

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE BACA GRANDE WATER AND SANITATION DISTRICT HELD JULY 15, 2016

A Regular Meeting of the Board of Directors (referred to hereafter as "Board") of the Baca Grande Water and Sanitation District (referred to hereafter as "District") was held on Friday, the 15th day of July, 2016, at 9:00 a.m. at the offices of the District, BGWSD Shop, 57 Baca Grant Way South, Crestone, Colorado. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Cindy Reinhardt
Martin Macaulay
Michael Scully
Matthew Ghourdjian
Lynn Drake

Also In Attendance Were:

Lisa A. Johnson and Kelley Karl (for a portion of the meeting); Special District Management Services, Inc. (via speakerphone)

Zachary P. White, Esq.; White Bear Ankele Tanaka & Waldron, (via speakerphone)

JoAnn Slivka; Administrative Services Manager

Sandra Skibinski; Customer Billing Specialist (for a portion of the meeting)

Justin DeBon; Operations Manager

Eric Barnes; Wagner Barnes & Griggs, P.C. (via speakerphone for a portion of the meeting)

See list for other attendees

RECORD OF PROCEEDINGS

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

Disclosure of Potential Conflicts of Interest: Attorney White discussed with the Board the requirements pursuant to Colorado law to disclose any potential conflicts of interest or potential breaches of fiduciary duty to the Board of Directors and to the Secretary of State. Attorney White noted that conflicts were filed for applicable Directors at least 72-hours prior to the meeting. President Reinhardt noted that a quorum was present and requested members of the Board to disclose any potential conflicts of interest with regard to any matters scheduled for discussion at this meeting.

ADMINISTRATIVE MATTERS

Agenda: President Reinhardt reviewed the proposed Agenda for the District's Regular Meeting with the Board.

Following discussion, upon motion duly made by Director Scully, seconded by Director Ghourdjian and, upon vote, unanimously carried, the Agenda was approved, as amended.

Consent Agenda: The Board considered the following actions:

- Approve Minutes from the June 17, 2016 regular meeting and June 24, 2016 Special Meeting/Work Session.

Following discussion, upon motion duly made by Director Scully, seconded by Director Macaulay and, upon vote, unanimously carried, the Board approved the Consent Agenda as revised.

Board and Staff Reports: The Board reviewed and discussed the staff reports which are attached hereto and incorporated herein by this reference.

President Reinhardt asked about the District's financial responsibility in training a new accountant. Ms. Johnson answered that the District will not shoulder the burden of training a new accountant. SDMS will bill for actual time spent to provide accounting services but will not bill any time for training of new staff.

Status of Administrative Analysis: The Board discussed the report provided by Lonnie Nichols and the summary memo from President Reinhardt and Director Macaulay. Director Drake asked that in addition to the report provided in the board packet, she would also like to receive the draft reports prepared by Ms. Johnson and Ms. Slivka.

The Board discussed scheduling a work session to discuss the information that has been prepared to date and what information is still needed.

RECORD OF PROCEEDINGS

Lisa Cyriacks, Resident, commented on her thoughts regarding the draft report.

The Board discussed in detail the logistics of how to conduct this work session.

Ms. Skibinski suggested that a specific list of duties conducted by the current employee staff be prepared to allow the Board to review the level of service being provided and determine if an outside consultant can provide the same level of services.

President Reinhardt offered to step down from the Administrative Analysis Committee and asked that Director Gourdjian replace her on the committee and to move this process forward. Directors Ghourdjian and Macaulay will work together to organize the information that will be discussed at the work session.

Annual Board Retreat: The Board reviewed the recommendation made by Ms. Johnson in her District Manager's report. President Reinhardt asked Board members to identify the issues they want to address and bring those to share with the Board at the August meeting.

Status of Committee Discussions Regarding Negotiations with the Town of Crestone Related to an Amended and Restated Intergovernmental Agreement for Sewer Service: Director Scully reported that the committee met via conference call and determined to obtain updated sewer rate information prior to the next meeting. Ms. Johnson will work with Mr. Simons to update the information and then schedule a meeting with the committee.

The Board then discussed a new brewery in Crestone, CO. They expressed concerns on what type of demand this new use will put on the current sewer system. The Board asked that Mr. DeBon and Mr. Simons attend a call to discuss the brewery use and to determine the impact on the sewer system and report back to the Board on their findings.

FINANCIAL MATTERS

July 15, 2016 Check Register: The Board considered the approval of the check register through the period ending July 15, 2016, as follows:

General Fund	\$	7,661.82
Debt Service Fund	\$	-0-
Capital Projects Fund	\$	12,226.68
Enterprise Fund	<u>\$</u>	<u>64,832.32</u>
Total Claims:	\$	84,720.82

RECORD OF PROCEEDINGS

Following discussion, upon motion duly made by Director Scully, seconded by Director Macaulay and, upon vote, unanimously carried, the Board approved the check register for the period ending July 15, 2016.

Financial Summary: A financial summary was not presented.

Status of 2015 Audit: Mr. Barnes joined the meeting at this time and presented the draft 2015 audit.

Following discussion, upon motion duly made by Director Macaulay, seconded by Director Ghourdjian and, upon vote, unanimously carried, the Board accepted the 2015 audit subject to final review by the Board, legal and management staff.

PUBLIC COMMENT OFFICE ADMINISTRATION

Public Comment: There was no public comment.

Administrative Follow-Ups:

Tap and AOS audit: Ms. Slivka gave an update on the AOS and tap audit. To date, 111 accounts have been identified that may be billed incorrectly. Mr. DeBon explained the field verification process. Ms. Slivka reported that to date she has identified a reduction in billing of accounts in the amount of \$2,887 and an increase of \$3,412.

Ms. Johnson expressed her concern about the financial impact that billing incorrectly for yet another period could have on the District.

The Board discussed the issue at length and determined to continue the audit process and make the corrections to the accounts once complete.

Assessor Review of Properties: Ms. Slivka shared an update and presented the spreadsheets from the County on the status of the correction of valuing of properties within the boundaries of the District.

OPERATIONS

Operational Follow-Ups: Mr. DeBon recommends hiring James Vanderpool to fill the vacant position in the operations department at a starting wage of \$16.00/hour.

Following discussion, upon motion duly made by Director Macaulay, seconded by Director Ghourdjian and, upon vote, unanimously carried, the Board approved the hiring of James Vanderpool to fill the vacant position in the operations

RECORD OF PROCEEDINGS

department at a starting wage of \$16.00/hour.

Water Supply to Golf Course: Director Macaulay expressed his concern that the District may not have the capacity to provide water to the golf course for an extended period of time if their well is out of service for any reason.

The Board discussed possible options.

The Board directed Mr. DeBon to work with Mr. Simons on options to address the concern and to include Attorney Lock in any recommendations to ensure water rights concerns are addressed.

CAPITAL IMPROVEMENTS

Capital Funding Sources and Uses: There was no report this month.

Status of Flow Equalization Basin Project: An update on the project was included in the Engineers' Report.

