

PAGOSA AREA WATER AND SANITATION DISTRICT)
)
ARCHULETA COUNTY) S.S.
)
STATE OF COLORADO)

NOTICE OF REGULAR MEETING

NOTICE IS HEREBY GIVEN that a Regular Meeting of the Board of Directors of the Pagosa Area Water and Sanitation District (PAWSD) has been scheduled for Thursday January 30, 2023 at 5:00 p.m. The Regular Meeting will be held at 100 Lyn Avenue, Pagosa Springs, Colorado.

Proposed Agenda is as follows:

Regular Meeting

1. Call to Order
2. Roll Call
3. Approval of Minutes – 12/15/2022 Regular Meeting
4. Public Comment
5. Public Hearing on 2023 Water & Wastewater Rate Increases
6. Consideration of 2023 Water & Wastewater Rate Increases
7. Consideration of 2023 Connection Charges and Adjustments to Other Non-Rate Revenue
8. Consideration and approval of 2023 Board Meeting schedule
9. Consideration of Resolution 2023-01 Board of Directors Annual Posting for Meetings
10. Public Hearing for Vista Wastewater Treatment Plant Modification SRF Loan
11. Consideration of Grant Consulting Contract
12. Consideration of Election Consulting Contract
13. Consideration of Resolution 2023-02 Calling for the 2023 Regular District Election and Appointing a Designated Election Official
14. Discussion of the 7th Ave 8-Plex Workforce Housing Fee Waiver Template
15. Consideration of Contribution to the San Juan Headwaters Forest Health Partnership
16. Manager Talking Points
17. Any other Business Brought before the Board will be Duly Considered

PAGOSA AREA WATER AND SANITATION DISTRICT

By /s/ Justin Ramsey
For the Board of Directors

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RECORD OF PROCEEDINGS
PAGOSA AREA WATER AND SANITATION DISTRICT
DECEMBER 15, 2022 REGULAR MEETING

Call to Order

The Regular Board Meeting for the Pagosa Area Water and Sanitation District (PAWSD) was called to order by Chairman Smith at 1:00p.m.

Attendance

The following Directors were present: Jim Smith, Glenn Walsh, Bill Hudson, Peter Hurley, and Gene Tautges.

In attendance from staff: Justin Ramsey, Aaron Burns, and Cyndi Foster. Also present: Alan Pfister, Carl Young, Josh Pike, Paul Hansen, and AJ Vela.

Consideration of Appointing Cyndi Foster as Recording Secretary to the Board

A motion was made by Director Hudson and seconded by Director Walsh to appoint Cyndi Foster as a recording secretary to the board. The motion was passed unanimously.

Approval of Minutes- 10/20/2022 Regular Meeting, 11/10/2022 Special Meeting, 11/15/2022 Joint Work Session

Director Walsh had a revision for the 10/20/2022 Regular Meeting Minutes to add Chad's last name "Hill" to all references of Chad Hill. Director Walsh also had a revision for the 11/10/2022 Special Meeting Minutes. Line item 176 reads, "Mr. Ramsey explained that there was never any guarantee when the Webers bought the property that PAWSD would not extend the lease", bought needed to be changed to sold. With corrections being done, a motion was made by Director Walsh and seconded by Director Hudson. The motion was passed unanimously.

Public Comment

Alan Pfister requested a joint meeting be held after Justin Ramsey reviews the water demands to discuss where the San Juan Headwaters project is at currently. Mr. Ramsey confirmed that he had reviewed it. Director Smith said we haven't done anything with it yet. It was agreed that a joint meeting would be scheduled to discuss this in the future.

Alan Pfister mentioned the Water Conservancy District is looking to work out some arrangements with the town, county, and the two respective boards to discuss and decide what will be done with the 20-acre parcel west of highway 160 that is now out of the lease, and the possibility that the use for that piece of land be for public access. Alan Pfister said he had a meeting with the Water Conservancy District, and they are on board with it and willing to proceed using Mesa Canyon take-out as the example. He said all the details are still to be determined and discussed. Director Walsh said it's new on his radar and that the PAWSD board would need to look into it as this piece of property is very valuable. Alan Pfister said that he would be having a meeting with CPW next week to talk about that access. The

48 park nomination is dependent on a reservoir going in. CPW would offer financial assistance but does not
49 want to have anything to do with managing it. Director Walsh mentioned again how valuable the
50 property is and that PAWSD would not want to do all the work on it as PAWSD is not Pagosa Area Water
51 Sanitation and Recreation District. Alan Pfister said this is just an FYI and to see if PAWSD is supportive
52 of reinitiating the discussion. Director Walsh replied that this is not a high priority and PAWSD may end
53 up needing to sell the property. Director Hurley stated that he is okay with continuing the discussion but
54 agrees with Director Walsh. Director Hudson said he also agrees with most of what Director Walsh said
55 and that he wouldn't mind if the conservancy district would like to bring in a proposal or outline of what
56 is being discussed. However, his general inclination is that this is a valuable piece of property and could
57 help the district pay off the loan. Director Smith stated that he will say no at this point. Alan Pfister said
58 he will bring details as they are developed. Director Tautges had no comment.

59

60 **Consideration of Certification of Mill Levies**

61

62 Aaron Burns said PAWSD has gotten the final property values back from the county and ran the
63 calculations which resulted in a slight move which is normal between the preliminary and the final.
64 Mr. Burns continued stating the District 1 property values came in at \$144,933,586 which was a
65 decrease of about \$600,000 from the previous year which is about 0.4%. That brought the District 1
66 calculation with the Tabor limitation to a 5.503 mill calculation with the District 1 cert. Mr. Burns stated
67 the District 2 evaluation went up from last year. The evaluation was 122,756,144 so it went up by almost
68 \$1,000,000 or 0.7% net resulted in a mill levy per District 2 of 1.874 which is Tabor restricted. PAWSD
69 will sign and certify these documents to the county to set next year's mill levy. A motion was made by
70 Director Walsh and seconded by Director Hudson. The motion was passed unanimously.

71

72 **Consideration of Resolution 2022-04 to Adopt the 2023 Budget**

73

74 Aaron Burns discussed that there had been two drafts that were presented to the Board since October
75 2022 which is the initial draft and the subsequent draft that. These incorporated the change in the debt
76 service standards. This final version has not changed since the previous draft. The Mill Levy is the only
77 thing that has changed. Everything else has remained the same. Director Walsh noted that there is good
78 news regarding the Debt Service Fund. Mr. Burns continued the discussion further, explaining that
79 PAWSD has fully paid down the Debt Service Fund and what was housed in that fund. The remaining
80 interest or cash balance will be dispersed to the government fund in 2023. So that fund will be finalized,
81 distributed, and closed in 2023. Mr. Burns pointed out that he left the total amount PAWSD is trying to
82 achieve in the water fund account to shore up with the new debt service for the Snowball loan in the
83 total figure for revenue projections. Mr. Burns said he placed that amount in the total until it is decided
84 exactly how it will be distributed and what amounts that way the total number will remain the same if it
85 needs to be distributed differently. Director Walsh asked Justin Ramsey where he could find the funding
86 for the possible fee study. Mr. Ramsey stated that it is \$20,000 for a sewer study. Aaron Burns said it
87 could be found in the last draft on a detail sheet which has all the bigger capital items listed on it. Mr.
88 Burns said it is a wastewater model and is \$20,000. Director Walsh asked about the 2-million-dollar line
89 item for the treatment facility and when we can stop that. Justin Ramsey answered explaining that a
90 decision will need to be made soon and that he is seeking political support and as of now has not
91 received any response. He will be looking to hire an RFP engineer to do this and that the 2 million dollars
92 is his estimate of what it will cost. A motion was made by Director Walsh and seconded by Director
93 Hurley. The motion was passed unanimously.

94

95

96 **Consideration of Resolution for CWRPDA Loan Agreement for Snowball Water Treatment Plant**

97
98 Aaron Burns explained that this resolution is to authorize the board President and Secretary to execute
99 the loan documents. Currently, the loan documents and the loan closing date are still tentative. PAWSD
100 is waiting for the loan certificate from our CPA. Director Walsh pointed out that if we continue our
101 increase of an average of \$4.00 per month then that would be great, but if we can't, then we would
102 need to look at other options to fund the new Snowball Plant project. Director Walsh said that these
103 options could include availability fees and short-term rentals. Director Smith suggested we do a rate
104 study now so the numbers we are putting out are accurate and asked Aaron Burns what the cost was of
105 the last study that was done in 2018. Mr. Burns replied that the cost was \$25,000 but that he does
106 expect the cost to be more now. Justin Ramsey stated that PAWSD has already hired an RFP to move the
107 rate study up and wants to hold off on the rates that followed the 2018 rate study. The 6% increase
108 from the 2018 rate study will remain and have an additional rate increase be a part of this rate study
109 and have it look backwards. Mr. Ramsey also stated that if we want to look at short-term rentals then
110 that would need to be included in the model so that discussion will need to happen soon. He also stated
111 that when we look to hire a consultant, we will need to keep that in mind. Director Walsh stated that
112 when we are looking to hire a consultant we will need to be very open and transparent about what we
113 are looking for. Director Walsh asked that we have a meeting to discuss this. Justin Ramsey agreed that
114 there needs to be a meeting in the future to discuss this before we select a consultant. A motion was
115 made by Director Smith and seconded by Director Hudson. The motion was passed unanimously.
116

117 **Discussion of 2023 Water and Wastewater Rate Increase**

118
119 Justin Ramsey stated that the staff suggestion is to do the 6% water increase, which follows the 2018
120 rate study suggestion but move up the 2.5% wastewater increase by one year and begin that increase in
121 2023 instead of 2024. Then, we would wait for the rate study to be completed to determine what the
122 final increase will be. Mr. Ramsey explained that the rate study should take approximately 4 months or
123 so to complete so PAWSD is hoping to have results from that by June assuming the rate study can begin
124 right away in January.
125

126 **Consideration of Weber Lease Agreement**

127
128 Alan Pfister stated that the San Juan Conservancy District Board voted 6 to 1 to go with the revised
129 contract. Director Hurley and Director Walsh had concerns regarding the wording on 6a of the contract.
130 After revisions were made, 6a now states *"Tenant may remove no more than 20,000 tons of sand,*
131 *gravel, topsoil, and all similar and related materials from the Premises during the term of the Extension*
132 *without written approval from the PAWSD Board. Tenant shall not import, or process materials brought*
133 *from offsite except from PAWSD."* Director Hurley and Director Walsh were happy with the revisions
134 made to 6a. Director Hurley asked what the liability would be for the Weber's. Justin Ramsey answered
135 stating that the Weber's currently have a performance policy with the state and that the state does
136 inspections to ensure they are in compliance with the performance policy. Alan Pfister stated that he
137 would need to take the contract with the revisions Mr. Ramsey made to have the revisions approved by
138 the San Juan Conservancy District executive committee. A motion was made by Director Walsh to
139 approve the lease agreement with the revisions made by Justin Ramsey and seconded by Director
140 Hudson. The motion was passed unanimously.
141
142

143 **Discussion of Resolution 2022-06 to opt out of the Colorado Family and Medical Leave Insurance**
144 **Program**

145
146 Justin Ramsey explained that the state has come up with an insurance plan that will allow employees to
147 have 12 weeks of paid family emergency leave called the Family Medical Leave Insurance Plan. They
148 would pull 0.45% of the employee's salary to pay for it and have the employer match that amount. This
149 would begin January 1st, 2023, but the program wouldn't be implemented until January 1st, 2024. Mr.
150 Ramsey informed that they have an opt out option for municipalities and special districts, and that's
151 what we're looking to do now. Mr. Ramsey stated the he is recommending we opt out for a few reasons;
152 One, is PAWSD has a very fair PTO policy already in place. When an employee is first hired at PAWSD,
153 they start out with 14 days off and this continues to accrue further from there. Secondly, this is going to
154 cause PAWSD to pay a fee for the required payroll deductions. Thirdly, even if PAWSD opts out of the
155 Family Medical Leave, the individual employee can enroll to do this on their own at the same benefit
156 and at no additional cost to them. Director Walsh discussed the benefit of not opting out and that it's
157 something he would like to see PAWSD do for its employees. Justin Ramsey explained that the
158 employees are still able to opt into this program should they choose to do so. Director Walsh expressed
159 that he feels this is a program that is a small investment for good employees that could really help
160 someone out in critical parts of life. Director Smith stated that his approach to this is that PAWSD
161 already gives more time than required and that employees can still get in the program even if PAWSD
162 opts out which will save PAWSD a lot of bookkeeping. Director Smith stated that he thinks PAWSD
163 should not get into this and any employee that wants to can do so on their own. Director Hudson stated
164 that he had the same discussion at Pagosa Peak Open School and that they chose to opt out but agreed
165 that any employee that chooses to opt in will have the 0.45% taken out of their paycheck and Pagosa
166 Peak Open School would take care of the bookkeeping on it. Aaron Burns said the PAWSD payroll
167 department could do this, but he was not sure what the cost would be to do so but that he would look
168 into the cost. Justin Ramsey explained that the decision to opt out needed to be made now since the
169 deadline to opt out is December 31st but stated we can always revisit this in the future and opt into it at
170 a later date. Director Hurley asked if the employee opts in on their own, who will pay to match the
171 0.45% the employee pays in. Mr. Ramsey explained that the state would pay the 0.45% to match the
172 0.45% the employee is paying. A motion was made by Director Hudson and seconded by Director Walsh
173 to opt out of the CFML. The motion was passed unanimously.

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176 **Consideration of Approval of GMP-1**

177
178 Justin Ramsey explained that the construction plans are not 100% done yet but they would like to get
179 started on grading and some foundation work because those plans are done, so they would like to begin
180 that now so they can meet the schedule. The plan is to start pouring concrete next summer which is
181 substantially cheaper than pouring in the winter. In this GMP-1 they want to take 4.5 million of the
182 overall 30-million-dollar budget and start on it immediately. Mr. Ramsey continued, explaining that a
183 couple things had come up that make this a moot point; First off, PAWSD can't move forward on this
184 until the loan is closed and since the loan is being pushed off, PAWSD is not able to do this. Secondly,
185 this has been rushed. Mr. Ramsey met with the SGM engineer and they both agreed that they are not
186 happy with the current contract, so this is currently on hold until the contract is ironed out. Director
187 Walsh asked for clarification on the 50-hour work week and the overtime paid in excess of 50 hours a
188 week. Justin Ramsey explained that the 50 hours is put in place for PAWSD to budget and that if
189 someone worked a 40 hour work week, they would only be paid for the 40 hours, not 50 hours. If they
190 go over the 50 hours, it will go into contingency. Director Walsh asked if asbestos is an issue or if it was

191 just the CYA? Mr. Ramsey answered stating no it's not a problem. The building was inspected and there
192 was some asbestos found in the seals but the contractor doesn't believe it's a high enough level for
193 PAWSD to have to do anything so it should not be an issue. Director Walsh stated he has concerns about
194 the high cost of some of the items in the contract and would like to see some of the costs decrease.
195 Justin Ramsey stated that there are cheaper options than what is listed in the contract but explained
196 that it's better if PAWSD does not do the cheaper options that way PAWSD is not liable or at fault if
197 something goes wrong. Mr. Ramsey said there is nothing to do on this right now but that he would still
198 like the boards input on this. He asked that he be emailed with any questions or input.

