on a motion by Director Grant, seconded by Director Canaly, and approved unanimously.

LEGAL REPORT

SPECIAL WARRANTY EASEMENT DEED

The POA Board signed their Easement Deed for the fire hydrant to be placed at the entrance. However, the Manitou Foundation requested that an Agreement be drafted prior to their signing the Easement Deed. Attorney Schwiesow is drafting that Agreement pursuant to the terms they set forth.

JAMIE IRELAND

Concerning our property at Well 18, Attorney Schwiesow confirmed that the deed has not yet been filed, and he was not sure about whether the Easement had been filed yet or not. He is still in the process of researching these things.

DIVISION OF WATER RESOURCES

Attorney Schwiesow will be contacting Mike Sullivan at the Division of Water Resources to see about the possibility of providing water outside of District boundaries. The Board asked Ms. Tiernan to follow-up with Attorney Schwiesow to find out the costs associated with obtaining such a Declarative Judgment from the Water Courts to allow this.

ADMINISTRATIVE REPORT

2006 AUDIT

The auditors were here during the week of October 15 to conduct the 2006 Audit. They were unable to prepare the documents in time to present to the Board at this meeting, but would like to present in either November or December. The Board advised Ms. Tiernan to let them know that the next Regular Meeting will be November 9, 2007.

EMPLOYEE HANDBOOK

This item was tabled until the November Regular Meeting.

ENGINEERS REPORT

SCOPE OF WORK

A Scope of Services to begin November 1, 2007 was presented to the Board by Consulting Engineer Deb Phenicie. Director Canaly requested that Ms. Phenicie include timelines for each individual project. It was noted that Mr. McDowell will report on the progress of these projects each month.

OLD BUSINESS

GOLF COURSE WELL

The Board was advised that the Golf Course Well is an adjudicated water right of the Baca Grande Water & Sanitation District pursuant to our Memorandum of Water Service Agreement. In addition, the District owns the tract of land upon which the well is located. The well was recently inspected by Irrigation Engineering, who deemed that it has not been properly maintained. On a motion by Director Cyriacks, seconded by Director Madonna, the Board unanimously voted to regain maintenance of Grant Well No. 27, otherwise known as the Golf Course Well.

NEW BUSINESS

There was no new business before the Board at this time.

ACTION LIST

- 1) Valuation Percentages;
- 2) 5.5% Limitation;
- 3) Camino Baca Grande Capital Line Extension Project;
- 4) Woodman Construction Legal Opinion/Follow-Up;
- 5) Division of Water Resources & Cost of Declarative Judgment;
- 6) Letter to POA Board concerning Golf Course Well.

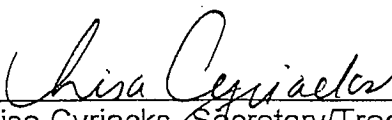
NEXT MEETING

The next Regular Meeting was set for 9:00 A.M. on Friday, November 9, 2007 at the District Office in Crestone, Colorado.

ADJOURNMENT

On a motion by Director Cyriacks, seconded by Director Madonna, the Board adjourned at 12:55 PM.


Clem Gasseling, Chairman


Lisa Cyriacks, Secretary/Treasurer



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BOARD OF DIRECTORS OF THE BACA GRANDE WATER AND SANITATION DISTRICT

RESOLUTION NO. 2007-02

CERTIFYING DELINQUENT ACCOUNTS TO THE SAGUACHE COUNTY TREASURER

Director Lisa Cyriacks moved the adoption of the following Resolution
2007-02, seconded by Director Chris Canale:

WHEREAS the Baca Grande Water and Sanitation District is a District formed under the Special District Act, Colorado Revised Statute 32-1-101 et seq; and

WHEREAS the Baca Grande Water and Sanitation District has adopted rates, fees, tolls, penalties, assessments and charges for water, sewer or water and sewer services furnished, or to be furnished, including charges for availability of such service; and

WHEREAS the Baca Grande Water and Sanitation District is empowered by Section 32-1-1101(1)(e) of the Special District Act to collect such delinquent fees and charges by certification to the County Treasurer; and

WHEREAS proper notice of this public meeting has been given to the property owner and all affected parties; and

WHEREAS the adoption of this resolution will serve a public use and promote the health, safety and general welfare of the inhabitants of the Baca Grande Water and Sanitation District and the people of the State of Colorado;

IT IS THEREFORE RESOLVED by the Board of Directors of the Baca Grande Water and Sanitation District that the District certify to the County Treasurer that the amounts listed on Exhibit A attached hereto are fees, rates, rolls, penalties, charges or assessments levied solely for water, sewer, or water and sewer services, including charges for availability of such service, and that the accounts have been delinquent for at least six months and are in excess of \$150.00 per account. The District shall request that the County Treasurer collect these delinquent amounts at the earliest possible date in the same manner as property taxes and pursuant to Colorado Revised Statute 32-1-1101(1)(e), and add to such amount an additional penalty to be paid by the property owner or affected party to defray the costs of collection.

BACA GRANDE WATER AND SANITATION DISTRICT

By Clem Gasseling
Clem Gasseling, Chairman

By Lisa A. Cyriacks
Lisa Cyriacks, Secretary

Date 10-19-2007