LEGAL MATTERS

Second Addendum to Independent Contractor Agreement with Lamp Rynearson & Associates, Inc. (d/b/a TZA Water Engineers): Attorney White presented the Second Addendum to Independent Contractor Agreement. This addendum allows Lamp Rynearson & Associates, Inc, to sub-contract geotechnical services needed for the Flow Equalization Basin project to Mountain Engineering & Testing, Inc. without including specific indemnification provision in the sub-contractor agreement. Lamp Rynearson & Associates will still remain liable to the District under the Independent Contractor Agreement.

Following discussion, upon motion duly made by Director Scully, seconded by Director Drake and, upon vote, unanimously carried, the Board approved the Second Addendum to Independent Contractor Agreement with Lamp Rynearson & Associates, Inc. (d/b/a TZA Water Engineers).

OTHER BUSINESS

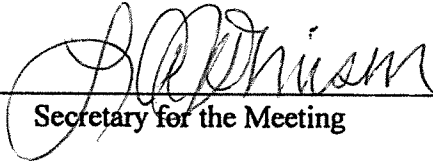
SDA Annual Conference: Director Scully informed the group that he will be unable to attend the conference this year as previously stated in the meeting last month.

RECORD OF PROCEEDINGS


ADJOURNMENT

There being no further business to come before the Board at this time, upon motion duly made, seconded, and upon vote, unanimously carried the meeting was adjourned.


Respectfully submitted,

By  _____
Secretary for the Meeting

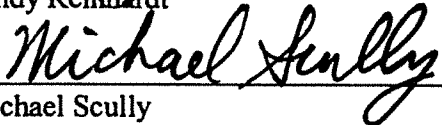
THESE MINUTES ARE APPROVED AS THE OFFICIAL JULY 15, 2016 MINUTES OF THE BACA GRANDE WATER AND SANITATION DISTRICT BY THE BOARD OF DIRECTORS SIGNING BELOW:



Martin Macaulay

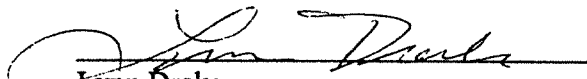


Cindy Reinhardt



Michael Scully

Matthew Gourdjian



Lynn Drake



Baca Grande
Water And Sanitation
District

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

July 15, 2016

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





Name	Address	Telephone/Email	Would you like to speak?	Issues to be addressed
Lisa Livricks	504 Arrowhead way	256-4140	Y	Adminis. Report
Frank Judson	803 (C) Sunrise OL	303 329 3671	P	



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

July 15, 2016

Board of Directors Sign-in

Lynn Drake	
Matthew Ghourdjian	
Martin Macaulay	
Cindy Reinhardt	
Michael Scully	



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

Date: July 7, 2016
To: Baca Grande Water and Sanitation District, Board of Directors
From: Lisa A. Johnson, District Manager
Re: July 15, 2016 District Manager's Report

Agenda Action Items

I.C. Consent Agenda

1. Approve Minutes from the June 17, 2016 Regular Meeting and June 24, 2016 Special Meeting/Work Session.
2. June 30, 2016 Financial Statements and current Cash Position.

I recommend approval of the consent agenda items.

I.F. Board Retreat

A question was raised at the last board meeting regarding the 2016 Board Retreat. I have given this some thought and would like to share my thoughts on the subject with you.

Given that we have two new board members to join the group, who are each in different stages of learning about the District and the work to be done, I thought that rather than having a board retreat this year and trying to set goals at this stage, it might be more useful to schedule a few work sessions to focus on certain issues facing the district. Issues such as the Administrative Analysis, the Town of Crestone IGA and Water Rights are just a few topics that could be discussed at work sessions. These work sessions that could be scheduled for 2 hours in length and only focus on one issue per session. I am confident that you all have many other issues that you might like to discuss in this type of venue.

I.G. Town of Crestone IGA

Attorney White has reviewed the historical information regarding the attempt to re-negotiate the IGA with the Town in 2010 and has transmitted that historical information to the committee for review. The next step will be to schedule a committee conference call to discuss the information and draft a term sheet.

II.A. July 15, 2016 Check Register

The July 15, 2016 check register is enclosed in the board packet. Ms. Slivka and Mr. DeBon have reviewed and recommend approval of the invoices for June.

I recommend approval of the July 15, 2016 check register

II.C. 2015 Audit

Mr. Barnes will attend the meeting at 10:30 am on Friday to present the 2015 audit.

I recommend approval of the 2015 audit and execution of the Representations Letter.

Update on Other District Matters not on the Agenda

District Accountant – Kelley Karl has been assigned as the new accountant for the District. Kelley has been with SDMS for almost one year and worked in the accounting department at a water and sanitation district prior to coming to SDMS. Welcome Kelley!

Perhaps now would be a good time for the Board to re-visit the level of accounting services they feel is necessary on a monthly/yearly basis.



July 2016

OPERATIONS MANAGER REPORT

To: Board of Directors, Baca Grande Water and Sanitation District
From: Justin DeBon
Date: June 7 - July 5, 2016

Water Tank Inspection and Cleaning: Marine Diving Solutions is scheduled to start cleaning and inspecting District tanks and reservoirs mid-August.

Water Pumping: To keep up with demand of the Casita Park system and the added demand of the dry summer, operations staff have needed to switch on both Well 18 booster pumps and operate the facility at 100% Both pumps have not needed to be operated continuously but have been needed on four occasions.

Summer Projects: The two summer temporary positions have not been filled, even with advertising the positions there has been no interest. As a result, some projects will not be completed this year. High priority projects such as fire hydrant maintenance and collection system cleaning will be completed but will most likely be completed later than expected. The manhole infiltration project may not be started this year and the facility weed control project will be 25% completed this year.

Commercial Drivers License: As a result of a staff member leaving the District, the District was left without a class A driver. Class-A is the level needed in order to tow the equipment trailer. I have successfully tested for and received a Class-A permit, but must wait two weeks before starting driver training, skill testing and receiving the license. After training has been completed, Chad Tate will be trained by myself and given the skills needed to pass the CDL skills test so the District will have two licensed drivers.

Water Leak Detection Update: The leak detection project is still on going, with the added demand of Casita Park and the dry summer it is even more important this year to locate leaks. The operations team is still concentrating on the area between Camino Del Rey and Cottonwood Creek, another area being focused on is the Casita Park system. The need for a meter to measure the water being distributed to the Casita Park system has been made clear this year. Metering the Casita Park system would make leak and break detection much easier and effective.