199

200 **Approval of Painting Contract for San Juan Water Treatment Plant**

201

202 Justin Ramsey explained that the San Juan Water Treatment Plant has had everything stripped down
203 and everything will need to be painted. The cost to have Viking Industrial Painting do this job is
204 approximately \$200,000. Director Smith asked what the warranty will be on this paint job. AJ Vela who is
205 with Viking Industrial Painting stated that it's a tnebec product and that they will be using this special
206 paint in the filter basins. The filter basins are filled with filter media, which is abrasive towards the
207 coating, so the tnebec coating that will be used has properties that help withstand against that abrasive
208 property of the filter media. Mr. Vela also stated that PAWSD should get 15-20 years of good life out of
209 the coating and that it will take them a month or so to complete the work. He continued that Andrew
210 Connor has done a great job completing most of the prep work for Viking Industrial Painting, but that
211 more prep work would need to be done. Viking Industrial Painting will do any remaining prep work that
212 needs done which will include sanding down the inside of the filter basins to bare metal and applying a
213 zinc primer which will help future prevention of corrosion. They will also be doing a brush blast on the
214 exterior of the filter tanks and piping as well as a solvent clean. After the prep is done, the tnebec paint
215 will be applied. A motion was made by Director Hurley and seconded by Director Walsh to approve the
216 San Juan painting contract. The motion was passed unanimously.

217

218 **Consideration of Lift Station Design Contract**

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220 Justin Ramsey explained that every year or so PAWSD tries to replace 1-2 lift stations. The lift stations
221 that PAWSD is looking to replace are the above ground lift stations that pump from a wet well. Mr.
222 Ramsey stated that he prefers to have the subsurface lift stations because they are quieter and less
223 prone to damage and vandalism. The order in which these are replaced is based on the condition and
224 the age of the lift station. Some of the lift stations are 20-40 years old. Lift Station 7 is one we will be
225 working on next year and will be much more difficult than previous ones. Mr. Ramsey explained that he
226 will not be able to do the engineering on this one because he does not have the time it will require, and
227 it is a complicated project due to its location. Lift Station 7 is located on Pagosa Reservoir and will
228 require that the water level at the reservoir be dropped to complete the work. During that time, we will
229 also be replacing a sewer line that runs approximately 600-700 yards along the lake. Mr. Ramsey said
230 PAWSD is trying to do a CIPP (cast in place pipe) which means we will run another pipe on the inside of
231 the sewer line and use hot air to solidify it. There is currently clear water going through the pipe which
232 means there are leaks within the line and PAWSD is pumping lake water up to the treatment plant.
233 Therefore, both the lift station and the sewer line need to be replaced. Mr. Ramsey also stated that this
234 project will require caution because a portion of the construction will require work to be done behind
235 people's homes and through their backyards and this needs to be done with as little disturbance as
236 possible. The lift station contract is to hire an engineering firm that will design the new lift station and
237 design the new piping system for the sewer line. Director Smith asked what the cost will be to complete
238 these projects. Justin Ramsey answered that the cost for the engineering is \$55,000 but that he would

239 guess the entire cost including the construction will be closer to \$250,000. A motion was made by
240 Director Hudson and seconded by Director Hurley. The motion was passed unanimously.

241

242 **Manager Talking Points**

243

244 Justin Ramsey discussed the monthly water loss report and that it is currently up by 380 gallons per
245 minute from last months which was around 350 gallons per minute. He continued to explain that it is
246 not unusual for the gallons per minute to go up when it's cold because the seals shrink and PAWSD has
247 had a lot of leaks especially in the past month due to extreme cold weather and pipes freezing. In this
248 year's budget we would like to conduct sounding again in the wintertime, which is preferred to be done
249 in the winter because the snow helps buffer the ambient noise. PAWSD has been unable to do this for
250 the past couple years because the COVID regulations didn't allow anyone to come out to do it.

251

252 Justin Ramsey discussed the container homes and that PAWSD was hoping to use money from the SRF
253 loan to build these container homes but will not be able to do so. Mr. Ramsey stated he met with a
254 developer at the site and the developer seemed interested. There are not any details of how this would
255 work yet, but the developer is planning to put something together to give PAWSD an idea of what that
256 would look like. Mr. Ramsey said he will bring details to the board once he has them but that nothing is
257 in the 2023 budget to fund this project at this time. Director Smith inquired when the contractor would
258 be presenting us with a proposal. Justin Ramsey answered that the contractor indicated that he would
259 begin working on it right away and get something to PAWSD as soon as possible. Mr. Ramsey said that
260 this is something he will continue to look into.

261

262 Director Smith asked if there was any news on Pagosa Views. Justin Ramsey said there is not anything
263 new to report at this time.

264

265 Justin Ramsey stated that PAWSD has been discussing with its Bond Council and General Council the
266 Tabor vote. The Bond Council and the General Council have both agreed that we should move forward
267 with the vote but they do not believe that it will have an effect on what grants we can get for the
268 enterprise funds and we would still be limited to 10%. The council's said it would benefit PAWSD if the
269 water or wastewater was removed from the enterprise fund, and it would not affect the general fund.
270 However, Mr. Ramsey is not sure how this won't affect the general fund but said we are going to vote
271 on it anyway because we have five board members that are open for running in 2023.

272

273 Aaron Burns stated that the Regular January Board Meeting needs to be pushed back to either the 30th
274 or the 31st of January so PAWSD can comply with the required 30-day public notice of rate changes. The
275 board decided unanimously that Monday, January 30th at 5:00pm would work for everyone.

276

277 Aaron Burns also discussed the official board meeting schedule for 2023 and that we would like to look
278 at changing it from the 2nd Thursday of each month to the 3rd Thursday of each month. Director Hudson
279 said he has a conflict with the board meetings being on the 3rd Thursday of each month because he
280 attends the town council meeting on that day. Justin Ramsey stated that the board meeting doesn't
281 necessarily need to be on a Thursday. Mr. Burns stated that this will be put to a vote next month and
282 asked that all board members ponder the date and what would work best for them in the meantime.
283 Mr. Burns also said that regardless of the date change, the time would remain at 5:00pm to allow the
284 public to attend.

285

286

287 **Any other Business Brought before the Board will be Duly Considered**

288
289 There being no other business brought before the Board, Director Hudson made a motion to adjourn at
290 2:58pm, Director Walsh seconded the motion, which passed unanimously.

291
292
293 Respectfully submitted,

294
295
296
297 Bill Hudson
298 Secretary

**PAGOSA AREA WATER AND SANITATION DISTRICT
NOTICE OF PUBLIC HEARING ON WATER & WASTEWATER SERVICE CHARGE CHANGES
JANUARY 30, 2023**

At a public hearing in September of 2018, the Pagosa Area Water and Sanitation District Board of Directors approved changes to the rates for water & wastewater service customers. The changes will increase the minimum monthly service charge per equivalent unit and increase the volume rate charges by 6% annually through 2023 and will equate to a 33.74% cumulative increase over the 5 year period for water service customers. The following changes will be implemented in 2023:

WATER CHARGES

Monthly Service Charge: (per equivalent unit)	increase from \$29.66 to \$31.44
Volume Charge:	
2,001-8,000 gallons usage (rate per 1,000 gallons)	increase from \$5.32 to \$5.64
8,001-20,000 gallons usage (rate per 1,000 gallons)	increase from \$10.65 to \$11.29
Over 20,001 gallons usage (rate per 1,000 gallons)	increase from \$13.37 to \$14.17
Water Fill Station Charge per 1,000 gallons:	increase from \$11.49 to \$12.18
Water Availability of Service	remains at \$14.30
Wastewater Availability of Service	remains at \$12.50
The Capital Investment Fees for both water and wastewater will increase by 3% per year.	

WASTEWATER CHARGES

The changes to wastewater service charges include a 2.5% annual rate increase beginning in 2023 and ending in 2027. These increases will equate to a 13.13% cumulative increase over the 5 year period.

Monthly Service Charge: (per equivalent unit)	increase from \$32.00 to \$32.80
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The Water and Wastewater Rate Study can be found at <http://www.pawsd.org>
For assistance regarding how these proposed rate changes could affect your water bill, please call 970-731-2691 and a staff member will be able to do a comparison based upon your historical usage.

Published December 29, 2022 in *The Pagosa Springs SUN*.

FINANCIAL ANALYSIS AND MANAGEMENT SYSTEM (FAMS) SUMMARY



ROLL CALC SAVE

PAWSD - Water Fund



	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Override	0.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
Water Rate Plan	0.00%	6.00%	6.00%	6.00%	6.00%	6.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	0.00%	6.00%	6.00%	6.00%	6.00%	6.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Senior DSC	1.63	1.85	2.01	2.04	2.21	2.42	2.54	3.95	4.00	2.61	2.55
	1.63	1.85	2.01	2.04	2.21	2.42	2.54	3.95	4.00	2.61	2.55
All DSC	0.00	0.00	0.00	0.00	2.05	2.24	2.36	3.50	3.55	2.32	2.37
Last Plan	0.00	0.00	0.00	0.00	2.05	2.24	2.36	3.50	3.55	2.32	2.37

Cumulative Change	
FY 2023	FY 2028
33.74%	33.74%
33.74%	33.74%
Existing CIF Fee	
Existing CIF Fee	2,658
Existing RWAFF Fee	
Existing RWAFF Fee	1,959

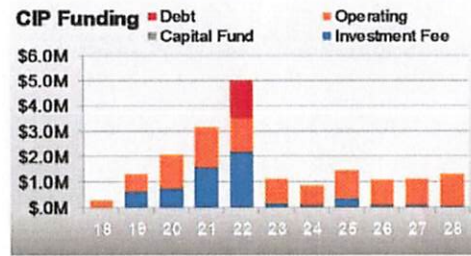
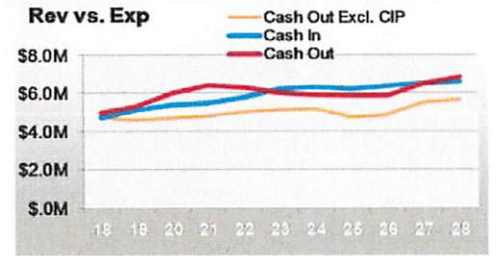
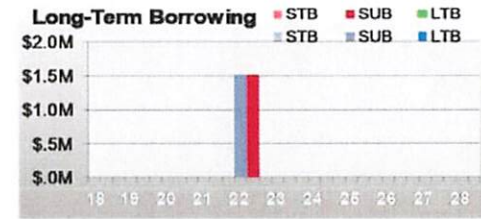
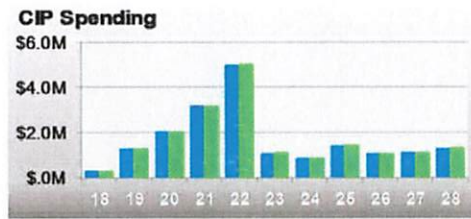
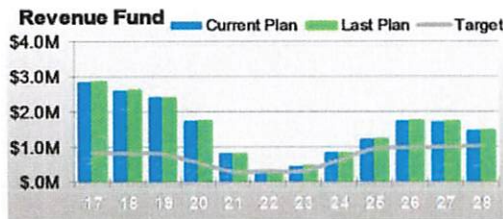
Scenario Management

CIP \$ Redistrib	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
CIP Execution %	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Oper Reserve Mos	3	3	2	1	1	1	2	3	3	3	3
CIP Lines R&R (\$500k Annually)	100%	50%	50%	50%	50%	50%	50%	100%	100%	100%	100%
CIF Escalation	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
RWAFF Escalation	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%

↑ Insert New Panel Controls Above this Row ↑

Water	\$36.16	\$38.32	\$40.62	\$43.04	\$45.62	\$48.36	\$48.36	\$48.36	\$48.36	\$48.36	\$48.36
	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Avg Bill (6,000 gal)	\$36.16	\$38.32	\$40.62	\$43.04	\$45.62	\$48.36	\$48.36	\$48.36	\$48.36	\$48.36	\$48.36
	\$36.16	\$38.32	\$40.62	\$43.04	\$45.62	\$48.36	\$48.36	\$48.36	\$48.36	\$48.36	\$48.36

Check 0



FINANCIAL ANALYSIS AND MANAGEMENT SYSTEM (FAMS) SUMMARY

ROLL **CALC** **SAVE**

PAUSD - Sewer Fund



	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Override ▶	0.00%						2.50%	2.50%	2.50%	2.50%	
Sewer Rate Plan	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	2.50%	2.50%	2.50%	2.50%	0.00%
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	2.50%	2.50%	2.50%	2.50%	0.00%
Rate Plan	0.00%										
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Senior DSC	2.36	2.64	2.55	2.46	2.36	2.25	2.26	2.26	2.25	2.27	2.15
	2.36	2.64	2.55	2.46	2.36	2.25	2.26	2.25	2.25	2.26	2.15

Cumulative Change	
FY 2023	FY 2028
0.00%	10.38%
0.00%	10.38%

CIP 1

Existing CIF Fee

Existing CIF Fee 1,017

Scenario Management

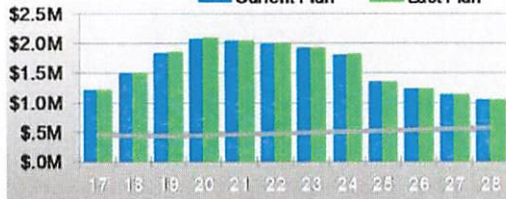
CIP \$ Redistrib	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
CIP Execution %	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Oper Reserve Mos	3	3	3	3	3	3	3	3	3	3	3
CIP R&R Execution ▶	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CIF Escalation	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%

↑ Insert New Panel Controls Above this Row ↑

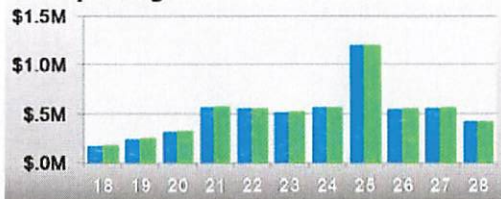
Avg Bill (5,000 gal)	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
	\$32.00	\$32.00	\$32.00	\$32.00	\$32.00	\$32.00	\$32.80	\$33.62	\$34.46	\$35.32	\$35.32
	\$32.00	\$32.00	\$32.00	\$32.00	\$32.00	\$32.00	\$32.80	\$33.62	\$34.46	\$35.32	\$35.32

Check -

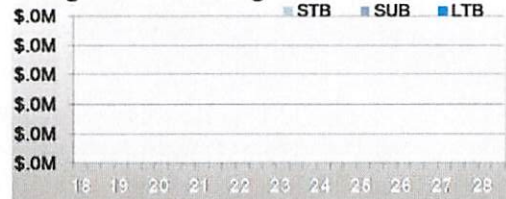
Revenue Fund



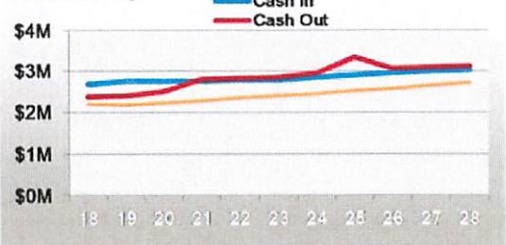
CIP Spending



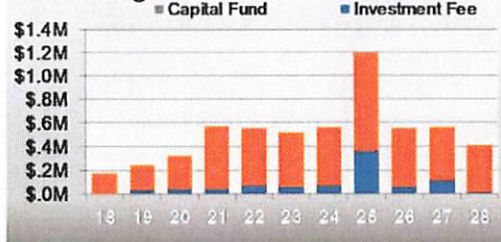
Long-Term Borrowing



Rev vs. Exp



CIP Funding



Board Agenda Summary Sheet

	To	Action	Signature, Date		To	Action	Signature, Date
1	Justin Ramsey	Review		6			
2	Board	Approve		7			
3				8			
4				9			
5				10			

Name of Action Official: Aaron Burns	Phone: 970-731-7631	Board Meeting Date: January 30, 2023	Priority <input type="checkbox"/> High <input checked="" type="checkbox"/> Medium <input type="checkbox"/> Low
--	-------------------------------	--	--

Subject: Setting Non-Rate Revenues

Typically the Board reviews the Schedule of Fees and Charges at the beginning of each year for the purposes of establishing any changes to Non-Rate Revenues.

