

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

December 14, 2020

9:00 AM

District Office – 57 Baca Grant Way South

Crestone, Colorado 81131

Meeting held via Zoom due to COVID-19

ATTENDANCE

Directors in Attendance:

John Loll- Absent
Robert Salmi
Gregg Conlee
Mike Smith
William Peck

Also in Attendance:

Marcus Lock, District Legal Counsel
Cathy Fromm, District Accountant
JoAnn Slivka, District Manager
Gary Potter, District Director of Utilities

Members of the Public:

Michael Scully
Daniel Gray

CALL TO ORDER

Director Salmi opened the meeting at 9:03 AM.

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

Attorney Lock has discussed with the Board the requirements pursuant to Colorado law to disclose any potential conflicts of interest or potential breaches of fiduciary duty to the Baca Grande Water and Sanitation District Board of Directors and to the Secretary of State. It was noted that a quorum was present and members of the Board were requested to disclose any potential conflicts of interest with regard to any matters scheduled for discussion at this meeting. No new disclosures were made.

AGENDA

MOTION: FOLLOWING DISCUSSION, UPON MOTION DULY MADE BY DIRECTOR SALMI SECONDED BY DIRECTOR CONLEE AND UPON VOTE, UNANIMOUSLY CARRIED, THE BOARD APPROVED THE AGENDA.

CONSENT AGENDA

The board considered the following consent agenda items:

- Excuse Director Loll's absence from the December 14, 2020 meeting
- Approve Minutes from the November 18, 2020 Regular Meeting

No discussion, questions or comments were presented.

MOTION: UPON MOTION DULY MADE BY DIRECTOR CONLEE 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). *The District is subject to the Colorado Open Meetings Law, which states that no Board discussion or action will take place until a later date, if necessary. Please limit your comments to three minutes or less.*

There was no public comment.

BOARD AND STAFF REPORTS

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

Operations Matters:

- The Motel Well is currently drained for the winter; Mr. Potter met with Baca Grande fire chief Vanderpool on site to discuss water usage if needed. Director Salmi encourages the fire department to consider a practice run on filling the trucks.

FINANCIAL MATTERS

Check Register: The board considered approval of the check register through the period ending November 18, 2020 as follows:

General	\$	3730.50
Debt	\$	2000.00
Capital Projects	\$	10,332.50
Enterprise	\$	24,879.91
	\$	40,942.91

MOTION: FOLLOWING DISCUSSION, UPON MOTION DULY MADE BY DIRECTOR SMITH SECONDED BY DIRECTOR CONLEE AND, UPON VOTE, UNANIMOUSLY CARRIED, THE BOARD APPROVED THE CHECK REGISTER FOR THE PERIOD ENDING DECEMBER 14, 2020.

Financial Summary

Due to the short time period of this month's meeting and receipt of the distribution report from the County Treasurer, the financial statements were not available for this meeting. They will be sent to the Directors by the end of the week.

DISCUSSION AND/OR ACTION ITEMS**COVID-19 Public Health Crisis:**

Director Peck requested it be noted that he felt the discussion regarding the mask mandate held at the November meeting is a political issue.

LEGAL:

A. Consider Adoption of Resolution No. 2020-12-01 to Adopt the 2021 Budget and Appropriate Sums of Money and Set Mill Levies (for General Fund 37.000 Debt Service Fund 17.000 for a total mill levy of 54.00)

MOTION: FOLLOWING DISCUSSION, UPON MOTION DULY MADE BY DIRECTOR SMITH SECONDED BY DIRECTOR CONLEE AND, UPON VOTE, UNANIMOUSLY CARRIED, THE BOARD ADOPTED RESOLUTION 2020-12-01, TO ADOPT THE 2021 BUDGET AND APPROPRIATE SUMS OF MONEY AND SET MILL LEVIES (FOR GENERAL FUND 37.000 DEBT SERVICE FUND 17.000 FOR A TOTAL MILL LEVY OF 54.00)

B. Consider Adoption of Resolution No. 2020-12-02 Annual Administrative Matters

MOTION: FOLLOWING DISCUSSION, UPON MOTION DULY MADE BY DIRECTOR SMITH SECONDED BY DIRECTOR CONLEE AND, UPON VOTE, UNANIMOUSLY CARRIED, THE BOARD ADOPTED RESOLUTION 2020-12-02 ANNUAL ADMINISTRATIVE MATTERS

USFW Negotiations

Mr. Lock provided an update on his meetings with USFW.

A. Completion of the appraisal process

- a. There will be a separate processes for the determination of the new lease rate and the appraisal of the water rights for purchase
- b. Agreement on a third-party appraiser; the Board authorized using Dick Wolfe provided he is available and interested.

B. Compliance with the new rules and the contract with subdistrict 4 (Deadline 3/15/2021)

- a. USFW contract with subdistrict 4 is in process. The contract will ensure that the District's out of priority depletions are covered consistent with the new groundwater withdrawal rules.
- b. The Board requested they be given the opportunity to review the final contract that provides this coverage.

C. Purchase of the water rights:

- a. The Board approved proceeding with the water rights purchase appraisal and paying for the same subject to the following conditions:
 - i. One-half of the cost would be offset against future lease payments.

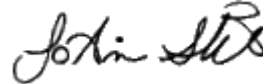
- ii. One-half of the cost would be credited against the purchase price in the event a purchase of water rights is consummated, provided that such a credit is lawful.

ADJOURNMENT:

THERE BEING NO FURTHER BUSINESS TO DISCUSS, UPON MOTION DULY MADE BY DIRECTOR CONLEE SECONDED BY DIRECTOR AND UPON VOTE, UNANIMOUSLY CARRIED, THE MEETING WAS ADJOURNED AT 10:00 AM.

THE NEXT REGULAR MEETING IS SCHEDULED FOR
January 20, 2021

Respectfully submitted,



JoAnn Slivka
Secretary for the meeting

THESE MINUTES ARE APPROVED AS THE OFFICIAL December 14, 2020 MINUTES OF THE BACA GRANDE WATER AND SANITATION DISTRICT BY THE BOARD OF DIRECTORS SIGNING BELOW:

Robert Salmi

Gregg Conlee

William Peck

Mike Smith