2016 Projects: The following is a list of projects that will be worked on in 2016.

1. Storage tank inspection/cleaning (AUGUST 2016)
2. MHE Lagoon reclamation
3. Screening/Sorting of Aspen spoils area
4. Fire hydrant Maintenance Project
5. Collection System Video Inspection and Cleaning Project
6. Manhole Infiltration Prevention Project
7. ~~Stables Lift Station Upgrade Project~~
8. Facility Weed Control Project
9. Leak Detection-On going
10. ~~Repair drainage and road to Fallen Tree Storage Tank~~
11. Install gate on Fallen Tree Storage Tank access road
12. ~~Install water drainage pipe at Well 18~~

2015 Projects Completed: The following is list of projects that were completed in 2015.

1. ~~Completion of Facility Maintenance GIS Layer Project~~
2. ~~Completion of Water Meter Upgrade Project~~
3. ~~Fire Hydrant Maintenance Project~~
4. ~~Collection System Cleaning Project~~
5. ~~Manhole Infiltration Prevention Project on Cotton Wood Creek~~
6. ~~Capital Improvement Projects~~
7. ~~Water Meter MXUM upgrade project and DOLA grant reporting~~
8. ~~Yeshi Korlo service line reduction project~~
9. ~~GIS Facilities Maintenance Project~~
10. ~~Virture Way Manhole Repair~~



Baca Grande
Water And Sanitation
District

Report On District Operations



BGWS D Dresser S15C Wheel Loader

Operations Report
Baca Grande Water and Sanitation District
July 15, 2016

Report from: June 8 – July 5, 2016

Contents

District Operations.....1
 Water Usage, Compliance & Testing - Chalets.....2
 Wastewater Compliance & Testing.....3
 Infrastructure.....4
 Operators.....5



3" Water Main Repair

District Operations

SSO-Sanitary Sewer Overflow	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	
Fire Hydrant Maintenance	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	
Water Main Repairs	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	
Collection System Cleaning	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	Enchanted Way
GPS/GIS	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	
Water/Sewer Hookups	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	Total for 2016: 7
Accidents	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	

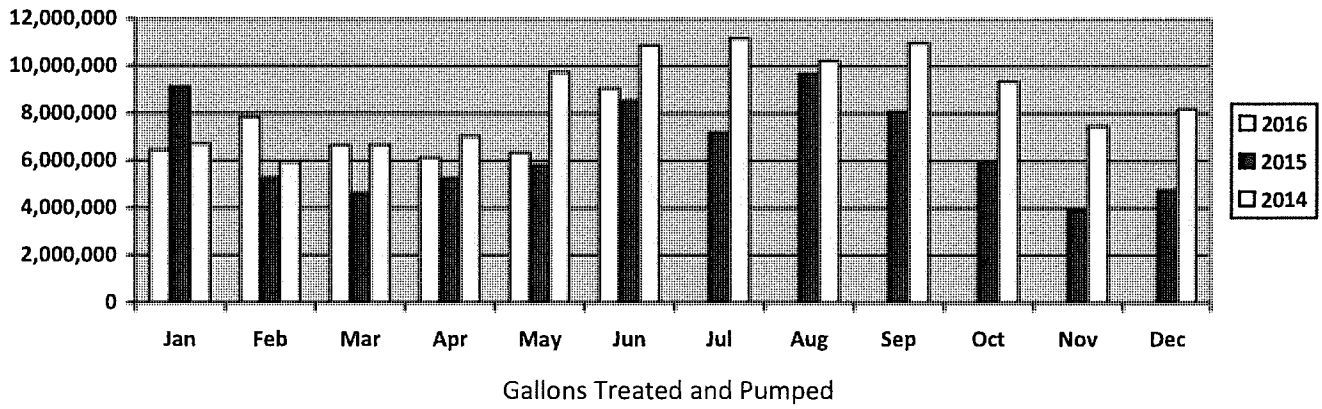
Total Water Treated

Total Gallons Treated For Month	Finished Water Chalets & Casita Park	Finished Water Metered Chalets & Casita Park	Wastewater Treated	Estimated Unaccounted Water
January 2016	6,457,000	2,452,000	1,901,000	Water Leak Found 4,005,000
February 2016	7,841,000	1,764,000	1,554,000	Water Leak found 6,077,000
March 2016	6,654,000	1,579,000	1,904,000	Water Leak Found 5,075,000
April 2016	6,124,000	3,133,000	1,608,000	Water leak found 2,991,000
May 2016	6,338,000	3,245,000	1,846,000	3,093,000
June 2016	9,065,000	4,740,000	3,054,000	4,325,000
July 2016				
August 2016				
September 2016				
October 2016				
November 2016				
December 2016				
Total Treated 2016	43,479,000	16,913,000	11,867,000	25,566,000

Golf Course Well

April 2016	May 2016	June 2016	July 2016	August 2016	September 2016	October 2016
Well 18 used	5,539,474	6,191,177				

Baca Grande Chalet & Casita Park

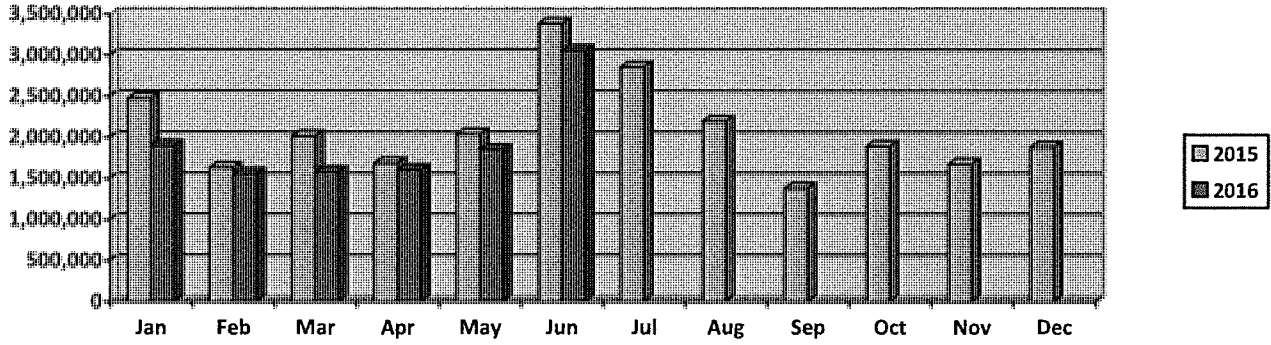


January	February	March	April	May	June
6,457,000	7,841,000	6,654,000	6,124,000	6,338,000	9,065,000

July	August	September	October	November	December

Month	Chlorine Residual	Total Coliform E. Coli Result	Compliant	Well Water Level
January	0.34	Absent	Yes	35'
February	0.32	Absent	Yes	34'
March	0.32	Absent	Yes	34'
April	0.34	Absent	Yes	36'
May	0.37	Absent	Yes	37'
June	0.28	Absent	Yes	36'
July				
August				
September				
October				
November				
December				

Aspen Wastewater Treatment Facility



Wastewater Treated in Gallons

January	February	March	April	May	June
1,901,000	1,554,000	1,579,000	1,608,000	1,846,000	3,054,000

July	August	September	October	November	December

Month	Total Ammonia Result	E. Coli Result	Effluent BOD5 Result	Total BOD5 Removal Result	Compliant for Month
January	2.6 mg/L	2/100	9.2 mg/L	93%	Yes
February	0.8 mg/L	2/100	5.8 mg/L	96%	Yes
March	2.1 mg/L	2/100	3.6 mg/L	98%	Yes
April	1.3 mg/L	2/100	2.3 mg/L	98%	Yes
May	2.1 mg/L	2/100	13 mg/L	96%	Yes
June	0.9 mg/L	14/100	1.8 mg/L	97%	Yes
July					
August					
September					
October					
November					
December					