A Red-line copy of the Schedule of Fees & Charges is attached detailing recommended changes for your consideration.

Many of the non-rate revenues are related to changes made to service charges. With the adoption of changes prescribed by the 2018 Rate Study, many of these fees and charges are proposed to change as well. Some of these changes are highlighted below:

- Water & Wastewater typical connection charges – these vary annually depending upon the quotes received for the applicable equipment inside the meter pit, the pit itself and the cost of the radio read equipment. There is an increase suggested for to allow for equipment and labor cost increases.
- Equity Buy-In Fees were recalculated according to the prescribed formula – the net assets (assets less accumulated depreciation) of each of the Water and Wastewater Enterprise Funds divided by the total number of equivalent units and availability accounts in that specific fund. The Water Equity Buy-In Fee is decreased by \$206 and the Wastewater Equity Buy-In Fee is decreased by \$238 as a result of no major asset capitalizations (as yet) and ongoing depreciation.
- Waste Haulers – No specific tests were run on specific dumps from the haulers to re-evaluate the strength or loading of that material. Analysis indicates that the current rate of \$13.28 per 100 gallons will be adequate to maintain cost coverage for the year.

SCHEDULE OF FEES AND CHARGES

APPENDIX A

Revised ~~11-01-08-22~~ 23

AVAILABILITY TO TAP FEE/MAIN LINE EXTENSION FEE

- A. Based on actual construction costs of main line extension.
- B. Availability to Tap Fee will be billed in one installment due upon receipt.
- C. \$20 Filing Lien will be assessed on delinquent accounts.

MONTHLY AVAILABILITY

- A. Where water & wastewater service is available: \$26.80 per month per lot or tract.
- B. Where water service is available: \$14.30 per month per lot or tract.
- C. In the event wastewater availability is the only portion requested: \$12.50 per month per lot or tract.

IN-DISTRICT SERVICE CHARGE

(Per month per E.U.)

- A. Water Service Charge: ~~\$29.66~~ \$31.44
- B. Water Volume Charge:
 - 2001 – 8,000 gal: ~~\$5.32~~ \$5.64 per thousand gallons.
 - 8,001 – 20,000 gal: ~~\$10.65~~ \$11.29 per thousand gallons.
 - Over 20,000 gal: ~~\$13.37~~ \$14.17 per thousand gallons.
- C. Wastewater Service Charge: ~~\$32.00~~ \$32.80
- D. Affordable Housing Water Surcharge: ~~\$0.73~~ \$0.77
- E. Affordable Housing Wastewater Surcharge: ~~\$0.23~~ \$0.24
- F. Drought Service Charge: In accordance with Water Conservation and Drought Management Plan.

WATER/WASTEWATER CONNECTION FEE ASSESSMENT:

- A. Standard ¾" meter: ~~\$1,800~~ \$2,235 per connection.
- B. Standard 4" wastewater connection: ~~\$400.00~~ \$515 per connection.
- C. Water Meter Backfill Assessment: Water meter backfill must be performed per District specifications on the same day that the meter pit is installed. There will be no charge for the initial inspection but a ~~\$50.00~~ \$65.00 fee will apply for each failed inspection thereafter.
- D. Cancellation or No Show Fee for Water/Wastewater Connection: \$100.00 per scheduled connection. Customer's account will be assessed \$100.00.

SYSTEM CAPITAL INVESTMENT FEES:

(Meter Sizing Worksheet determines E.U. assessment.)

- A. Water System Capital Investment Fee: ~~\$5,196~~ \$5,353 per E.U.
- B. Wastewater System Capital Investment Fee: ~~\$1,145~~ \$1,179 per E.U.

EQUITY BUY-IN FEE

- A. Administrative Costs: Minimum of \$1,000.00 with Petition for Inclusion.
- B. Water Equity Buy-in Fee: ~~\$4,752~~ \$4,546 per E.U.
- C. Wastewater Equity Buy-in Fee: ~~\$3,812~~ \$3,574 per E.U.
- D. Such other charges as may be deemed appropriate and advisable.
- E. In addition to other fees and prior to inclusion, provisions must be made for dedication of sufficient water rights to the District. At District discretion, cash may be paid in lieu of water rights.

MODEL DATA USE FEES

- A. Water Model Data Use Fee: ~~\$62.25~~ \$62.69 per E.U., maximum of ~~\$6,225~~ \$6,269.
- B. Wastewater Model Data Use Fee: \$37.00 per E.U., maximum of \$3,700.00

SUBDIVISION FEES

- A. Subdivision Plan Review Fee:
 - 4 lots or more: ~~\$300.00~~ \$400.00 and \$25.00 per lot for each review.
- B. Subdivision and Lot Consolidation Mapping Fee:
 - Town of Pagosa Springs or Archuleta County Subdivision: Actual Costs.
 - Town of Pagosa Springs or Archuleta County Minor Impact Subdivision: \$100.00.
 - Town of Pagosa Springs or Archuleta County Resolution for lot consolidation: \$100.00.

RAW WATER CHARGES

- A. Under circumstances acceptable to the District, the District may, in its sole discretion, permit the residential use of stored raw water to irrigate property adjacent to the water source at an annual rate of ~~\$163.00~~ \$173.00 per E.U., or permit commercial use at a rate determined by the District.
- B. Tanker Charges: Under circumstances acceptable to the District, the District may, in its sole discretion, permit water tanker use of stored raw water for construction purposes at the rate of ~~\$6.51~~ \$6.90 per 1,000 gallons.

CHARGES FOR COLLECTION OF DELINQUENT ACCOUNTS

- A. Late Fee: 1% per month of the delinquent charges.
- B. Notice of Disconnect Fee: ~~\$10.00~~ \$15.00 when a service account is 31+ days overdue, or one billing period, whichever is sooner, and District disconnect procedure has been initiated.
- C. Meter Turn-Off/Turn-On Fee: ~~\$40.00~~ \$50.00 each when meter has been turned-off for non-payment of account During Hours (8:00 a.m. – 4:00 p.m.) and ~~\$80.00~~ \$100.00 After Hours (4:00 p.m. – 8:00 a.m.) to turn water back on.
- D. The District does utilize alternative collection procedures and any associated costs would be passed along to the customer.

OTHER CHARGES

- A. Returned Check/Auto-Draft Fee: \$20.00 per check or draft.
- B. Account Transfer Fee: ~~\$15.00~~ \$25.00 for each availability and service account requiring a change of account information initiated by ownership change or tenant address request.
- C. Meter Read Fee: ~~\$40.00~~ \$50.00 assessed to service accounts requiring a non-emergency physical meter read outside of District's normal read cycle; \$10.00 assessed when an electronic read is available outside of District's normal read cycle. No fee for emergency (i.e., leak/break) meter read.
- D. Water Meter Turn-On/Turn-Off Fee: - Scheduled Non-Emergency – After Hours (4:00 p.m. – 8:00 a.m.) ~~\$80.00~~ \$100.00 per trip.
- E. Water Meter Turn-On/Turn-Off Fee: – Non-Emergency – During Hours Monday – Friday (8:00 a.m. – 4:00 p.m.) ~~\$40.00~~ \$50.00, per trip for appointments, inspections, plumbing repairs or violations of District Rules and Regulations.
- F. Meter Access Fee: \$100.00 per hour for District backhoe service.
- G. Automated Meter Reading Equipment: Repair or Replacement - ~~\$45.00~~ \$50.00 per hour and cost of materials.
- H. Potable Water Fill Station and Treated Water Tanker Charges: ~~\$1.15~~ \$1.22 per 100 gallons.
- I. Prohibitive Discharge Inspection Fee: ~~\$55.00~~ \$65.00 per inspection.
- J. District Main Line Construction Inspection Fee: ~~\$55.00~~ \$65.00 per hour (not including engineering inspection fees).
- K. Areas of New Development or Expansion: Water Rights, or cash in lieu of, must be dedicated at District discretion.
- L. Wastewater Hauler Charges: \$13.28 per 100 gallons.
- M. Tax Replication Fee: ~~\$14.45~~ \$7.20
- N. Meter Tampering Fee: \$500.00 (\$100 first violation, \$250 second violation, \$500 third violation)
- O. Easement Vacation Fee: ~~\$25.00~~ \$35.00
- P. Such other charges as may be deemed appropriate and advisable.

NOTICE OF REGULAR MEETINGS FOR 2023
PAGOSA AREA WATER AND SANITATION
DISTRICT

PUBLIC NOTICE is hereby given that Regular Meetings of the Board of Directors of the Pagosa Area Water and Sanitation District, Archuleta County, Colorado, will be held at 100 Lyn Avenue, Pagosa Springs, Colorado, on the second Thursday of each month, except for July and November, at 5:00 p.m; at which meetings the Board will take up regular business of the District and any other matters as may come before the Board.

These meetings are open to the public.

Pagosa Area Water and Sanitation District



By /s/ Bill Hudson

Secretary

(SEAL)

PAGOSA AREA WATER AND SANITATION DISTRICT

RESOLUTION NO. 2023 – 01

BOARD OF DIRECTORS ANNUAL POSTING FOR MEETINGS

WHEREAS, Pagosa Area Water and Sanitation District (“District”) is a quasi-municipal corporation and special district duly organized and existing under the Constitution and laws of the State of Colorado; and

WHEREAS, Subsection 24-6-402(2)(c), C.R.S., requires Special Districts to designate annually at the District’s first regular meeting of each calendar year, the public places within the boundaries of the District where notice will be posted. The notice shall be posted no less than twenty-four (24) hours prior to the holding of the meeting and shall include specific agenda information where possible, and

WHEREAS, § 32-1-903(2), C.R.S., requires the District to provide notice of the time and place designated for all regular and special meetings in accordance with § 24-6-402(2)(c), C.R.S.; and

WHEREAS, § 24-6-402(2)(c)(III), C.R.S., permits notice of all public meetings to be posted twenty-four (24) hours in advance of the meeting by electronically posting notice on the District’s public website, with specific agenda information if available; and

WHEREAS, prior to electronically posting notice of meetings, the District shall designate a public place within its boundaries where it will post notice of a meeting at least twenty-four (24) hours in advance when “it is unable to post a notice online in exigent or emergency circumstances such as a power outage or an interruption in internet service that prevents the public from accessing the notice online,” § 24-6-402(2)(c)(III), C.R.S.; and

WHEREAS, prior to posting meeting notices on its website, the District shall provide its website address to the Department of Local Affairs, § 24-6-402(2)(c)(III), C.R.S.; and

WHEREAS, the Board has determined that it is in the best interest of the public and the District to post notice of its regular and special meetings on its website

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE DISTRICT THAT:

1. The District designates its website at www.pawsd.org as the location for posting notice of regular and special meetings.
2. The Board directs the District Manager to update the District’s website to include a section that is easily accessible to the public where notice of meetings will be posted.
3. The District designates Pagosa Area Water and Sanitation District administrative offices located at 100 Lyn Avenue, Pagosa Springs, Colorado as the public place within its

boundaries where it will physically post notice of special and regular meetings when posting electronically is not available.

4. The Board directs the District manager to provide its website address to the Department of Local Affairs.
5. This Resolution is effective upon adoption.

Approved this 30th day of January, 2023, by a vote of __ in favor and __ opposed.



(SEAL)

Jim Smith, President/Chairman

Attest:

Bill Hudson, Secretary

**PAGOSA AREA WATER AND
SANITATION DISTRICT
NOTICE OF PUBLIC HEARING FOR VISTA
WASTEWATER TREATMENT PLANT
MODIFICATION PLAN**

The Pagosa Area Water and Sanitation District (District) will hold a public meeting regarding its proposed project to meet the more stringent nitrogen and phosphorous removal requirements included by the Colorado Department of Public Health and Environment (CDPHE) in their most recent renewal of the discharge permit for the Vista Wastewater Treatment Plant (WWTP). The purpose of the meeting is to present the regulatory compliance rationale for the project and identify the specific improvements that have been proposed in a Project Needs Assessment (PNA) report. The PNA is a one of the planning documents that must be submitted to and approved by CDPHE to qualify for a state revolving fund (SRF) loan, which is being sought by the District to help finance what the District has termed the Phase I Improvements. This project is focused on effluent quality enhancement to meet new permit requirements and will not increase the overall hydraulic and organic loading capacities of the Vista WWTP. All of the modifications and additions will be located within the existing WWTP site. The presentation will include the estimated capital costs of the project and how the District intends to fund it, as well as the current implementation schedule.

The public meeting will be held during a regularly scheduled District Board Meeting, which will begin at 5:00 pm on January 30, 2023, in the District Administrative Offices located at 100 Lyn Avenue. The public meeting will begin with a presentation jointly delivered by District staff and its wastewater engineering consultant. Following the presentation, there will be an opportunity for the public to provide comments and address questions to the District and its consultant. A copy of the above-noted PNA document will be available for the public to review on the District website on or before January 2, 2023.

Published December 29, 2022 in *The Pagosa Springs*
SUN.

PROFESSIONAL CONSULTING AGREEMENT

This PROFESSIONAL CONSULTING AGREEMENT (hereinafter “Agreement”) is made this ____ day of January, 2023, by and between the PAGOSA AREA WATER AND SANITATION DISTRICT, a Colorado political subdivision organized pursuant to C.R.S. § 32-1-101 *et seq.* having its principal place of business at 100 Lyn Ave, Pagosa Springs, Colorado, (hereinafter “PAWSD” or “District”) and RGL CONSULTING, LLC, a Colorado limited liability company, having its principal place of business at 364 E 3rd Ave., Durango, Colorado (hereinafter “Contractor”).

