

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

February 17, 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

Robert Salmi

Gregg Conlee

Mike Smith

William Peck

Also in Attendance:

Marcus Lock; Law of the Rockies

Cathy Fromm; Fromm and Company (for a portion of the meeting)

JoAnn Slivka; District Manager

Members of the Public:

Michael Scully

CALL TO ORDER

President Loll opened the meeting at 9:05 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 Smith SECONDED BY DIRECTOR CONLEE AND UPON VOTE, UNANIMOUSLY CARRIED, THE BOARD APPROVED THE AGENDA.

CONSENT AGENDA

The board considered the following consent agenda items:

Approve Minutes from the January 17, 2021 Regular Meeting

Approve Minutes from the February 10, 2021 Special Meeting

MOTION: FOLLOWING DISCUSSION, UPON MOTION DULY MADE BY DIRECTOR Conlee SECONDED BY DIRECTOR SALMI 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 were no public comments.

BOARD AND STAFF REPORTS

The board reviewed and discussed the reports incorporated herein by this reference.

Protect San Luis Valley Water Membership- Mr. Conlee led the discussion

There are a number of different entities involved; the board directed Ms. Slivka to investigate membership to this group

MOTION: FOLLOWING DISCUSSION, UPON MOTION DULY MADE BY DIRECTOR Conlee SECONDED BY DIRECTOR PECK AND UPON VOTE, UNANIMOUSLY CARRIED, THE BOARD APPROVED JOINING THIS GROUP.

FINANCIAL MATTERS

Check Register: The board considered approval of the check register through the period ending February 17, 2021 as follows:

General	\$ 4,046.00
Debt	\$ 400.00
Capital	\$ 13,824.00
<u>Enterprise</u>	<u>\$ 64,749.78</u>
	\$ 83,019.78

MOTION: FOLLOWING DISCUSSION, UPON MOTION DULY MADE BY DIRECTOR CONLEE SECONDED BY DIRECTOR PECK AND, UPON VOTE, UNANIMOUSLY CARRIED, THE BOARD APPROVED THE CHECK REGISTER FOR THE PERIOD ENDING FEBRUARY 17, 2021.

Financial Summary

Ms. Fromm reviewed the unaudited financial statements with the board.

OPERATIONS MATTERS

1026 Badger Road

The Board discussed the District's current EQR rules as well as how we know when property owners add extra buildings with plumbing to their property.

MOTION: FOLLOWING DISCUSSION, UPON MOTION DULY MADE BY DIRECTOR PECK SECONDED BY DIRECTOR SMITH AND, UPON VOTE, UNANIMOUSLY CARRIED, THE BOARD AGREED THAT THE PROPERTY WAS BEING BILLED THE EQR INCORRECTLY AND HIS ACCOUNT SHOULD BE CREDITED ACCORDINGLY.

LEGAL MATTERS

Water Service Agreement with USFWS and Status of Negotiations Regarding the Same

MOTION: FOLLOWING DISCUSSION, IN VIEW OF USFW'S FAILURE TO ABIDE BY MR. WOLFE'S OPINION, A MOTION DULY MADE BY DIRECTOR CONLEE, SECONDED BY DIRECTOR SMITH AND, UPON VOTE, UNANIMOUSLY CARRIED, THE BOARD AGREED TO THE FOLLOWING:

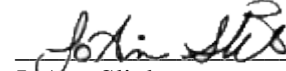
1. CONTACT THE DISTRICT'S POLITICAL REPRESENTATIVES.
 - a. AUTHORIZE, BUT NOT YET FILE, LITIGATION AGAINST USFWS.
 - b. INVOLVE THE COMMUNITY THROUGH LETTERS TO THE EDITOR AND OTHER PUBLIC OUTREACH EFFORTS.
 - c. CONSIDER HIRING ADDITIONAL CONSULTANTS TO ASSIST WITH THESE EFFORTS.
2. REQUEST THAT USFWS TO PROVIDE A PROPOSED PURCHASE CONTRACT FOR OUR CONSIDERATION. THE PRICE CAN BE LEFT BLANK PENDING THE COMPLETION OF AN APPRAISAL.
3. THIS WOULD ALLOW THE DISTRICT TO EVALUATE WHETHER USFWS IS ACTUALLY WILLING TO AGREE TO A LEASE TO OWN ARRANGEMENT. IT WOULD ALSO ALLOW THE DISTRICT TO DETERMINE THE SOURCES OF REVENUE THAT WILL BE CREDITED AGAINST THE PURCHASE PRICE (LEASE PAYMENTS, ADDITIONAL PAYMENTS, CREDIT FOR EFFLUENT, ETC.). FINALLY, THERE ARE STILL SOME MAJOR ISSUES THAT THE PARTIES HAVE IDENTIFIED AND NOT RESOLVED (THE "SAFETY VALVE ISSUE"; THE DISTRICT'S REMEDY IF A SUBDISTRICT 4 CONTRACT IS NO LONGER AVAILABLE TO COVER THE DISTRICT'S OUT OF PRIORITY DEPLETIONS; WHETHER AND HOW THE COTTONWOOD CREEK GALLERY WOULD BE INCLUDED AS PART OF THE SALE, OR WHETHER THE DISTRICT MIGHT HAVE AN OPTION ON THIS WATER RIGHT; WHETHER THE COTTONWOOD CREEK GALLERY WILL BE "CHANGED" TO A WELL OR WELLS THAT WOULD SERVE AS ALTERNATE POINTS OF DIVERSION TO THE SURFACE WATER RIGHT ETC.).

ADJOURNMENT:

THERE BEING NO FURTHER BUSINESS TO DISCUSS, UPON MOTION DULY MADE DIRECTOR LOLL SECONDED BY DIRECTOR SMITH AND UPON VOTE, UNANIMOUSLY CARRIED, THE MEETING WAS ADJOURNED AT 10:43 AM.

THE NEXT REGULAR MEETING IS SCHEDULED FOR
March 17, 2021

Respectfully submitted,



JoAnn Slivka

Secretary for the meeting

THESE MINUTES ARE APPROVED AS THE OFFICIAL February 17, 2021 MINUTES OF THE BACA GRANDE WATER AND SANITATION DISTRICT BY THE BOARD OF DIRECTORS SIGNING BELOW:

John Loll

Robert Salmi

Gregg Conlee

William Peck

Mike Smith