Bio Solids	Quantity
Stored Bio Solids – Aspen Storage Lagoon	185,600 Gallons
Bio Solids pumped and applied to land application site 2016	0
Bio Solids pumped into Aspen Storage Lagoon 2016.	30,000

Other Reporting

Monthly Safety Meeting	Fall Protection
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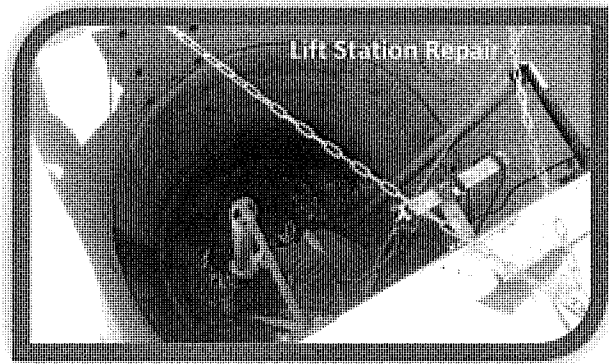
Infrastructure Fixed Assets

Transfer Stations	Booster Stations
Fallen Tree – Operational	Pine Cone Booster – Operational SCADA comm fail
Ridgeview Transfer Station – Operational	Shumei Booster Station – Operational
Moonlight Transfer Station – Operational	Motel Well Booster Station – Operational

Drinking Water Distribution System	Wastewater Collection System
Water Mains = 64 Miles	Sewer Mains = 45 Miles
Gate Valves = 528 Units	Manholes = 798
Service Accounts = 703	
Curb Stops = 703	Lift Stations = 5
Fire Hydrants = 278	MHE LS – Operational
Well 17/18 Water Treatment Plant- Facility Fully Operational.	Stables LS – Fully Operational
<u>MHE Motel Well Water Treatment Facility- Decommissioned DEC 2015</u>	Wagon Wheel LS – Operational
Water Transfer Stations = 3	Dharma Ocean LS – Operational
Booster Stations = 3	Aspen LS – Operational
	Aspen WWTF – Facility Fully Operational. Operating at 68% Capacity



Operations Team



Justin DeBon, CWP

Operations Manager
ORC

- Class C Water Operator
- Class C Wastewater Operator
- Class 1 Distributions Operator
- Class 1 Collections Operator
- Nationally Certified Heavy Equipment Operator
- OSHA Trained in Construction Standards for Excavation

Chad Tate, CWP

Water Treatment
Operator

- Class 5 Water Operator
- Class 5 Wastewater Operator
- Class C Water Operator
- Class 2 Distributions Operator

Tim Allen, CWP

Distributions & Collections
Operator

- Class 5 Water Operator
- Class 5 Wastewater Operator

Rebecca Potter, CWP

Laboratory & Analysis
Operator

- Class D Wastewater Operator



Administrative Report – July 20, 2016

To: Baca Grande Water and Sanitation District Board of Directors
From: JoAnn Slivka, Administrative Services Manager

| 2016 Projects

Rate Study Project

The rate study was presented to the Board of Directors for their review and discussion at the June 20, 2016 meeting. Baca staff will continue to plug in the numbers on a monthly basis and will revisit and utilize the data during the drafting of the 2017 budget.

Xpress Bill Pay

During the month of June, the Baca Administrative staff were busy completing the last piece of the Xpress Bill Pay implementation. All customers who had automatic monthly payments initiated by the District using an ACH withdrawal from their bank accounts were notified that this payment method will be discontinued as June 1, 2016. The notification outlined the various options for customers to pay their bills.

The credit card merchant agreements were terminated as was the FirstBank lockbox services. Sandy Skibinski worked closely with Xpress Bill Pay and Freedom Mailing to incorporate the changes and update our billing paper stock with the new lockbox address. As of July 31, 2016, First Bank planned to discontinue the District's free lockbox and begin charging for lockbox services at the rate of \$175.00 plus processing fees for an average monthly fee of ~\$600.00 per month. Lockbox service costs with Xpress Bill Pay is \$200.00 a year for the lockbox fee plus \$.48 per transaction; significantly less than First Bank.

2016 Special District Association ("SDA") Conference

- The Special District Association ("SDA") Conference runs September 21-23, 2016 in Keystone, Colorado. This year's conference theme is "Building a Winning Game Plan"; session topics and schedule is attached to this report.
- Scholarship Application: As of this writing the District has not received information on whether or not our application has been approved. Director Lynn Drake has expressed interest in attending the conference this year; Admin staff is monitoring lodging costs at this time.

Saguache County Governing Bodies Meeting

Directors Reinhardt, Drake and Scully along with JoAnn Slivka attended the meeting with the Board of County Commissioners held Friday, June 24, @ 10:00 A.M. Minutes from the meeting were submitted to be presented at the July 15 Board of Directors meeting.

Consumer Confidence Report

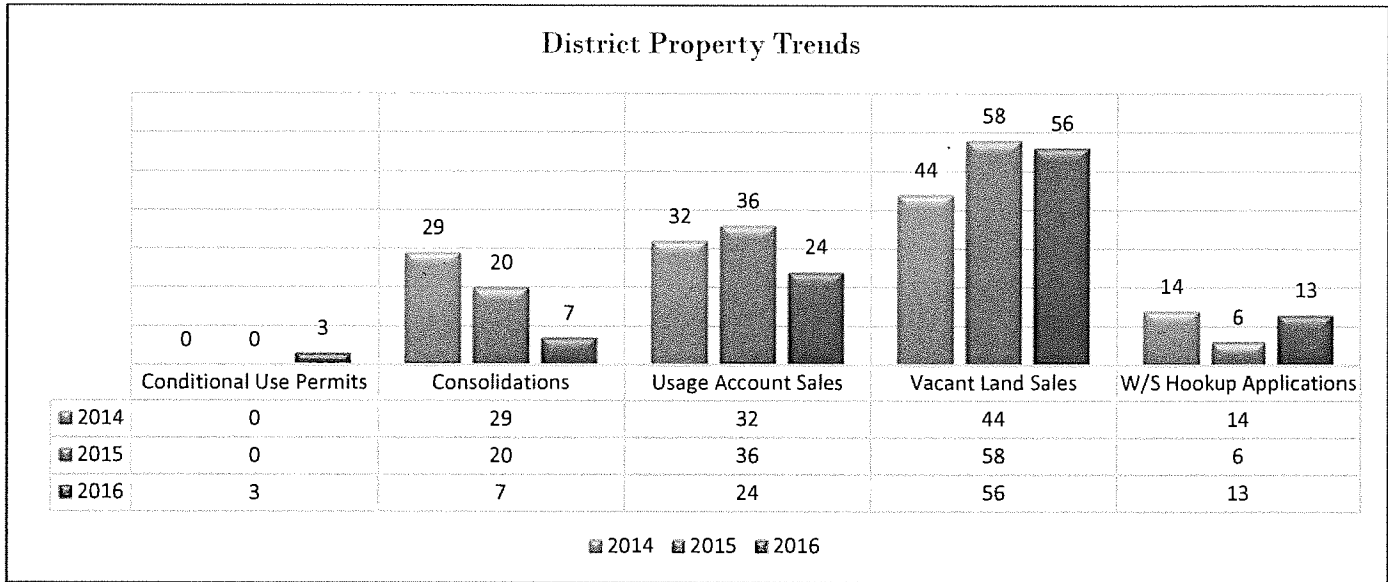
The 2016 Consumer Confidence water quality report and certificate of delivery to CDPHE has been completed.