RECITALS

- A. PAWSD desires to engage a qualified contractor for consulting services to assist in identifying grant opportunities that are compatible with mutually agreed upon District projects, prepare grant applications and supporting documentation to ensure compliance with funding requirements, and tracking the status of said grant applications to provide additional information as needed.
- B. Contractor has unique qualifications and experience to provide such services as a professional Contractor.
- C. PAWSD and Contractor both desire that Contractor have full access to meet and speak frankly with any member of the District’s Board of Directors, its support services agents or staff, its contractors, and its legal counsel, including in executive session, and to be able to hold all information so learned in confidence and subject to the deliberative process privilege, attorney-client privilege, and any other applicable privilege doctrine where permitted by law.

Accordingly, PAWSD and Contractor hereby agree as follows:

I. Scope of Agreement

Contractor shall commence, perform, and complete the following professional services (hereinafter “Services”); assist the District by providing technical assistance and facilitation, including but not limited to the following:

- Assist the Board and staff in identifying grant opportunities that are compatible with mutually agreed upon District projects;
- Prepare identified and agreed upon grant applications and supporting documentation to ensure compliance with funding requirements in coordination with PAWSD staff;
- Track the status of said grant applications to provide additional information as needed in coordination with PAWSD staff;

- Assist the Board in development of relationships and effective partnerships with appropriate government officials and water organizations in support of implementation of mutually agreed upon grant writing goals;
- Assist the Board and staff in the development and implementation, to the extent applicable during the term of this Agreement, of any funding received and follow-up requirements thereof.

II. Term

The term of this agreement shall commence on the ___ day of January 2023. The term shall end on December 31, 2023 unless the parties agree to continue the Agreement and services at which time the Agreement can be extended in writing. Either party may terminate this Agreement by providing written notice to the other party. This Agreement shall also terminate upon written notice to the other party that the services contemplated herein have been completed. Termination shall become effective immediately upon receipt of the termination or completion notice by the other party.

III. Independent Contractor Status

It is the expressed intent of the parties that the Contractor is an independent contractor and not the agent, employee or servant of the District, and that:

A. CONTRACTOR SHALL SATISFY ALL TAX AND OTHER GOVERNMENTALLY IMPOSED RESPONSIBILITIES INCLUDING, BUT NOT LIMITED TO, PAYMENT OF STATE AND FEDERAL AND SOCIAL SECURITY TAXES, UNEMPLOYMENT TAXES, WORKERS' COMPENSATION AND SELF-EMPLOYMENT TAXES. NO FEDERAL, STATE OR LOCAL TAXES OF ANY KIND SHALL BE WITHHELD OR PAID BY THE DISTRICT.

B. CONTRACTOR IS NOT ENTITLED TO UNEMPLOYMENT INSURANCE BENEFITS OR WORKERS' COMPENSATION BENEFITS UNLESS THE INDEPENDENT CONTRACTOR PROVIDES SUCH COVERAGES.

C. Contractor does not have the authority to act for the District, or to bind the District in any respect whatsoever, or to incur any debts or liabilities in the name of or on behalf of the District.

D. Contractor has and hereby retains control of and supervision over the performance of Contractor's obligations hereunder and control over any persons employed by Contractor for performing the Services hereunder.

E. The District will not provide training or instruction to Contractor or any of its employees regarding the performance of Services hereunder.

F. Neither Contractor, nor its employees, will receive benefits of any type from the District.

G. This contract is not exclusive. Contractor has the right to perform services for others during the term of this Agreement.

H. Contractor may choose how to complete the Services described herein, but the Services shall be conducted to meet the objectives for the Services set by the Board. Contractor shall be responsible for completing all Services identified herein, and said responsibility may not be assigned to a third-party.

IV. Contractor Responsibilities

In addition to all other obligations contained herein, Contractor agrees:

A. To furnish all tools, labor, and supplies in such quantities and of the proper quality to professionally and timely perform the Services; to accept access to District equipment (computer, printer, etc.) and files for the purposes of meeting contractual obligations.

B. To proceed with diligence and promptness and hereby warrants that such Services shall be performed in accordance with the highest professional workmanship and service standards in the field to the satisfaction of the District.

C. To comply, at its own expense, with the provisions of all state, local and federal laws, regulations, ordinances, requirements and codes which are applicable to the performance of the Services hereunder or to Contractor as an employer and obtaining and keeping in force all applicable permits and approvals.

V. Fees and Reimbursement of Certain Expenses

A. Payment

For the satisfactory performance of the Services hereunder, the District shall pay Contractor the fixed or contract rate of \$60.00/hour; not to exceed a total of \$45,000. Any necessary lodging expenses and necessary travel (@ \$0.62 per mile), as approved by the District Manager prior to conducting such activities, will also be reimbursed. Within 30 days after receipt of Contractor's invoice, which will be submitted monthly, the District agrees to remit payment for services provided. The District shall have no obligation to make any payments until the District accepts performance as satisfactory. All payments under this contract will be to the trade or business name of the Contractor. No payments will be personally made to an individual under this contract.

B. Invoices

Contractor shall submit invoices to Aaron Burns, PAWSD Director of Business Services. Such invoices shall state a description of each specific Service performed.

VI. Mutual Indemnification

PAWSD and Contractor each agrees to indemnify, defend, and hold harmless the other party from and against any loss, cost, or damage of any kind (including reasonable attorneys' fees) that arise out of a breach of this Agreement, that party's negligence or willful misconduct, and any other proceeding or lawsuit filed by a third party against that party. Contractor understands and acknowledges that PAWSD is subject to the protections and limitations of the Colorado Governmental Immunity Act, C.R.S. § 24-10-101 et seq., but that Contractor is not.

VII. Intellectual Property

PAWSD and the Contractor agree that all intellectual property rights and interests (including copyright) in any ideas or materials created during the performance of the Services shall vest in PAWSD and that the same shall be considered a "Work Made for Hire" within the meaning of the copyright laws of the United States. Contractor agrees to PAWSD's use of such creations.

VIII. Confidentiality of Information

- a. Contractor has received or will receive from PAWSD certain information relating to the mission and operations of PAWSD. Such information is referred to herein as "Confidential Information" and may include but is not limited to corporate books, financial statements, projections, policies, assets, liabilities, processes, procedures, designs, vendor information, constituent lists, legal advice, and other information that may be sensitive. Subject to the terms and limitations of this Agreement and the limitations imposed by applicable law, all Confidential Information is acknowledged to be confidential and protected by PAWSD in the sole discretion of its Board of Directors.
- b. Contractor will use every reasonable effort to keep Confidential Information secret and confidential and not to disclose it to third parties unless disclosure is required by law or authorized by the PAWSD Board of Directors. Confidential Information may be provided to agents and representatives of PAWSD, including PAWSD's attorneys, accountants, and other agents or Contractors, provided that Contractor takes appropriate steps to cause such parties to continue to respect the confidentiality of the Confidential Information and the restrictions imposed by this Agreement.
- c. The Confidential Information shall be used by Contractor only in connection with the performance of the Services.
- d. Notwithstanding the foregoing, any information that meets any of the following criteria shall not be deemed to be Confidential Information:

- (i) Information that must be disclosed pursuant to Colorado's Open Meetings Law, the Colorado Open Records Act, or any other applicable law.
 - (ii) Information and data that, at the time of disclosure, is already available to the public on an unrestricted basis.
 - (iii) Information and data that, after disclosure, is published or otherwise becomes available to the public through no fault of Contractor.
- e. Contractor agrees that any unauthorized disclosure of Confidential Information could cause immediate and irreparable harm to PAWSD. Contractor therefore agrees that upon the existence of any breach or threatened breach of the terms of this section, PAWSD may immediately obtain a temporary restraining order or other form of equitable relief from a court of competent jurisdiction.
- f. Upon request by PAWSD, Contractor shall return all materials provided to Contractor by or on behalf of PAWSD and any notes, documents, copies, or other materials prepared by Contractor with respect to such Confidential Information.

IX. Amendments

Any change in the scope of Service defined herein or to any other provision of this Agreement may only be authorized by a written amendment agreed to by both PAWSD and Contractor.

X. Counterparts

This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, and all of which together shall constitute but one and the same original instrument.

XI. Notice

Any notice to be given hereunder by either party, to the other, shall be in writing and shall be deemed given when sent by certified mail.

A. Notices to the District shall be addressed to:

PAWSD
District Manager
100 Lyn Ave,
Pagosa Springs, Colorado 81147

B. Notices to Contractor shall be addressed to:

RGL Consulting, LLC
Attn: Renee Lewis
364 E 3rd Ave
Durango, CO 81301

If either party changes its address during the term herein, it shall so advise the other party in writing as herein provided and any notice thereafter required to be given shall be sent by certified mail to such new address. Courtesy copies of any such notice shall be emailed to justin@pawsd.org and reneelewis7@gmail.com.

IN WITNESS WHEREOF, the parties have caused their duly authorized representatives to sign this **PROFESSIONAL CONSULTING AGREEMENT** as of the date first stated above.

DISTRICT

CONTRACTOR

(Signature) (Signature)

(Title) (Title)

(Date) (Date)

PROFESSIONAL CONSULTING AGREEMENT

This PROFESSIONAL CONSULTING AGREEMENT (hereinafter "Agreement") is made this ____ day of January, 2023, by and between the PAGOSA AREA WATER AND SANITATION DISTRICT, a Colorado political subdivision organized pursuant to C.R.S. § 32-1-101 *et seq.* having its principal place of business at 100 Lyn Ave, Pagosa Springs, Colorado, (hereinafter "PAWSD" or "District") and RGL CONSULTING, LLC, a Colorado limited liability company, having its principal place of business at 364 E 3rd Ave., Durango, Colorado (hereinafter "Contractor").

RECITALS

- A. PAWSD desires to engage a qualified contractor for consulting services to serve as the Designated Election Official for the District's May 2, 2023 election.
- B. Contractor has unique qualifications and experience to provide such services as a professional Contractor.
- C. PAWSD and Contractor both desire that Contractor have full access to meet and speak frankly with any member of the District's Board of Directors, its support services agents or staff, its contractors, and its legal counsel, including in executive session, and to be able to hold all information so learned in confidence and subject to the deliberative process privilege, attorney-client privilege, and any other applicable privilege doctrine where permitted by law.

Accordingly, PAWSD and Contractor hereby agree as follows:

I. Scope of Agreement

Contractor shall commence, perform, and complete the following professional services (hereinafter "Services"):

Serve as the Designated Election Official, as is defined in the Colorado Local Government Election Code, for the District's May 2, 2023 election. Including, but not limited to:

1. Conduct the May 2, 2023 Special District Election in accordance with the Applicable Election Laws, including, but not limited to Uniform Election Code of 1992, C.R.S. § 1-1-101 *et seq.*; the Taxpayer's Bill of Rights, Colo. Const. Art. X, § 20; C.R.S., C.R.S. § 32-1-801 *et seq.*, and any pertinent rules and/or regulations promulgated by the Colorado Secretary of State (hereinafter "Applicable Election Laws).
2. Draft and provide in accordance with Applicable Election Laws the necessary resolution(s) and preliminary election documents to the Board in a timely manner for approval and execution.
3. Coordinate with the County Clerk of proper jurisdiction to receive voter

registration lists, including Uniformed and Overseas Citizens Absentee Voting Act (UOCAVA) list, in a timely manner and in accordance with Applicable Election Laws.

4. Manage all voter records and correspondence in accordance with the Applicable Election Laws.

5. Place ballot content, properly certified by the District's attorney in accordance with Applicable Election Laws, upon the ballot. Coordinate the printing of all election materials.

6. Provide, no later than twenty (20) days before the election, notice by publication of the election pursuant to C.R.S. § 1-5-205(1).

7. Coordinate the proper number of election judges at the predetermined voter service/polling center site(s). Any and all sites will be accessible to electors with disabilities. Coordinate the mail ballot processing judges.

8. Provide for the secure processing of all mail-in ballots. Provide for the verification of signatures on the self-affirmation on the return envelope.

9. Facilitate special accommodations for all military and overseas citizens as provided by the UOCAVA.

10. Provide provisional ballots to electors who qualify under C.R.S. §1-8.5-

101. Provide a telephone number for provisional voters to inquire if their provisional ballot counted.

11. Provide training to personnel/volunteers to prepare for and conduct the election. Provide training to personnel/volunteers at the tabulation center on Election Day/Night to certify unofficial results.

12. Conduct a canvass of the votes and certify the results of the election within the time required by Applicable Election Laws. A certified copy will be provided to the District for their records. The Board shall determine, in the Board's sole discretion, whether or not to appoint any individual who may be designated by the District as a canvass board member for the election. C.R.S. §1-10-202, as amended.

13. Preserve all election records for at least twenty-five (25) months after the election pursuant to Applicable Election Laws.

14. Pursuant to the Applicable Election Laws, conduct a recount of any contest where the final ballot tabulation results are close enough to require a recount.

II. Term

The term of this agreement shall commence on the ___ day of January 2023. The term shall end on December 31, 2023 unless the parties agree to continue the Agreement and services at which time the Agreement can be extended in writing. Either party may terminate this Agreement by providing written notice to the other party. This Agreement shall also terminate upon written notice to the other party that the services contemplated herein have been completed. Termination shall become effective immediately upon receipt of the termination or completion notice by the other party.

III. Independent Contractor Status

It is the expressed intent of the parties that the Contractor is an independent contractor and not the agent, employee or servant of the District, and that:

A. CONTRACTOR SHALL SATISFY ALL TAX AND OTHER GOVERNMENTALLY IMPOSED RESPONSIBILITIES INCLUDING, BUT NOT LIMITED TO, PAYMENT OF STATE AND FEDERAL AND SOCIAL SECURITY TAXES, UNEMPLOYMENT TAXES, WORKERS' COMPENSATION AND SELF-EMPLOYMENT TAXES. NO FEDERAL, STATE OR LOCAL TAXES OF ANY KIND SHALL BE WITHHELD OR PAID BY THE DISTRICT.

B. CONTRACTOR IS NOT ENTITLED TO UNEMPLOYMENT INSURANCE BENEFITS OR WORKERS' COMPENSATION BENEFITS UNLESS THE INDEPENDENT CONTRACTOR PROVIDES SUCH COVERAGES.

C. Contractor does not have the authority to act for the District, or to bind the District in any respect whatsoever, or to incur any debts or liabilities in the name of or on behalf of the District.

D. Contractor has and hereby retains control of and supervision over the performance of Contractor's obligations hereunder and control over any persons employed by Contractor for performing the Services hereunder.

E. The District will not provide training or instruction to Contractor or any of its employees regarding the performance of Services hereunder.

F. Neither Contractor, nor its employees, will receive benefits of any type from the District.

G. This contract is not exclusive. Contractor has the right to perform services for others during the term of this Agreement.

H. Contractor may choose how to complete the Services described herein, but the Services shall be conducted to meet the objectives for the Services set by

the Board. Contractor shall be responsible for completing all Services identified herein, and said responsibility may not be assigned to a third-party.

IV. Contractor Responsibilities

In addition to all other obligations contained herein, Contractor agrees:

A. To furnish all tools, labor (in coordination with District staff), and supplies (with the exception of any and all election supplies) in such quantities and of the proper quality to professionally and timely perform the Services; to accept access to District equipment (computer/printer, election supplies, etc.) and files for the purposes of meeting contractual obligations.

