

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE
BACA GRANDE WATER AND SANIATION DISTRICT
DECEMBER 15, 2017

9:00 A.M.

District Office - 57 Baca Grant Way South
Crestone, Colorado 81131

ATTENDANCE

Directors in Attendance:

Martin Macaulay
Lynn Drake
Matthew Ghourdjian
Robert Salmi

Also in Attendance:

Marcus Lock; Law of the Rockies (via speakerphone)
JoAnn Slivka; District Manager

Members of the Public:

Cheryl Washchenko
Michael Scully
Daniel Gray
Patrick Shea

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

Attorney Lock has discussed with the Board the requirements pursuant to Colorado law to disclose any potential conflicts of interest or potential breaches of fiduciary duty to the Board of Directors and to the Secretary of State. President Macaulay 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 Macaulay reviewed the proposed Agenda for the District's Regular Meeting with the Board.

*Following discussion, upon motion duly made by
Director Salmi,*

Seconded by Director Drake,

And upon vote, unanimously carried, the Agenda was approved.

CONSENT AGENDA

The Board considered approval of the Consent Agenda:

Director Drake asked what the Skoglund invoice was for; Ms. Slivka explained that it was for yard materials. Director Drake also questioned the higher costs for accounting. Ms. Slivka explained the invoice covered two months of services.

*Following discussion, upon motion duly made by
Director Drake,*

Seconded by Director Ghourdjian,

And upon vote, unanimously carried, the Consent Agenda was approved.

BOARD AND STAFF REPORTS

The Board reviewed and discussed the reports that are attached therein.

PUBLIC COMMENT (ITEMS NOT ON THE AGENDA ONLY. COMMENTS LIMITED TO THREE MINUTES PER PERSON AND TAKEN IN ORDER LISTED ON SIGN IN SHEET).

FINANCIAL MATTERS

The Board considered approval of the check register through the period ending December 15, 2017 as follows:

General Fund:	\$	9924.00
Debt Service Fund	\$	200.00
Capital Projects Fund:	\$	181,200.62
Enterprise Fund:	\$	<u>48,008.02</u>
Total:	\$	239,331.84

*Following discussion, upon motion duly made by
Director Ghourdjian,
Seconded by Director Macaulay,
And upon vote, unanimously carried, the Check Register was approved.*

OPERATIONS

Vehicle Replacement: The Purchase Order for the service trucks was placed yesterday- 12/14/17. A few minor features were added so the pricing came in slightly higher but still within budget. Ms. Slivka thanked Directors Ghourdjian and Salmi for their assistance with the vehicle replacements.

Feasibility Study: Ms. Slivka met with Andrew Rice on site last week regarding the feasibility study. They walked the two areas where the infiltration galleries existed to get a better understanding of the lay of the land. It was a good meeting and everyone is looking forward to the receiving the final report.

Fencing for District Office Campus: The fencing is $\frac{3}{4}$ complete, there will be two 18' gates on either side of the building.

CAPITAL IMPROVEMENTS

Headworks/Flow Equalization Basin Project: The Board reviewed the Pay Application No. 6 to the Moltz agreement in the amount of \$169,451.50.

Ms. Slivka reviewed two change orders; Change Order #2: TZA does not recommend approval of this, the electrical contractor will cover the costs for this oversight.

Change Order #3: TZA does recommend approval of this change order for the disconnect switch and breaker for the cost of \$3325.00.

*Following discussion, upon motion duly made by
Director Drake,
Seconded by Director Salmi,
And upon vote, carried, Change Order #2 was approved by three Directors and Director
Ghourdjian opposed.*

Director Ghourdjian continued discussion on why he is not pleased with the change order. He feels it is the fault of the engineer.

President Macaulay motioned to reconsidered the vote to approve the change order.

*Seconded by Director Ghourdjian,
And upon vote, unanimously carried, Change Order #2 was denied pending further explanation
as to why TZA's error would cost the District more money.*

Biosolids Drying Beds:

Ms. Slivka reported that she has submitted the checks for both the Site Application and the Process Review Design to Colorado Department of Health. TZA has submitted the applications. Next, we will investigate getting a surveyor.

ELECTION MATTERS:

Ms. Slivka explained the need for a Designated Election Official for the 2018 Special District Elections. Kurt Schlegel from Special District Solutions, LLC. (SDS) is interested in submitting a proposal for the position. Upon further discussion the Directors directed Ms. Slivka to request a proposal from SDS. Director Ghourdjian was concerned that we did not budget for this in the 2018 budget. Ms. Slivka assured him that we did include this in the 2018 budget.

Water-Sewer Rates:

Director Ghourdjian discussed the fee tiers the District currently charges. He suggests that we double the rates for the second and third tiers.

*Following discussion, upon motion duly made by
Director Salmi,
Seconded by Director Ghourdjian,
And upon vote, unanimously carried, the water rates for Tier 2 will increase to \$3.00 per 1000
gallons and Tier 3 will increase to \$6.00 per 1000 gallons.*

Attorney Lock will draft a Fee Resolution for the Board's consideration at the January 2018 meeting.

EXECUTIVE SESSION MATTERS - §24-6-402(4) (a), (b), (e)(I) and (f)(I), C.R.12.S.

*Upon motion duly made by
Director Salmi,
Seconded by Director Drake,
and upon vote, unanimously carried, the Board entered into Executive Session
for the purpose of discussing Water Rights.*

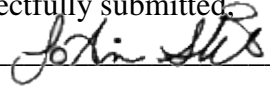
OTHER BUSINESS

*There being no further business to discuss, upon motion duly made by
Director Scully,
Seconded by Director Loll,
and upon vote, unanimously carried,
the Board adjourned the meeting.*

ADJOURNMENT

**THE NEXT REGULAR MEETING IS SCHEDULED FOR
JANUARY 19, 2018**

Respectfully submitted,

By 

Secretary for the Meeting