Certification of Delinquent Accounts

The annual process to submit delinquent accounts to the county treasurer for collection is due by November 1, 2016. The 2016 Certification calendar has been established as follows;

- CRITERIA: \$150 AND the account has to be at least 6 months in arrears - Due April 30, 2016– September 30, 201
- August 19, 2016 BOARD MEETING: Present the draft letter for approval with key dates established
 - September 19, 2016: Certified letters get mailed to Property Owners
 - October 20, 2016: Last day to accept payments
 - October 21, 2016 BOARD MEETING: Property Owner Hearing Date
 - October 24, 2016: PACKET GETS MAILED TO THE COUNTY
 - November 1, 2016: Accounts to be certified are due to the Saguache County Treasurer's office
 - December 1, 2016: Last day for closing requests from title companies
 - December 7, 2016: Notify the county treasurer's office of any closings that occurred
 - December 9, 2016: Treasurer's office will perform any changes/updates to our certification list

| 2016 Property Activity

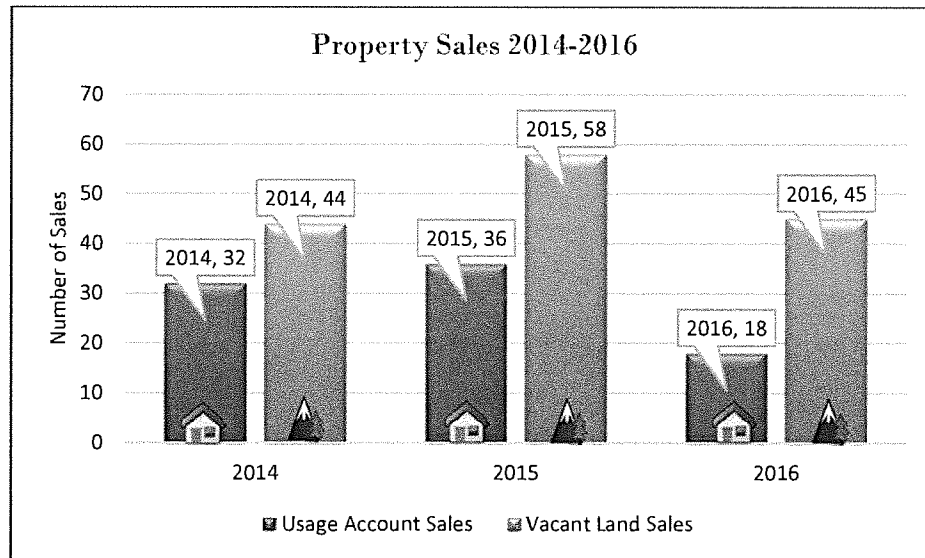


◆ **Consolidations**

- 3 - New applications received (1927-1929, 1756-1757, 3766-3768,)
- 1 - Application finalized - (936-938)

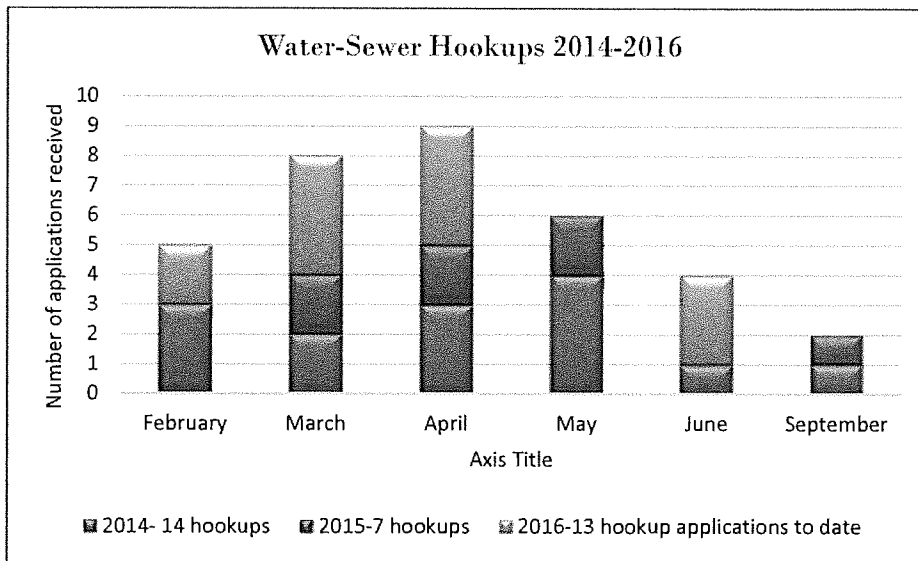
◆ **Transferred Properties**

- 6 - SFRs
- 10 - Vacant Land



◆ **New Water-Sewer Hookups**

- 3 - New applications received (1645 Willow Creek Way)
- 2 - New hookups completed and usage accounts established



AOS Verification Project statistics as of 7/1/16

- Chalets: 100% completed (AOS verified)
- Total # vacant chalet lots: 1,895
- AOS Verified: 1,895
- Remaining: 0 lots

MHE: Not started

- Total # vacant lots: 269

All District vacant lots: 87% completed.

- Total # vacant lots in district: 2,164
- Total # AOS verified: 1,895
- Total # remaining: 269

87% of all vacant lots have been verified.

Identified 111 potential changes (represents 5% of all vacant lots)

| 2016 June Utility Billing Activity

Delinquent account summary:

- 22 - Delinquent Accounts– 22 owners, 7 tenants; 29 notices sent
- 10 - Paid in full
- 11 - Paid delinquent balance
- 1 - Shut off

Late Fee summary

- 54 = \$810.00

ACH: 62 accounts paid \$5941.00

Xpress Bill Pay Stats

- 119 – Accounts signed up for XBP
- 143 – Accounts Paperless opt in
- 72 – using Auto pay

Customer Communications: The current statement memo included a special insert and announcement regarding the July 4 Holiday office closure and new lockbox.