B. To proceed with diligence and promptness and hereby warrants that such Services shall be performed in accordance with the highest professional workmanship and service standards in the field to the satisfaction of the District.

C. To comply, at its own expense, with the provisions of all state, local and federal laws, regulations, ordinances, requirements and codes which are applicable to the performance of the Services hereunder or to Contractor as an employer and obtaining and keeping in force all applicable permits and approvals.

V. Fees and Reimbursement of Certain Expenses

A. Payment

For the satisfactory performance of the Services hereunder, the District shall pay Contractor the fixed or contract rate of \$70.00/hour. Any necessary lodging expenses and necessary travel (@ \$0.62 per mile), as approved by the District Manager prior to conducting such activities, will also be reimbursed. Within 30 days after receipt of Contractor's invoice, which will be submitted monthly, the District agrees to remit payment for services provided. The District shall have no obligation to make any payments until the District accepts performance as satisfactory. All payments under this contract will be to the trade or business name of the Contractor. No payments will be personally made to an individual under this contract.

B. Invoices

Contractor shall submit invoices to Aaron Burns, PAWSD Director of Business Services. Such invoices shall state a description of each specific Service performed.

VI. Mutual Indemnification

PAWSD and Contractor each agrees to indemnify, defend, and hold harmless the other party from and against any loss, cost, or damage of any kind (including reasonable attorneys' fees) that arise out of a breach of this Agreement, that party's negligence or

willful misconduct, and any other proceeding or lawsuit filed by a third party against that party. Contractor understands and acknowledges that PAWSD is subject to the protections and limitations of the Colorado Governmental Immunity Act, C.R.S. § 24-10-101 et seq., but that Contractor is not.

VII. Intellectual Property

PAWSD and the Contractor agree that all intellectual property rights and interests (including copyright) in any ideas or materials created during the performance of the Services shall vest in PAWSD and that the same shall be considered a “Work Made for Hire” within the meaning of the copyright laws of the United States. Contractor agrees to PAWSD’s use of such creations.

VIII. Confidentiality of Information

- a. Contractor has received or will receive from PAWSD certain information relating to the mission and operations of PAWSD. Such information is referred to herein as “Confidential Information” and may include but is not limited to corporate books, financial statements, projections, policies, assets, liabilities, processes, procedures, designs, vendor information, constituent lists, legal advice, and other information that may be sensitive. Subject to the terms and limitations of this Agreement and the limitations imposed by applicable law, all Confidential Information is acknowledged to be confidential and protected by PAWSD in the sole discretion of its Board of Directors.
- b. Contractor will use every reasonable effort to keep Confidential Information secret and confidential and not to disclose it to third parties unless disclosure is required by law or authorized by the PAWSD Board of Directors. Confidential Information may be provided to agents and representatives of PAWSD, including PAWSD’s attorneys, accountants, and other agents or Contractors, provided that Contractor takes appropriate steps to cause such parties to continue to respect the confidentiality of the Confidential Information and the restrictions imposed by this Agreement.
- c. The Confidential Information shall be used by Contractor only in connection with the performance of the Services.
- d. Notwithstanding the foregoing, any information that meets any of the following criteria shall not be deemed to be Confidential Information:
 - (i) Information that must be disclosed pursuant to Colorado’s Open Meetings Law, the Colorado Open Records Act, or any other applicable law.
 - (ii) Information and data that, at the time of disclosure, is already available to the public on an unrestricted basis.
 - (iii) Information and data that, after disclosure, is published or otherwise becomes available to the public through no fault of Contractor.

- e. Contractor agrees that any unauthorized disclosure of Confidential Information could cause immediate and irreparable harm to PAWSD. Contractor therefore agrees that upon the existence of any breach or threatened breach of the terms of this section, PAWSD may immediately obtain a temporary restraining order or other form of equitable relief from a court of competent jurisdiction.
- f. Upon request by PAWSD, Contractor shall return all materials provided to Contractor by or on behalf of PAWSD and any notes, documents, copies, or other materials prepared by Contractor with respect to such Confidential Information.

IX. Amendments

Any change in the scope of Service defined herein or to any other provision of this Agreement may only be authorized by a written amendment agreed to by both PAWSD and Contractor.

X. Counterparts

This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, and all of which together shall constitute but one and the same original instrument.

XI. Notice

Any notice to be given hereunder by either party, to the other, shall be in writing and shall be deemed given when sent by certified mail.

A. Notices to the District shall be addressed to:

PAWSD
District Manager
100 Lyn Ave,
Pagosa Springs, Colorado 81147

B. Notices to Contractor shall be addressed to:

RGL Consulting, LLC
Attn: Renee Lewis
364 E 3rd Ave
Durango, CO 81301

If either party changes its address during the term herein, it shall so advise the other party in writing as herein provided and any notice thereafter required to be given shall be sent by certified mail to such new address. Courtesy copies of any such notice shall be emailed to justin@pawsd.org and reneelewis7@gmail.com.

IN WITNESS WHEREOF, the parties have caused their duly authorized representatives to sign this **PROFESSIONAL CONSULTING AGREEMENT** as of the date first stated above.

DISTRICT

CONTRACTOR

(Signature)

(Signature)

(Title)

(Title)

(Date)

(Date)

PAGOSA AREA WATER AND SANITATION DISTRICT

**A RESOLUTION CALLING FOR THE 2023 REGULAR DISTRICT ELECTION
AND APPOINTING A DESIGNATED ELECTION OFFICIAL**

Resolution 2023-02

WHEREAS, the Pagosa Area Water and Sanitation District (“District”) is a quasi-municipal corporation and political subdivision of the State of Colorado and a duly organized and existing special district pursuant to Title 32, Colorado Revised Statutes; and

WHEREAS, the terms of office of Directors Jim Smith, Glenn Walsh, Gene Tautges, Peter Hurley, and Bill Hudson shall expire after their successors are elected at the regular special district election to be held on May 2, 2023 (“Election”) and have taken office; and

WHEREAS, in accordance with the provisions of the Special District Act (“Act”) and the Colorado Local Government Election Code (“Code”) (the Act and the Code being referred to jointly as the “Election Laws”), the Election must be conducted to elect three Directors to serve for a term of four years and two Directors to serve for a term of two years.

NOW THEREFORE, be it resolved by the Board of Directors of the Pagosa Area Water and Sanitation District, that:

1. The regular election of the eligible electors of the District shall be held on May 2, 2023, between the hours of 7:00 a.m. and 7:00 p.m. pursuant to and in accordance with the Election Laws, and other applicable laws. At that time, three Directors will be elected to serve a four-year term and two Directors will be elected to serve for a two-year term.
2. The election shall be conducted as an independent mail ballot election in accordance with all relevant provisions of the Election Laws. The Designated Election Official shall prepare the plan for conducting the mail ballot election no later than 55 days prior to the election in accordance with C.R.S. §1-13.5-1104(1). There shall be no election precinct or polling place. All mail ballots shall be returned to the Designated Election Official’s office, located at 100 Lyn Avenue, Pagosa Springs Colorado 81147.
3. The Board of Directors hereby designates Renee Lewis as the Designated Election Official to conduct the election on behalf of the District, and she is hereby authorized and directed to proceed with any action necessary or appropriate to effectuate the provisions of this Resolution and of the Election Laws or other applicable laws. Among other matters, the Designated Election Official shall publish the call for nominations, appoint election judges as necessary, appoint the Canvass Board, arrange for the required notices of election, printing of ballots, and direct that all other appropriate actions be accomplished.
4. Self-Nomination and Acceptance forms are available at the Designated Election Official’s office located at 100 Lyn Ave, Pagosa Springs, CO. All candidates must file a

Self-Nomination and Acceptance form with the Designated Election Official no earlier than January 1, 2023, nor later than the close of business on Friday, February 24, 2023.

5. If the only matter before the electors is the election of Directors of the District and if, at the close of business on February 28, 2023, there are not more candidates than offices to be filled at the election, including candidates timely filing affidavits of intent not later than February 27, 2023, the Designated Election Official shall cancel the election and declare the candidates elected by affirmation. Notice of such cancellation shall be published and posted in accordance with the Code.
6. The Board may by separate resolution place a ballot question or ballot issue on the ballot to be considered by the voters at the election.
7. If any part or provision of this Resolution is adjudged to be unenforceable or invalid, such judgement shall not affect, impair, or invalidate the remaining provisions of this Resolution, it being the Board's intention that the various provisions hereof are servable.
8. Any and all actions previously taken by the Designated Election Official, the Secretary of the Board of Directors, or any other persons acting on their behalf pursuant to the Election Laws or other applicable laws, are hereby ratified and confirmed.
9. All acts, orders, and resolutions, or parts thereof, of the Board which are inconsistent or in conflict with this Resolution are hereby repealed to the extent only of such inconsistency or conflict.
10. The provisions of this Resolution shall take effect immediately.

ADOPTED this 30th day of January, 2023, by a vote of ___ in favor and ___ opposed.

PAGOSA AREA WATER AND SANITATION DISTRICT

Jim Smith, President

(SEAL)

Attest:

Bill Hudson, Secretary

**CALL FOR NOMINATIONS FOR
PAGOSA AREA WATER AND SANITATION DISTRICT**

TO WHOM IT MAY CONCERN, and, particularly, to the electors of the Pagosa Area Water and Sanitation District of Archuleta County, Colorado.

NOTICE IS HEREBY GIVEN that a regular election will be held on Tuesday, May 2, 2023 between the hours of 7:00 a.m. and 7:00 p.m. At that time, three (3) Directors will be elected to serve a term of four (4) years and two (2) Directors will be elected to serve a term of two (2) years.

Eligible Electors of the District interested in serving on the Board of Directors may obtain a Self-Nomination and Acceptance form from Renee Lewis, the Designated Election Official for the District, on the District's website at www.pawsd.org/district-business/pawsd-board-of-directors and at the District's administrative office located at 100 Lyn Ave, Pagosa Springs, CO 81147. Self-Nomination and Acceptance forms must be filed with the Designated Election Official, either by email at DEO@pawsd.org or in person at the District's administrative office address above, no earlier than January 1, 2023 nor later than Friday, February 24, 2023 at 5:00 p.m.

NOTICE IS FURTHER GIVEN that applications for absentee (replacement) ballots may be filed with the Designated Election Official at the District's administrative office address above between the hours of 8:00 a.m. and 5:00 p.m. from April 18, 2023 until April 25, 2023. All absentee (replacement) ballots must be returned to the District's administrative office at 100 Lyn Ave, Pagosa Springs, CO 81147 by May 2, 2023 at 7:00 p.m.

**PAGOSA AREA WATER AND SANITATION
DISTRICT**

By: /s/ Renee Lewis
Designated Election Official

Published in: The Pagosa SUN

Published on: February 9, 2023

SELF-NOMINATION AND ACCEPTANCE FOR MAY 2, 2023 REGULAR ELECTION
PAGOSA AREA WATER AND SANITATION DISTRICT

I, _____, who reside at:
(full name of candidate as the name will appear on the ballot)

Residence Street Address

City or Town, Zip Code

County

hereby nominate myself and accept such nomination for the office of Director of the Pagosa Area Water and Sanitation District, Archuleta County, Colorado, for a ____ () year term and will serve if elected at the regular election to be conducted on May 2, 2023.

I affirm that I am an eligible elector of the Pagosa Area Water and Sanitation District at the date of signing this Self-Nomination and Acceptance form.

Mark here ____ if you are a member of an Executive Board of a unit owners association (homeowners association), as defined in Section 38-33.3-103, C.R.S., located within the boundaries of the District (or Director District, if applicable) for which you are running for office.

I further affirm that I am familiar with the provisions of the Fair Campaign Practices Act as required in Section 1-45-110, C.R.S., and I will not, in my campaign for this office, receive contributions or make expenditures exceeding two hundred dollars (\$200) in the aggregate during the election cycle, however, if I do so, I will thereafter register and file all disclosure reports required under the Fair Campaign Practices Act.

DATED this ____ day of _____, 2023.

Signature of Candidate

Printed Full Name

Mailing Address (if different)

Telephone Number

City or Town, Zip Code

Email Address

WITNESSED by the following registered elector of the State:

Signature of Witness

Printed Full Name

Residence Street Address

Telephone Number

City or Town, Zip Code

Email Address

County

Received this ____ day of _____, 2023.

Designated Election Official

FEE WAIVER AGREEMENT
Work Force Housing

THIS FEE WAIVER AGREEMENT (the "Agreement") is entered into this ____ day of _____, 2021 (the "Effective Date") by and between the PAGOSA AREA WATER AND SANITATION DISTRICT (District), a Colorado _____ with an address of 100 Lyn Avenue, Pagosa Springs, CO 81147 (the "PAWS"), and Olympus SRH, LLC, a Texas domestic limited liability company with an address of 9000 Tesoro Dr., San Antonio, TX 78217, ("Owner") (each a "Party" and collectively the "Parties").

WHEREAS, Owner owns certain real property within the Town of Pagosa Springs, Colorado, more particularly described in **Exhibit A**, attached hereto and incorporated herein by this reference (the "Property");

WHEREAS, Owner will develop the Property into work force housing units that it will own and lease to qualified residents working within the Town of Pagosa Springs, Colorado;

WHEREAS, PAWS Board passed Resolution 2020-03 pertaining to the Reduction of Capital Investment and Raw Water Acquisition Fees for Workforce Housing, and

WHEREAS, on March 11, 2021 the PAWSD Board approved the Owner's request that PAWS reduce CIF and RWAF fees associated with the Property development under the terms outlined below and District Resolution 2020-03.

NOW, THEREFORE, for and in consideration of the mutual promises and covenants contained herein, the sufficiency of which is mutually acknowledged, the Parties agree as follows:

1. Property. The Property is hereby burdened with the covenants and restrictions specified in this Agreement.

2. Definitions. For purposes of this Agreement, terms shall have their defined meaning according to of the Pagosa Springs Land Use Development Code and guidelines set forth in **Exhibit B**, attached hereto and incorporated herein (the "Guidelines"), and the following terms shall have the following meanings:

- a. *Development* means all residential dwellings on the Property.
- b. *Dwelling Unit* means a single unit of the Property, which provides complete, independent living facilities for one or more persons, including permanent provisions for living, sleeping, eating, cooking and sanitation.
- c. *Owner* means any individual(s) or company(s) that has legal rights, control, or legal title of or over the Property.
- d. *Principal place of residence* means the home or place in which one's habitation is fixed and to which one has a present intention of returning after a departure or absence therefrom. To determine a person's principal place of residence, the criteria set forth in C.R.S. § 31-10-201(3), as amended, shall apply.

(TEMPLATE)

(TEMPLATE)

e. *Qualified Household* means a household having at least one Qualified Resident or a group of persons that contains at least one Qualified Resident wherein the household gross income does not exceed 100% of the Average Median Income (“AMI”) as published by the U.S. Department of Housing and Urban Development for Archuleta County, Colorado. A Qualified Household may not have adult occupants that are not Qualified Residents.

f. *Qualified Resident* means a person who works a minimum of 32 hours per week or 1,000 hours per year or more at a business in Archuleta County, Colorado, or at the Wolf Creek Ski Resort in Mineral County, Colorado, that holds a valid and current business license, or pays sales taxes, or is otherwise generally recognized as a legitimate business, and whose annual income is shown to be less than or equal to 100% of the AMI as published annually by the U.S. Department of Housing and Urban Development for Archuleta County, Colorado. To determine that a person is a Qualified Resident or group is a Qualified Household, Owner shall apply the Guidelines. 3.