SDA University Wednesday, September 21, 2016 - 7:15 AM

- 5:15 PM

Education Sessions

Sponsored by the Colorado Special Districts Property and Liability Pool and McGriff, Seibels & Williams of Oregon, Inc., T. Charles Wilson Insurance Service

Leadership Lunch featuring David Dye

- How to Ensure Your Background Screening Program is Compliant
- Board Member Financial Boot Camp
- Planning & Design Approach Saves Up to 75% on Capital Construction Over 45 Year History
- Executive Sessions, Open Meetings, and Open Records
- A Whole New Workforce: Plan to Thrive
- 50% of the Cost of Insurance is Often Influenced by a District's Board and Management
- TABOR
- Strategic Planning for Your District's Growth
- Water Resources Education in Colorado-Opportunities for Special Districts
- How to Conduct a Workplace Investigation
- Working with Great Outdoors Colorado to Maximize District Dollars for Parks
- Using 21st Century Technology to Reduce Costs and Improve Outcomes for Water & Sanitation Districts
- Mitigating FOG/POG in Your Sanitary Sewer System - A Proven Program
- Marijuana & the Workplace: What Every District Needs to Know
- Special Districts Facilitate Unparalleled Economic Growth Around Denver Union Station
- How to Conduct Oneself, Work in Harmony with Other Board Members, & Address Public Concerns
- Overcoming Water & Wastewater Challenges with State Revolving Fund Dollars
- Helping Our Heroes: Raising Situational Awareness for PTSD, Addiction, & Suicide Among First Responders

SDA University Forums Begin at 3:30 p.m.

- Bridging the Gap - Managing Multiple Generations in the Workplace – Candy Whirley
- Waypoints for the New World - Social Media and Digital Technology in Public Sector – Charles Leitch, JD
- Leadership and Mentoring Success - Garry Briese

Opening Night Extravaganza - 5:00 - 9:00 pm

- Heavy hors d'oeuvres, full bars, live band, and trivia contest all in Longs Peak Ballroom

SDA Conference Thursday, September 22, 2016 - 7:15 AM -

6:30 PM

Education Sessions

- From Engineer to District Manager: Lessons Learned
- Best Practices for a Healthy Landscape: Trees and Shrubs
- Flow Measurement Using Multiple Technologies in Water & Wastewater Plants as Well as in Collection & Distribution Systems
- Panel Discussion on Transition from Volunteer to Mostly Professional Firefighters
- Progress and Prospects in the Development of Passive Biological Treatment for Cost Effective Selenium Removal from Membrane Concentrate
- Solar PV and Renewables: Is Renewable Energy Viable for Your District?
- Everything You Ever Wanted to Know about Storing Water in Colorado
- Lessons Gleaned from Operations Assessments of Large Utilities: What Small Utilities Can Learn
- The Emerging Special District Role in Providing Broadband
- Irrigation Efficiency and Water Savings
- The Changing Face and Unique Circumstances of the Fair Labor Standards Act
- S*M*A*R*T Goals
- Affordable, Secure, Cloud-Based GIS Mapping/Asset Management
- An Introduction to Colorado Water Live Like You Love It Campaign
- Investing District Funds and Title 32: A Basic Overview of Investing in the New Normal

SDA Annual Business Meeting - 1:45 - 3:00 PM

- Annual Business Meeting in Longs Peak Ballroom

Colorado Special Districts Property and Liability Pool Membership Meeting-3:30-5:15 pm

- Annual Membership Meeting in Longs Peak Ballroom

Keynote Speakers

- Breakfast - Tim Clue - 7:15 - 8:45
- Lunch - Terrell Davis - 11:15 - 1:45
- Annual Business Meeting - Floyd Ciroti - 1:45 - 3:00
- Pool Meeting - Gordon Graham - 1:45 - 3:00

Thursday Evening Reception - 5:15 - 6:30 PM

- Appetizers and full bar in the Platinum Walk and Exhibitor Hall

SDA Conference Friday, September 23, 2016 - 7:15 AM - 1:30 PM

Education Sessions

- Cooperative Agreement with School District Saves Money & Provides Much Needed Playfield Improvements
- Emergency Management and Homeland Security for Your District
- Comparing Utility Rates, Fees, and Financial Results
- Exploring the Lifecycle of a Drop of Water: Current Trends that Will Impact Our Communities
- Top 10 Things that Get Firefighters in Trouble
- Drug Testing: Special Problems for Special Districts
- Unlocking the Mystery of the Discharge Permitting Process...and Helpful Tips for Negotiating a Good Permit
- How to Collaborate in the New URA World
- Attention All Units: Standby for a Social Media Emergency

Keynote Speakers

- Breakfast - James Olson - 7:15 - 8:45
- Awards Ceremony and Lunch - Juli Burney - 11:15 - 1:30

BACA GRANDE WATER and SANITATION DISTRICT

2016 Drinking Water Quality Report

for Calendar Year 2015

Public Water System ID: C0015200

Esta es información importante. Si no la pueden leer, necesitan que alguien se la traduzca. We are pleased to present to you this year's water quality report. Our constant goal is to provide you with a safe and dependable supply of drinking water. Please contact Operations Manager, Justin DeBon, at 719-256-4310 with any questions about the Drinking Consumer Confidence Rule (CCR) or for public participation opportunities that may affect the water quality.

General Information

All drinking water, including bottled water, may reasonably be expected to contain at least small amounts of some contaminants. The presence of contaminants does not necessarily indicate that the water poses a health risk. More information about contaminants and potential health effects can be obtained by calling the Environmental Protection Agency's Safe Drinking Water Hotline 1-800-426-4791 or by visiting <http://water.epa.gov/drink/contaminants>.

Some people may be more vulnerable to contaminants in drinking water than the general population. Immunocompromised persons such as persons with cancer undergoing chemotherapy, persons who have undergone organ transplants, people with HIV/AIDS or other immune system disorders, some elderly, and infants can be particularly at risk of infections. These people should seek advice about drinking water from their health care providers. For more information about contaminants and potential health effects, or to receive a copy of the U.S. Environmental Protection Agency (EPA) and the U.S. Centers for Disease Control (CDC) guidelines on appropriate means to lessen the risk of infection by Cryptosporidium and microbiological contaminants call the EPA Safe Drinking Water Hotline at 1-800-426-4791.

The sources of drinking water (both tap water and bottled water) include rivers, lakes, streams, ponds, reservoirs, springs, and wells. As water travels over the surface of the land or through the ground, it dissolves naturally occurring minerals and, in some cases, radioactive material, and can pick up substances resulting from the presence of animals or from human activity. Contaminants that may be present in source water include:

- Microbial contaminants: viruses and bacteria that may come from sewage treatment plants, septic systems, agricultural livestock operations, and wildlife.
 - Inorganic contaminants: salts and metals, which can be naturally-occurring or result from urban storm water runoff, industrial or domestic wastewater discharges, oil and gas production, mining, or farming.
 - Pesticides and herbicides: may come from a variety of sources, such as agriculture, urban storm water runoff, and residential uses.
 - Radioactive contaminants: can be naturally occurring or be the result of oil and gas production and mining activities.
 - Organic chemical contaminants: including synthetic and volatile organic chemicals, which are byproducts of industrial processes and petroleum production, and also may come from gas stations, urban storm water runoff, and septic systems.
- In order to ensure that tap water is safe to drink, the Colorado Department of Public Health and Environment prescribes regulations limiting the amount of certain contaminants in water provided by public water systems. The Food and Drug Administration regulates establish limits for contaminants in bottled water that must provide the same protection for public health.

Lead in Drinking Water

If present, elevated levels of lead can cause serious health problems (especially for pregnant women and young children). It is possible that lead levels at your home may be higher than other homes in the community as a result of materials used in your home's plumbing. If you are concerned about lead in your water, you may wish to have your water tested. When your water has been sitting for several hours, you can minimize the potential for lead exposure by flushing your tap for 30 seconds before using water for drinking or cooking. Additional information on lead in drinking water, testing methods, and steps you can take to minimize exposure is available from the Safe Drinking Water Hotline (1-800-426-4791) or at <http://www.epa.gov/safewater/lead>.

Source Water Assessment and Protection (SWAP)

The Colorado Department of Public Health and Environment has provided us with a Source Water Assessment Report for our water supply. For general information or to obtain a copy of the report please visit <http://wacs.compliance.com/cecr>. The report is located under "Source Water Assessment Reports", and then "Assessment Report by County". Select Saguache County and find 155200, Baca Grande Water and Sanitation District or by contacting Operations Manager, Justin DeBon at 719-256-4310. The Source Water Assessment Report provides a screening-level evaluation of potential contamination that could occur. It does not mean that the contamination has or will occur. We can use this information to evaluate the need to improve our current water treatment capabilities and prepare for future contamination threats. This can help us ensure that quality finished water is delivered to your homes. In addition, the source water assessment results provide a starting point for developing a source water protection plan. Potential sources of contamination in our source area are listed on the next page.

Our Water Sources

Source	Source Type	Water Type	Potential Source(s) of Contamination
MOTEL WELL NO 1	Well	Groundwater	<ul style="list-style-type: none"> • Indirect sources from forest, agriculture (row crops, pasture hay), septic systems, and runoff from roads.
WELL NO 18	Well	Groundwater	<ul style="list-style-type: none"> • Existing or abandoned mine sites.

Terms and Abbreviations

- **Maximum Contaminant Level (MCL)** – The highest level of a contaminant allowed in drinking water.
- **Treatment Technique (TT)** – A required process intended to reduce the level of a contaminant in drinking water.
- **Action Level (AL)** – The concentration of a contaminant which, if exceeded, triggers treatment and other regulatory requirements.
- **Maximum Residual Disinfectant Level (MRDL)** – The highest level of a disinfectant allowed in drinking water. There is convincing evidence that addition of a disinfectant is necessary for control of microbial contaminants.
- **Maximum Contaminant Level Goal (MCLG)** – The level of a contaminant in drinking water below which there is no known or expected risk to health. MCLGs allow for a margin of safety.
- **Maximum Residual Disinfectant Level Goal (MRDLG)** – The level of a drinking water disinfectant, below which there is no known or expected risk to health. MRDLGs do not reflect the benefits of the use of disinfectants to control microbial contaminants.
- **Violation (No Abbreviation)** – Failure to meet a Colorado Primary Drinking Water Regulation.
- **Formal Enforcement Action (No Abbreviation)** – Escalated action taken by the State (due to the risk to public health, or number or severity of violations) to bring a non-compliant water system back into compliance.
- **Variance and Exemptions (V/E)** – Department permission not to meet a MCL or treatment technique under certain conditions.
- **Gross Alpha (No Abbreviation)** – Gross alpha particle activity compliance value. It includes radium-226, but excludes radon-222, and uranium.
- **Picouries per liter (pCi/L)** – Measure of the radioactivity in water.
- **Nephelometric Turbidity Unit (NTU)** – Measure of the clarity or cloudiness of water. Turbidity in excess of 5 NTU is just noticeable to the typical person.
- **Compliance Value (No Abbreviation)** – Single or calculated value used to determine if regulatory contaminant level (e.g. MCL) is met. Examples of calculated values are the 90th Percentile, Running Annual Average (RAA) and Locational Running Annual Average (LRAA).
- **Average (x-bar)** – Typical value.
- **Range (R)** – Lowest value to the highest value.
- **Sample Size (n)** – Number or count of values (i.e. number of water samples collected).
- **Parts per million = Milligrams per liter (ppm = mg/L)** – One part per million corresponds to one minute in two years or a single penny in \$10,000,000.
- **Parts per billion = Micrograms per liter (ppb = ug/L)** – One part per billion corresponds to one minute in 2,000 years, or a single penny in \$10,000,000.
- **Not Applicable (N/A)** – Does not apply or not available.

Detected Contaminants

Baca Grande Water and Sanitation District routinely monitors for contaminants in your drinking water according to Federal and State laws. The following table(s) show all detections found in the period of January 1 to December 31, 2015 unless otherwise noted. The State of Colorado requires us to monitor for certain contaminants less than once per year because the concentrations of these contaminants are not expected to vary significantly from year to year, or the system is not considered vulnerable to this type of contamination. Therefore, some of our data, though representative, may be more than one year old. Violations and Formal Enforcement Actions, if any, are reported in the next section of this report.

Note: Only detected contaminants sampled within the last 5 years appear in this report. If no tables appear in this section then no contaminants were detected in the last round of monitoring.

Lead and Copper Sampled in the Distribution System								
Contaminant Name	Time Period	90th Percentile	Sample Size	Unit of Measure	90th Percentile AL	Sample Sites Above AL	90th Percentile AL Exceedance	Typical Sources
Copper	06/04/2015 to 06/24/2015	0.67	10	ppm	1.3		No	Corrosion of household plumbing systems; Erosion of natural deposits
Lead	06/04/2015 to 06/24/2015	4	10	ppb	15		No	

Disinfection Byproducts Sampled in the Distribution System								
Name	Year	Average	Range Low-High	Sample Size	Unit of Measure	MCL	Highest Compliance Value	Typical Sources
Total Trihalomethanes (TTHM)	2014	2.8	2.4 to 3.2	2	ppb	80	N/A	Byproduct of drinking water disinfection

Radionuclides Sampled at the Entry Point to the Distribution System								
Contaminant Name	Year	Average	Range Low-High	Sample Size	Unit of Measure	MCL	MCLG	Typical Sources
Combined Radium	2014	0.05	0 to 0.1	2	pCi/L	5	0	Erosion of natural deposits
Gross Beta Particle Activity	2014	2.4	2.4 to 2.4	1	pCi/L*	50	0	Decay of natural and man-made deposits

*The MCL for Gross Beta Particle Activity is 4 mrem/year. Since there is no simple conversion between mrem/year and pCi/L EPA considers 50 pCi/L to be the level of concern for Gross Beta Particle Activity.