Term. This Agreement automatically expires seven (7) years from the Effective Date, whereupon all occupancy restrictions set forth in Section 4 hereof shall become null and void and of no force and effect. Upon expiration of the Term of this Agreement, the District agrees to execute and deliver to Owner, and Owner shall be permitted to record in the property records of Archuleta County, Colorado, any such instrument as Owner reasonably determines is necessary or appropriate to evidence the termination of this Agreement and expiration of the restrictive covenants set forth herein.

4. Occupancy Restrictions.

- a. Owner shall allow occupancy of a Dwelling Unit only by written lease binding a Qualified Resident to occupancy for a duration of at least one (1) month.
- b. Every occupied Dwelling Unit shall at all times, subject to the allowances further described in this Agreement, be occupied by a Qualified Resident or a Qualified Household for whom the Dwelling Unit is his or her or their principal place of residence.
- c. All leases shall prohibit subleasing.
- d. All leases shall prohibit short-term rental of the Dwelling Unit by the occupant, and for the purposes of this Agreement “short-term” shall mean less than one (1) month tenancy.
- e. Owner shall lease one hundred-percent (100%) of the Dwelling Units to Qualified Residents or Qualified Households. It is understood that during the course of the lease agreement, residence financial circumstances may change and may no longer meet the 100% or less AMI income requirements. Increases in individual occupant’s income will not construe a violation of this agreement during the current lease term. A lease agreement shall not be renewed for a tenant who does not meet the AMI requirements at the time of the lease renewal.

5. Maximum Rent Restrictions. The Owner shall not charge more than the maximum rent allowed by the most recent Income Limit and Maximum Rent Limit Table, as published by the Colorado Housing and Finance Authority (“CHFA”), to a Qualified Resident or Qualified Household.

(TEMPLATE)

(TEMPLATE)

6. Annual Verification. No later than June 1st of each year, beginning in the year following the first occupancy of the Development, Owner shall submit to the District for each occupied Dwelling Unit, as well as for the Development generally, the following information attested to by a licensed certified public accountant approved by the District, affirming that the information provided is true and correct to the best of Owner's knowledge and belief:

a. Evidence to establish that the required percentage of Dwelling Units are leased to and occupied by only Qualified Residents or Qualified Households, including documentation showing how the Owner applied the Guidelines to qualify the tenant(s) named on each Dwelling Unit's lease as a Qualified Resident or Qualified Household for new leases and any renewing leases.

b. Proof of Owner's annual calculation of the applicable annual income restriction at 100% or less of the AMI as published annually by the U.S. Department of Housing and Urban Development for Archuleta County, Colorado through Colorado Housing and Finance Authority, which is inclusive of the cost of utilities.

7. Audit Rights. If at any time the District has reasonable cause to believe Owner is violating the occupancy restrictions set forth in Section 4 of this Agreement, the District, at the sole costs and expense of the District, may audit Owner's books and records related to the lease and occupancy of the Dwelling Units between the hours of 8:00 a.m. and 5:00 p.m., Monday through Friday, after providing Owner with 24 hours written notice. Owner shall cooperate with any such audit.

8. Right of Recoupment. For the purpose of securing Owner's performance under this Agreement and creating in favor of the District a right to recoup any waived fees, Owner hereby agrees to the following right of recoupment: Owner agrees that in the event Owner is found to be in material breach of the occupancy restrictions set forth in Section 4 of this Agreement the District will be paid an amount equal to the aggregate of all waived fees associated with the development of the Property.

9. Breach. It is a breach of this Agreement for Owner to violate any provision of this Agreement.

10. Remedies.

a. In the event of a breach of this Agreement by Owner, if Owner fails to cure such breach within 90 days after written notice from the District (identifying the breach and specifying the facts and circumstances giving rise to such breach), the District shall have the right to demand immediate payment for fees waived in connection with this Agreement.

11. Reserved.

12. Miscellaneous.

a. Modification. This Agreement may only be modified by subsequent written agreement of the Parties.

(TEMPLATE)

(TEMPLATE)

b. Integration. This Agreement and any attached exhibits constitute the entire agreement between Owner and the District, superseding all prior oral or written communications.

c. Runs with the Land. Subject to the terms and conditions set forth herein, the benefits and obligations of the Parties under this Agreement shall run with the land, and Owner's obligations hereunder shall be binding on Owner's successors and assigns, and any subsequent holder of an ownership interest in the Property, for the Term of this Agreement.

d. Severability. If any provision of this Agreement is determined to be void by a court of competent jurisdiction, such determination shall not affect any other provision hereof, and all of the other provisions shall remain in full force and effect.

e. Governing Law and Venue. This Agreement shall be governed by the laws of the State of Colorado, and any legal action concerning the provisions hereof shall be brought in Archuleta County, Colorado.

g. Third Parties. There are no intended third-party beneficiaries to this Agreement.

h. No Joint Venture. Notwithstanding any provision hereof, PAWS shall never be a joint venture in any private entity or activity which participates in this Agreement, and PAWS shall never be liable or responsible for any debt or obligation of any participant in this Agreement.

i. Notice. Any notice under this Agreement shall be in writing and shall be deemed sufficient when directly presented or sent prepaid, first-class United States Mail to the Party at the address set forth on the first page of this Agreement.

j. Recording. This Agreement shall be recorded with the Archuleta County Clerk and Recorder.

[Signature page follows.]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date.

**PAWSPAGOSA AREA WATER &
SANITATION DISTRICT**

Jim Smith, Board President

(TEMPLATE)

(TEMPLATE)

OWNER

David Dronet, Managing Principal

DRAFT

**EXHIBIT A
LEGAL DESCRIPTION OF THE PROPERTY**

Lots 17, 18 and 19, Block 2, TOWN OF PAGOSA SPRINGS.

Address: 180 Lewis St. Pagosa Springs, CO 81147

DRAFT

**EXHIBIT B
GUIDELINES**

1. Purpose. The purpose of these Guidelines is to set forth the criteria for establishing a Qualified Resident for a Dwelling Unit of the Development pursuant to the Fee Waiver Agreement dated _____, 2021 (the "Agreement"), by and between the PAGOSA AREA WATER AND SANITATION DISTRICT, a Colorado _____ ("PAWS"), and OLYMPUS SRH, LLC, a Texas limited liability company.

2. Definitions. All capitalized terms herein shall have the meanings set forth in the Agreement.

(TEMPLATE)

(TEMPLATE)

3. Application. Owner must establish a person is a Qualified Resident by requesting and reviewing the following information:

a. Verification (*e.g.*, wage stubs, employer name, address, telephone number and other appropriate documentation) of the person's current employment with a business in Archuleta County, Colorado, or at the Wolf Creek Ski Resort in Mineral County, Colorado, that holds a valid and current business license, or pays sales taxes, or is otherwise generally recognized as a legitimate business;

b. Evidence that the applicant has worked, or will work, an average of 32 hours per week or 1,000 hours or more per year for one or more of such businesses;

c. Income verification documents as needed to show income at less than or equal to 100% AMI, including without limitation federal and state income tax returns, W2s, 1099s, bank and credit card statements, release forms for employment and tax information;

d. A valid form of identification, such as a driver's license, state-issued identification, passport or military identification; and

e. A signed statement certifying and acknowledging that all information submitted in such application is true to applicant's best knowledge and authorizing verification of all information submitted.



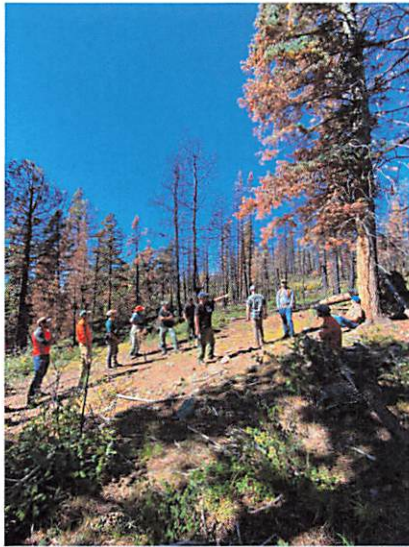
San Juan Headwaters

FOREST HEALTH PARTNERSHIP

Pagosa Area Water and Sanitation District
100 Lyn Ave., Pagosa Springs, CO 81157
January 20, 2023

PAWSD Board Members,

The San Juan Headwaters Forest Health Partnership (Headwaters) respectfully requests \$7,000 to support coordination of partners that plan and complete forest health work essential to Pagosa Springs community. With your help in 2022, Headwaters coordinated forest restoration and resilience activities in priority areas and offered meetings and tours that helped residents, land managers, and key decision makers better understand our forest and the ways management actions and wildfire have and will continue to impact our community.



Tour of Plumtaw Fire area September 30, 2022

Through collaboration and coordination, Headwaters continues to expand efforts to prioritize, plan, support, complete, and monitor the effectiveness of forest management in critical watersheds and around vital infrastructure, making our community better prepared for fire and future climate dynamics. These projects and processes are an integral part of responsibly managing watersheds, protecting natural and human-made water delivery infrastructure, and ensuring quality water supplies into an increasingly uncertain water future.

Headwaters relies on local funding for ongoing coordination and outreach efforts. These dollars help us ground land management conversations in community values, amplify local concerns, meet match requirements, and attract future investments from private and public funders that we put to work for our forests, watersheds, and community.

This year we worked with community partners and emergency responders to understand how forest management planning and activities increased decision space during and ended up impacting Plumtaw Fire outcomes. This event helped our partners and the community learn about fire dynamics in mixed conifer landscapes and consider management informed by potential post fire watershed impacts. We look forward to further sparking community conversations with a film about the Plumtaw slated for public release this May. The Partnership continues to engage with vegetation management, a longitudinal climate study, and recreation development planning for the Jackson Mountain landscape. In 2023, we will continue to plan for and hopefully install a snowtopography community science site to better understand the influence of forest treatments on snowpack. Our projects and conversations aim to protect the economic center of our community, enhance ecological function, and showcase positive outcomes of forest management activities while protecting vital watersheds and infrastructure.

Your support of Headwaters has been a key component of the groups' successes over time. We appreciate your interest in our partnership and hope you will continue to support our efforts in 2023.

Sincerely,
Dana Guinn

Coordinator SJHFHP (dana@mountainstudies.org, 720.422.4607)

Plumtaw Fire

An example of how previous management increased decision space during a fire event



Context

The spring of 2022 was exceptionally dry for southwest Colorado, with low relative humidity, low fuel moisture, and a fire deficit across much of the forested landscapes. These were perfect conditions for a devastating, long-lasting wildfire event. When the Plumtaw Fire started on May 17th, 2022, just 7 miles north of Pagosa Springs, Colorado, fire officials feared the worst.

The Plumtaw Fire burned a total of 721 acres in a warm dry mixed-conifer forest with gambel oak in the understory. There were many downed trees in the area, and the gambel oak acted as ladder fuels for the fire to climb to the tree canopy, where it was sustained for much of the event. The fire is suspected to be of human origin.

Logistics

The initial attack was heavy, but the fire continued to outpace the attack during the first day. The fire started within a potential operational delineation (POD), which is a unit to contain fire using natural and artificial landscape features. As the prevailing winds pushed the fast growing fire to the northeast, fire managers developed a plan to use the eastern POD boundary, the Fourmile Road, as a control line. Previous management along the Fourmile Road increased the safety and comfort in this decision.

Winds calmed and humidity increased during the first night, allowing crews to conduct backburn operations from the Fourmile Road. A Rocky Mountain Incident Management type 2 team managed the fire from May 20th to May 27th, and a type 3 team took control on May 28th as containment grew.

What is a fire deficit?

Certain ecosystems, like the warm dry mixed-conifer forest that the Plumtaw Fire burned through, rely on frequent wildfire to reduce the amount of fuels on the ground. When a landscape is in a fire deficit, it hasn't had its regular dose of wildfire, so fuels accumulate to higher levels, leading to an uncharacteristic wildfire when it eventually ignites.



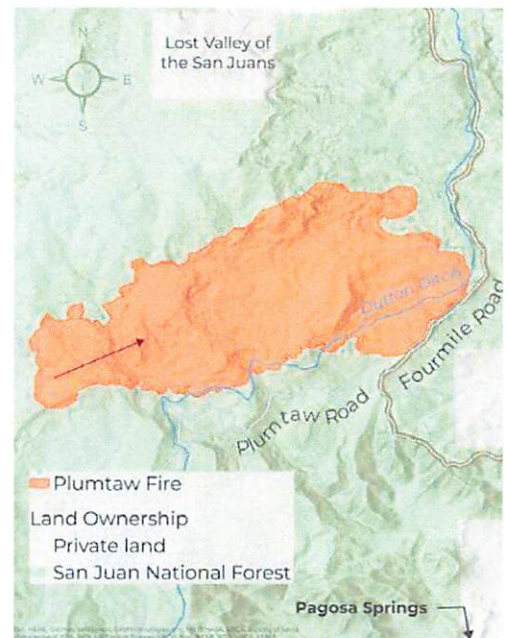
Left: Active fire behavior during backfiring operations the night of May 17

"While we acknowledge the role of luck, we also work to improve the odds of achieving incident objectives by investing in pre-planned tools such as PODs. We have witnessed their value at all levels of incident response" -Brad Pietruszka

Previous management

San Juan Headwaters Forest Health Partnership identified the Plumtaw area as a priority for treatment years before the Plumtaw Fire started. Dutton Ditch provides critical drinking water for the Town of Pagosa Springs, and the partnership foresaw the devastating consequences of a large fire in this watershed. Private subdivisions like Lost Valley of the San Juans and the proximity to town provided additional reasons for concern if a fire started in the area. The Pagosa Ranger District of San Juan National Forest, who manages this land, heard the community's concerns and took action, completing a fuels reduction treatment along Fourmile Road in 2021. Brush and understory vegetation were cleared and masticated along the road, creating a fuel break for effective management of future fires, just like it did for the Plumtaw Fire.

Weather and fuel conditions also contributed to the successful outcome of this event, but "It was exciting to hear about how the hazardous fuels treatment done on Fourmile Road last year offered and continues to offer fire crews several options while managing the Plumtaw, especially in relation to protecting important values and resources in that drainage" said Dana Guinn, Director of Forest Programs at Mountain Studies Institute. Dr. Tony Cheng, from Colorado Forest Restoration Institute added, "I love seeing examples where work on the ground that came out of a collaborative process made a difference."





Bringing stakeholders together to work in our forests for over 10 years

MISSION

The SJHFHP develops science-based, collaborative priorities for the sustainable management of forests, watersheds, and essential community resources.

BACKGROUND

Wildfire is part of life in Southwest Colorado. It plays an integral role in forest health and heavily influences ecological community processes. At the same time, wildfire threatens human communities, infrastructure, resources, lives, and economies. Growing populations and past forest management practices have interrupted patterns of periodic fire in the region, while a lack of local wood products industry has made it challenging to use industry as one of many tools available for actively managing forest health. These realities generate ecosystem responses that make our forests more susceptible to disease, insects, and high severity wildfire.