Inorganic Contaminants Sampled at the Entry Point to the Distribution System									
Contaminant Name	Year	Average	Range Low-High	Sample Size	Unit of Measure	MCL	MCLG	MCL Violation	Typical Sources
Arsenic	2014	0.25	0 to 1	4	ppb	10	0	No	Erosion of natural deposits; runoff from orchards; runoff from glass and electronics production wastes
Barium	2014	0.04	0.04 to 0.04	4	ppm	2	2	No	Discharge of drilling wastes; discharge from metal refineries; erosion of natural deposits
Chromium	2014	0.25	0 to 1	4	ppb	100	100	No	Discharge from steel and pulp mills; erosion of natural deposits
Fluoride	2014	0.12	0 to 0.18	3	ppm	4	4	No	Erosion of natural deposits; water additive which promotes strong teeth; discharge from fertilizer and aluminum factories
Nitrate	2015	0.2	0 to 0.4	2	ppm	10	10	No	Runoff from fertilizer use; leaching from septic tanks, sewage; erosion of natural deposits
Selenium	2014	0.25	0 to 1	4	ppb	50	50	No	Discharge from petroleum and metal refineries; erosion of natural deposits; discharge from mines

Unregulated Contaminants***				
Contaminant Name	Year	Average	Range Low - High	Unit of Measure
None found				
***More information about the contaminants that were included in UCMR3 monitoring can be found at: http://www.drinktap.org/water-info/whats-in-my-water/unregulated-contaminant-monitoring-mile.aspx . Learn more about the EPA UCMR at: http://www.epa.gov/dwam/learn-about-unregulated-contaminant-monitoring-mile.aspx or contact the Safe Drinking Water Hotline at (800) 426-4791 or http://water.epa.gov/dwh/contact.cfm .				

Violations, Significant Deficiencies, and Formal Enforcement Actions

No violations or Formal Enforcement Actions

**BACA GRANDE WATER AND SANITATION DISTRICT
ENGINEER'S REPORT
July 6, 2016**

ADMINISTRATIVE MATTERS

Water and Wastewater Rates – Follow-up presentation provided to Board via conference call on June 17, 2016. District staff to track water usage data during monthly billing process for consideration in the 2017 budget process later this year. This item will be moved to the “Parking Lot” in the August 2016 Engineer’s Reports.

CAPITAL PROJECTS

Headworks/Flow Equalization Basin – The Site Application Amendment (SAA) is 95 percent complete and will be submitted to the Water Quality Control Division (Division) once the Engineering Report and 30% Drawings are finalized. The Engineering Report to accompany the SAA is 90 percent complete. The 30% Drawings – site plan, hydraulic profile, preliminary plan and section views of the structure – to accompany the SAA are in progress and should be ready for a review with the Operations Manager by the end of July. The Basis of Design Report in support of the design submittal for the Division’s review is 75% complete. We are awaiting information from Mountain Engineering and Testing, of Salida, regarding the schedule for the geotechnical investigation of the site.

Compliance Evaluation Inspection (Dharma Ocean and Stables Lift Station) – The capital improvements associated with the Stables Lift Station were completed on April 1, 2016 by Timber Line Electric and Control Corporation. TZA was contacted by Chad Tate on June 16, 2016 regarding a couple of “overspeed” faults on Pump No. 1. TZA researched the situation and provided information to Mr. Tate on the possible causes. Mr. Tate provided follow-up information to TZA on June 17. To date, the fault has not re-occurred.

Capital Project Summary Sheets – No additional activity since November of 2015.

OPERATIONAL MATTERS

Biosolids Management – Justin DeBon and I discussed the concept of a drying bed during my May 17 visit to the District. A drying bed is a common method of dewatering sludge, increasing the percentage of solids present so the sludge no longer behaves as a liquid and can be handled as a solid material. More detailed information regarding the drying bed concept will be developed with the District’s Operations Manager before any work is performed to address the long-standing need to effectively manage the biosolids generated at the Aspen Institute Wastewater Treatment Plant.

LAMP RYNEARSON COMPANIES

OTHER ACTIVITIES

Atalanta Inclusion – I have reviewed the legal description for the parcel prepared by Summit Engineering Company and provided my comments (i.e. inclusion versus annexation) to JoAnn Slivka and Zachary White.

PARKING LOT

Jonas Harlow Line Extension – During my May 17, 2016 visit to the District, I assisted the Administrative Services Manager and the Operations Manager in addressing the line extension application for Lot 446C and discussed surveying support from a local surveyor in Alamosa. We also contacted the applicant via telephone during my visit and advised him of the preliminary cost estimates to support his request. As of the date of this Engineer's Report, no additional information has been requested by the applicant or the District staff.

Funding Opportunities – District staff and consultants are researching a variety of other funding sources, as resources allow, for possible support on a variety of projects.

- SEARCH (Special Evaluation Assistance for Rural Communities and Households) Grants and the Predevelopment Planning Grants available from the USDA's Rural Development may be options for the biosolids management needs of the District.
- The Colorado Water Conservation Board's Water Efficiency Grant program may be the most applicable to the District's current water conservation efforts. Specifically, this program may support a water loss control audit.

Insufficient Water Service Customers – No new activity as of the June 7 Action Item conference call.

Well No. 17 Permit Matters – Pending the outcome of the Justice Department's water court application regarding the current location of Well No. 17, TZA is prepared to support the permit (Well Permit No. 57623-F-R) conditions associated with the redrilling of Well No. 18 in 2012.

Nutrients Management Control Regulation (Regulation No. 85) - Justin DeBon managed the 2015 sampling efforts and must identify any 2016 requirements to be noted in future reports. This will be a topic of discussion during the 2017 budget process later this year.

Well 18 Booster Pump Station Problems – Any legal activities associated with this topic will be addressed separately due to attorney-client privileges.

Casita Park Water Line Interconnect – The line connecting the Well 18 yard piping to Mobile Home Estates was put into service on November 30, 2015. The redundant stream crossing was completed by RMS on December 18, 2015. An 11-month warranty inspection should be considered in November of 2016.

Water Meter Transmitter Replacement Project - Justin DeBon has reviewed the meter reading results with pump station metering reports in an effort to assess pressure zones that should be the focus of any future leak detection activities. This information may benefit future application(s) to the Water Efficiency Grant program administered by the Colorado Water Conservation Board.

Storage Tank Rule – Effective April 1, 2016, the District was required to develop a written plan for finished water storage tank inspections. In addition to quarterly periodic (visual) inspections, the District will need comprehensive inspections to be scheduled at least every five years. The new rule **MAY** not apply to the 50,000 gallon water storage tank at the Well 18 complex as this tank is ahead of the entry point to the distribution system, but the Division recommends this tank be included in the written plan for the protection of public health. I have been asked by the District Manager to review the plan drafted by the Operations Manager and provided my only comment (i.e. status of the Mobile Home Estates water storage tank) to Justin DeBon during the June 7, 2016 Action Item conference call.

New Chlorine Residual Requirements – The Water Quality Control Division has adopted a new version of the Colorado Primary Drinking Water Regulations (Regulation 11). Effective April 1, 2016, the District is required to maintain a minimum of 0.2 milligrams per liter chlorine residual throughout the distribution system. Justin DeBon has indicated this is an achievable standard based upon his assessments in the latter months of 2015.