The San Juan Headwaters Forest Health Partnership (Partnership) recognizes that addressing forest health concerns

using a collaborative, science-based approach helps our communities to be resilient in the face of wildfire. In addition to physically protecting our community and enhancing ecosystem function, the work the Partnership prioritizes, plans, and enacts aims to protect key features of natural and engineered watersheds. Our forests host the headwaters of invaluable water resources that serve downstream communities across the southwest. By initiating collaborative approaches and proactive forest management to address wildfire risk, the Partnership builds local management capacity, engages and educates the public, and directly addresses community needs.

OUR APPROACH

PRIORITIZE AND WORK AT A LANDSCAPE-SCALE ACROSS JURISDICTIONAL BOUNDARIES

IMPLEMENT ON-THE-GROUND PROJECTS THAT ADDRESS VALUES AT RISK

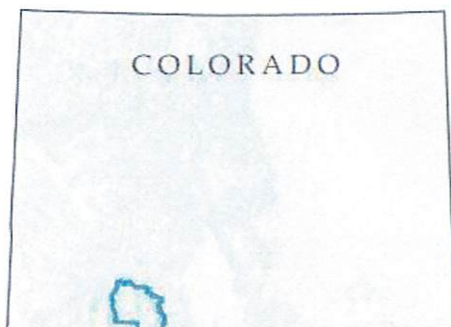
ENHANCE LOCAL FOREST PRODUCTS INDUSTRY

UTILIZE DIVERSE FOREST MANAGEMENT TOOLS WHEN AND WHERE APPROPRIATE

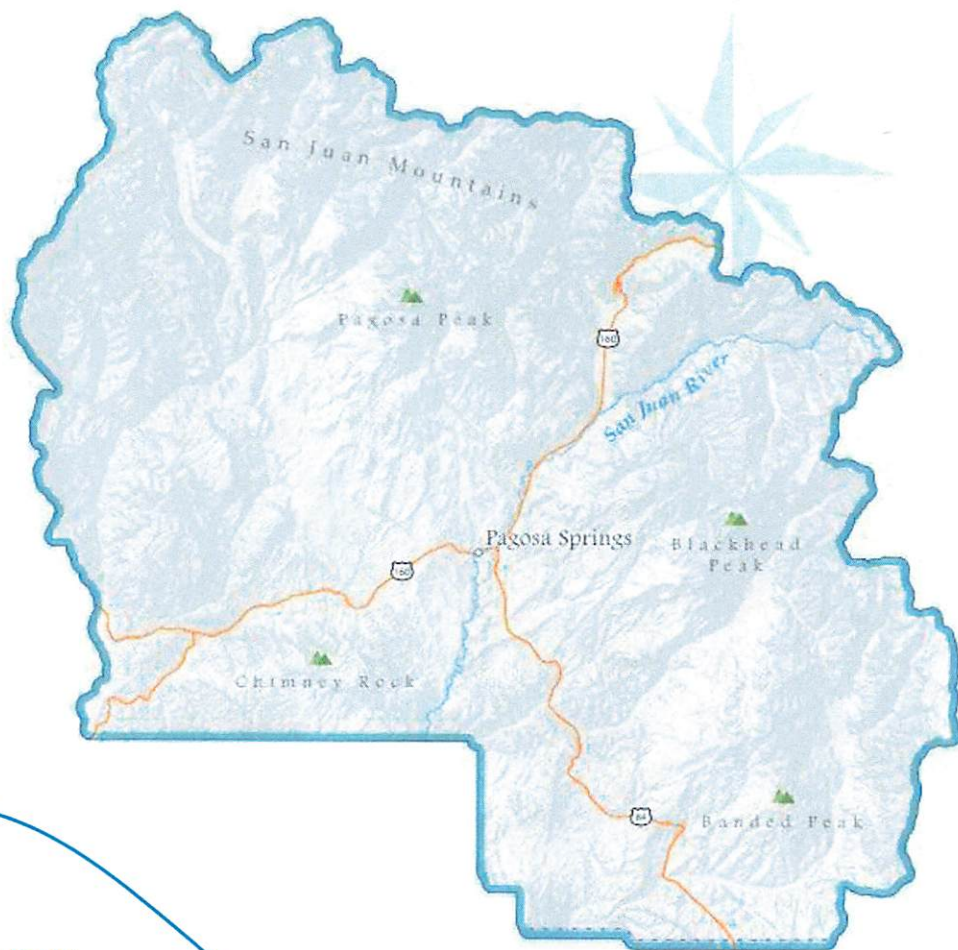
CONSENSUS-BASED DECISION MAKING AND MULTI STAKEHOLDER INPUT

EDUCATE AND INVOLVE THE COMMUNITY













OUR GEOGRAPHY



Government of Canada; Natural Resources Canada; Strategic Policy and Results; Canada Centre for Mapping and Earth Observation



KEY ACCOMPLISHMENTS

-  Secured two 10-year Collaborative Forest Landscape Restoration Program projects (Southwest Colorado and Rio Chama) along with partners
-  Connected with the Pagosa Area Water and Sanitation District (PAWSD) and the USFS to design and complete a hazardous fuels break that supported Plumtaw Fire response operations
-  Built a community science bird monitoring program in partnership with the Weminuche Audubon Society
-  Partnered to complete the first ever TRES (Prescribed Fire Training Exchange) in Region 2 on the San Juan National Forest
-  Secured Joint Chiefs Landscape Restoration Partnership funding to mitigate wildfire risk, protect water sources and improve forest ecosystems
-  Supported defensible space work for low-income housing through CAFA programming
-  Helped promote and secure the Pagosa Area Long Term Stewardship Contract
-  Collaborated with researchers and land managers to design the ASCC longitudinal climate study
-  Partnered with the San Juan Water Conservancy District (SJWCD) and PAWSD to prioritize work to protect community resources
-  Engaged local youth and adult learners in forest health and wildlife monitoring, data collection and reporting
-  Built relationships that enable landscape management planning and coordination across jurisdictional boundaries
-  Partnered with scientists researching forest dynamics at Middle Mountain, in the Piedra Area, and on Jackson Mountain



San Juan Headwaters

FOREST HEALTH PARTNERSHIP

Plumtaw Fire Area Tour

September 30, 2022

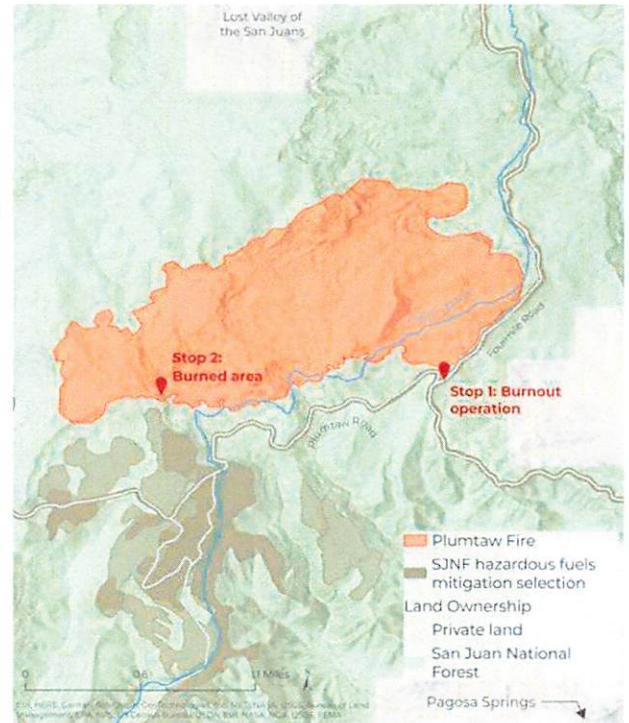
Context

The winter of 2021-2022 was a good snow year, but the spring was exceptionally dry. By the time the Plumtaw Fire started on May 17th, 2022, much of the San Juan Mountains hadn't seen moisture for three weeks, and the whole landscape was in a fire deficit. Due to fuel conditions, the objective was to suppress the Plumtaw Fire. Existing partnerships between the Archuleta County Office of Emergency Management, Pagosa Fire, and the USFS helped respond to the fire and manage it from multiple angles.

The ignition source remains unknown, but a natural start is unlikely. Engines and air resources were assigned quickly because of the fire's potential to spread and the minimal hold locations beyond the Fourmile Road. The fire burned 721 acres in Ponderosa Pine, mixed conifer, and aspen stands. Gambel Oak exists in the understory but was mostly dormant at the time of the fire. White Fir acted as a ladder fuel and the fire quickly became a crown fire that was driven by prevailing westerly winds.

Tour Stop 1: Management and Infrastructure

The Fourmile area was identified as a Potential Operational Delineation (POD) because of natural and man-made holding features that can be used to manage fires. Since 2009, the SJHFHP has identified the Fourmile Watershed as a priority area for forest management and treatment. In 2021, after a SJHFHP tour in the Fourmile Drainage with partners at the Pagosa Area Water and Sanitation District (PAWSD), the SJNF completed a fuels reduction treatment along the Fourmile Road. This strategic treatment created decision space for fire managers during the Plumtaw fire; a burnout operation from the Fourmile Road played an important role in fire management. Additional forest management work, conducted via the Joint Chiefs program in the area south and southwest of the fire, could have provided more options for management if the fire moved in that direction. The recent and layered history of strategic forest management in this area increased the decision space for fire managers.



Tour participants gather for discussion. Photo: Alec McKeand

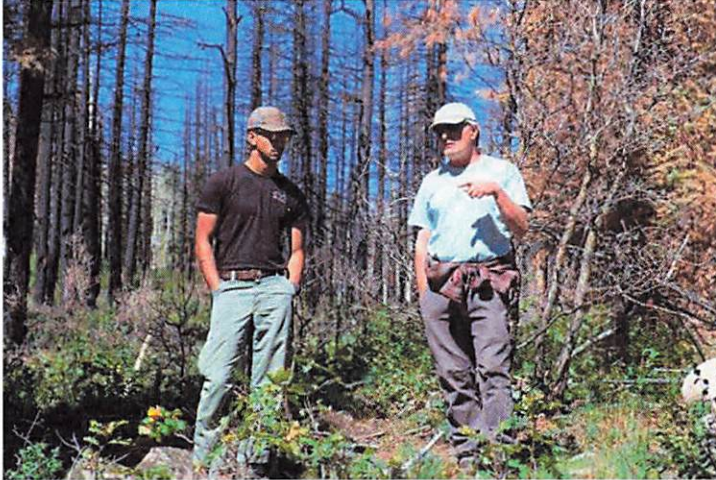
Although previous management contributed to the outcome of the Plumtaw Fire, weather was the ultimate decision maker. Beginning on the evening of May 17th, clouds and increased relative humidity presented operational advantages. Had fire weather been more extreme, the Plumtaw fire could have been a long-lasting event.

Significant values at risk in this area include Fourmile diversion, which delivers water to Stevens and Hatcher Reservoirs via the Dutton pipeline. Although PAWSD diversifies their water sources, this diversion typically provides 2/3 of Pagosa's municipal water. The Lost Valley of the San Juans subdivision sits just north of the fire area and was also a primary focus of operational protections. In addition to creating operational decision space, pre-planning for post fire impacts on watersheds including debris flows and changes in water chemistry is critically important.



San Juan Headwaters

FOREST HEALTH PARTNERSHIP

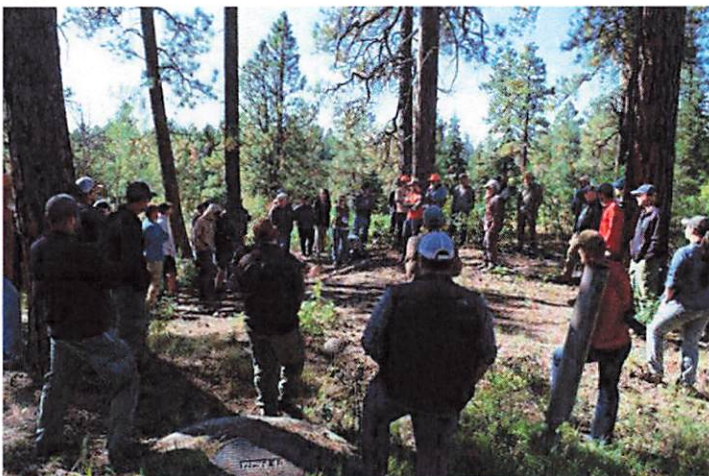


Partners discuss forest and fire ecology at tour stop 2. Photo: Alec McKeand.

Tour Stop 2: Forest and Fire Ecology

Historically, fires burn every 7-15 years in Ponderosa Pine forests, and every 20-50 years in mixed-conifer forests, including Aspen, Douglas Fir and shrubs. After decades of fire exclusion across this landscape, fire is long overdue in this area and in other areas of the same forest type. Because of the fuel conditions and the proximity to homes and critical community infrastructure, the Plumtaw Fire was suppressed. In places like this, where uncharacteristically large and hot fires threaten values at risk, active forest management using a variety of tools can allow for more decision space when fires eventually ignite, and improve fire outcomes.

The Plumtaw fire unfolded as a mixed severity burn typical of mixed-conifer forest types. Fire, along with other mechanisms, is an important landscape management tool in fire adapted ecosystems. Similarly, these tools must be applied across jurisdictional boundaries in key locations for communities and ecosystems to realize the potential benefits of landscape management.



Partners discuss management at tour stop 1. Photo by Alec McKeand.

VALUES

- CRITICAL WATER INFRASTRUCTURE AND RESOURCES
 - FOURMILE DIVERISON
- NEIGHBORING SUBDIVISIONS
- SECONDARY FINANCIAL IMPACTS

FUTURE OPPORTUNITIES

- SUPPORT WORK ON PRIVATE LAND
- IDENTIFY CROSS-BOUNDARY OPPORTUNITIES USING MAPPING EXERCISES
- REPLICATE FUELS TREATMENTS IN SIMILAR KEY LOCATIONS
- MANAGE IGNITIONS IN LANDSCAPES WITH FIRE DEFICITS
- LEARN ABOUT THE EFFECTS OF MIXED SEVERITY FIRE, MIMIC WITH TIMBER AND ECOLOGICAL RESTORATION ACTIVITIES

Interested in participating in the next SJHFHP tour or meeting? Email Julia to get involved or learn more:
julia@mountainstudies.org



San Juan Headwaters Forest Health Partnership

Bringing stakeholders together to
prioritize, plan, apply, and monitor
work in our forests and watersheds
for over 10 years



The SJHFHP . . .

- Addresses forest and watershed challenges in the San Juan Mountains using the best-available and relevant science
- Builds strong relationships between agencies, our community, industry, and individuals
- Considers landscape dynamics at appropriate scales
- Supports and facilitates collaborative, multi-stakeholder planning and work on the ground
- Identifies values at risk and implements appropriate treatments in those areas with partners

Photograph: Dana Guinn

2022 SJHFHP Activities

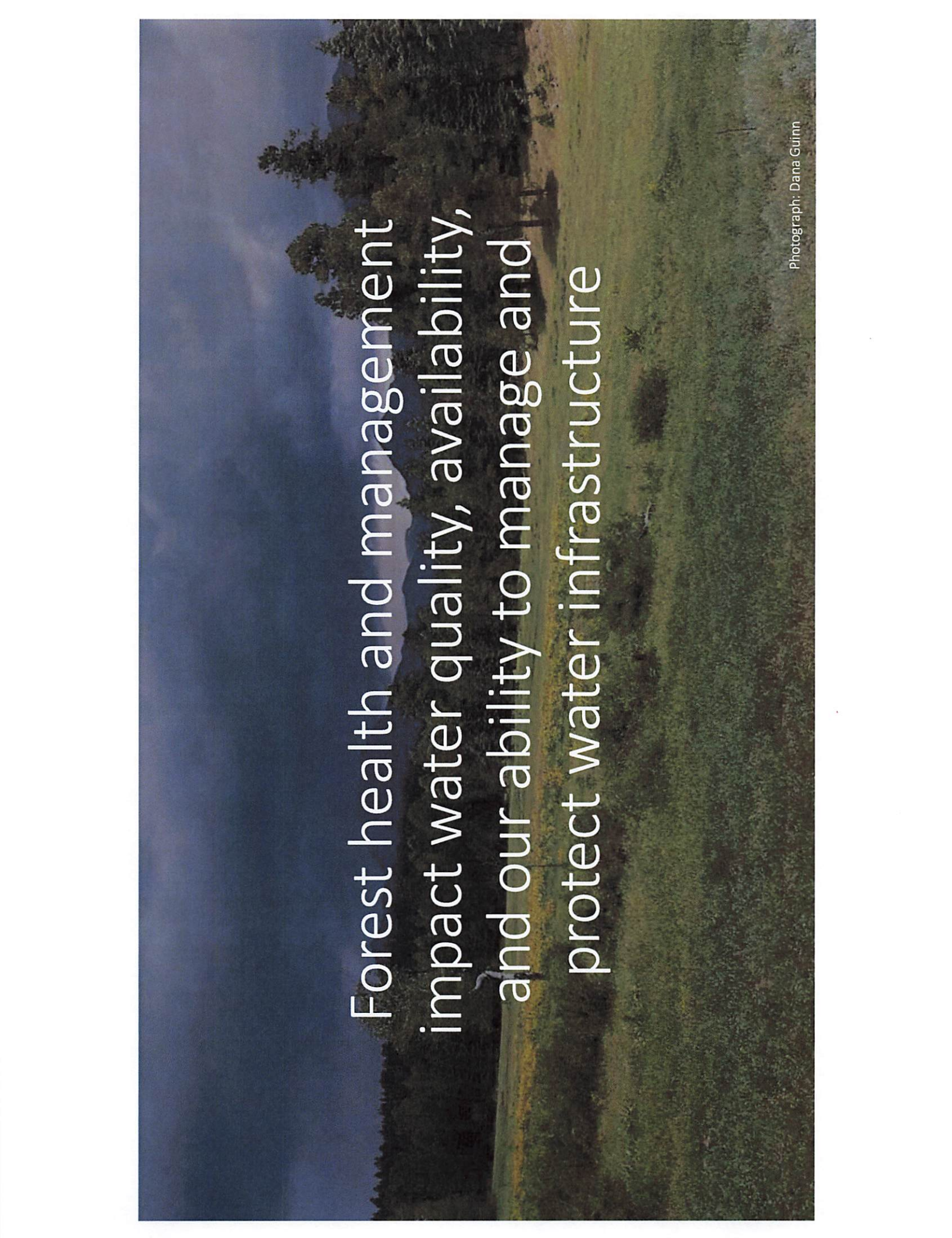


- Monthly meetings
- Plumtaw Fire Tour
- Documentary film development about community forestry
- Forest and Fire Learning Series
- Weminuche Audubon Bird Monitoring
- Highlighted and elevated stakeholder perspectives on Jackson Mountain Management and created a Jackson Mountain Virtual Tour
- Snowtopography network expansion proposal and planning
- Engaged with local, state, and regional officials about forest management resources and policy
- Improved public outreach through updates to the SJHFHP website and newsletter
- Inclusion of local concerns, challenges, and interests in the 2-3-2 Cohesive Strategy Partnership, Rio Chama CFLRP and Southwest CO CFLRP

Photographs: Dana Guinn

Who we work with



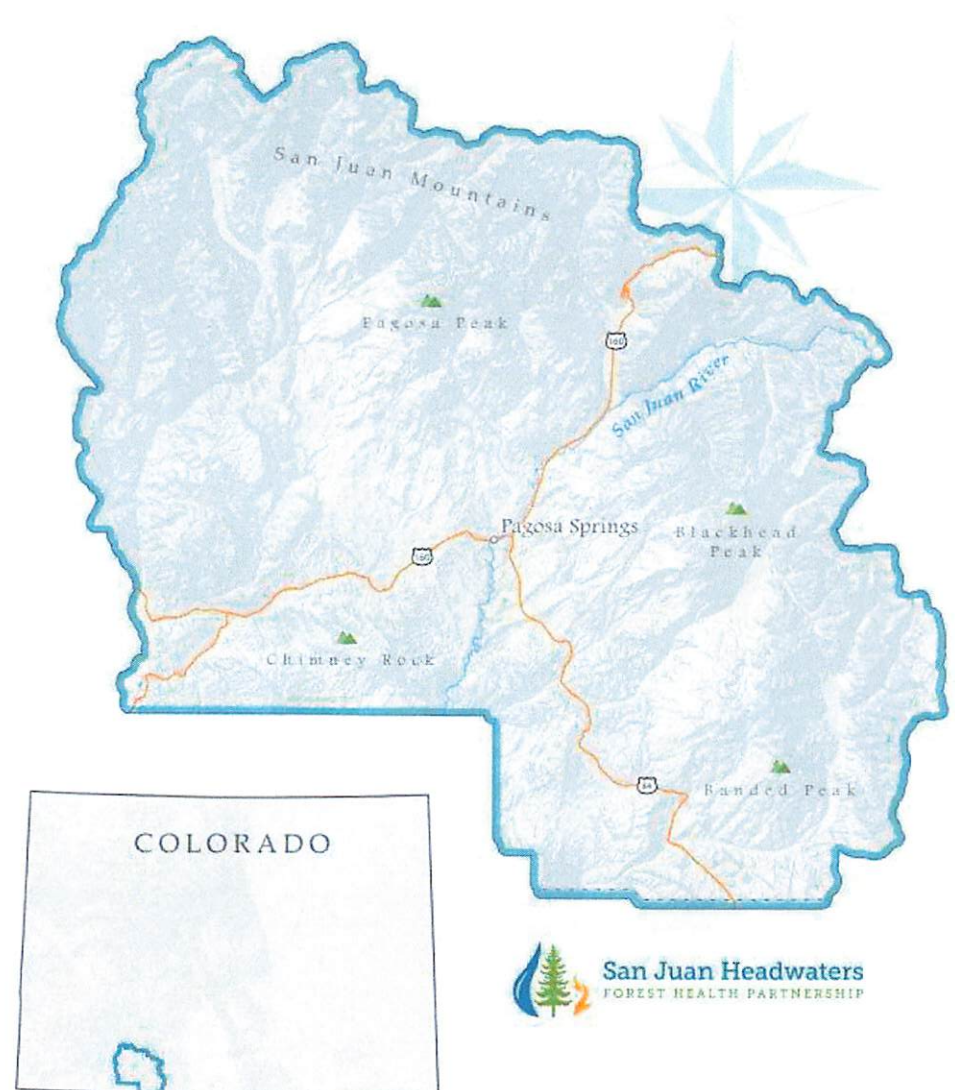
A landscape photograph showing a wide, green grassy field in the foreground. In the middle ground, there is a dense line of trees, including several tall, thin evergreens. The background features a range of mountains under a sky with soft, grey clouds. The overall scene is a natural, rural setting.

Forest health and management
impact water quality, availability,
and our ability to manage and
protect water infrastructure

Photograph: Dana Guinn

The SJHFHP considers natural and engineered watersheds when planning and prioritizing work

- We acknowledge values at risk, and work to mitigate that risk to critical water infrastructure
- We're incorporating feedback, mobilizing partners, and completing work on the ground across boundaries



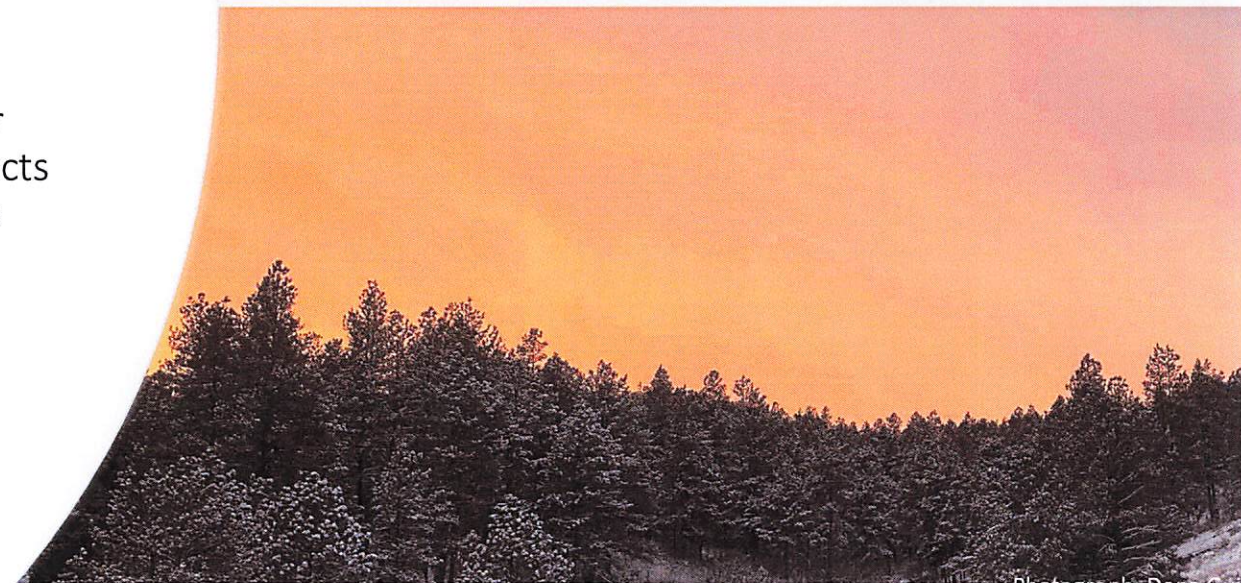
Actions that protect watersheds, water delivery infrastructure, and help ensure quality water supply

Disturbances including wildfire, insects, disease, and more can impact natural and engineered water delivery systems and infrastructure

The SJHFHP prioritizes protection of water resources by designing and pursuing projects that reduce potential disturbance impacts and mitigation costs while improving the resiliency of these systems



Photograph: Priscilla Sherman



Photograph: Priscilla Sherman



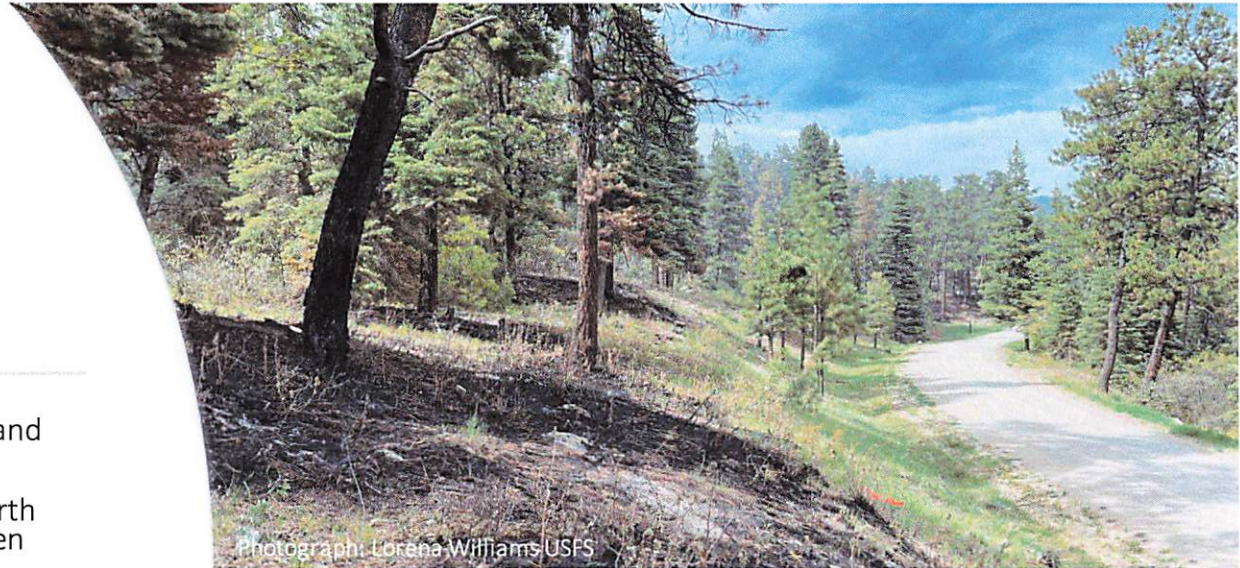
Thinning and Mastication work in the Four Mile Drainage

- Treatment increases accessibility for pre-fire maintenance and post-fire repair
- Prioritized and completed as a direct result of a tour with PAWSD personnel
- Continued clean water access for the community
- Ongoing monitoring helps us understand effectiveness of treatments



Plumtaw Fire: the event

- 2022 was a dry spring with low RH, fuel moisture and an ongoing fire deficit across Southwest Colorado
- The Plumtaw Fire started on May 17th, 7 miles north of Pagosa Springs and quickly became a wind driven crown fire
 - PAWSD Infrastructure in this drainage
- Heavy initial attack
- Fire started within a potential operational delineation (POD), a unit used to contain fire using natural and artificial landscape features
 - **Eastern POD boundary: the Fourmile road, where Headwaters planned and completed thinning and mastication work in 2021!**
 - Used this eastern POD boundary as a control line, conducted backburn operations
 - Prior management and fuel break increased safety and decision space



Photograph: Lorena Williams USFS



Photograph: Dana Guinn

Plumtaw Fire Lessons Learned:

- Fire events are complex! Weather, fuel conditions, forest treatment, previous management, climate, and people all play a role in fire behavior and outcomes
- Needs and values of communities can be considered alongside forest ecosystem dynamics
- Pre-planning and managing for anticipated fire can increase decision space during a forest disturbance event, and create opportunities for more desirable post fire outcomes
- The mixed conifer and ponderosa pine forests that make up our watershed are fire adapted



Photograph: Alec McKeand

Local investment amplifies local voice, and attracts additional funding

From the Southwest Colorado CFLRP:

- “Major reservoirs and water infrastructure lie within the Focus Area that are vital to both local communities and downstream users”
- “Watershed and forest conditions are inextricably linked across the focus area ... facilitating a shift towards desired conditions through forest restoration will impact water quality effects and improve watershed-scale resilience.”

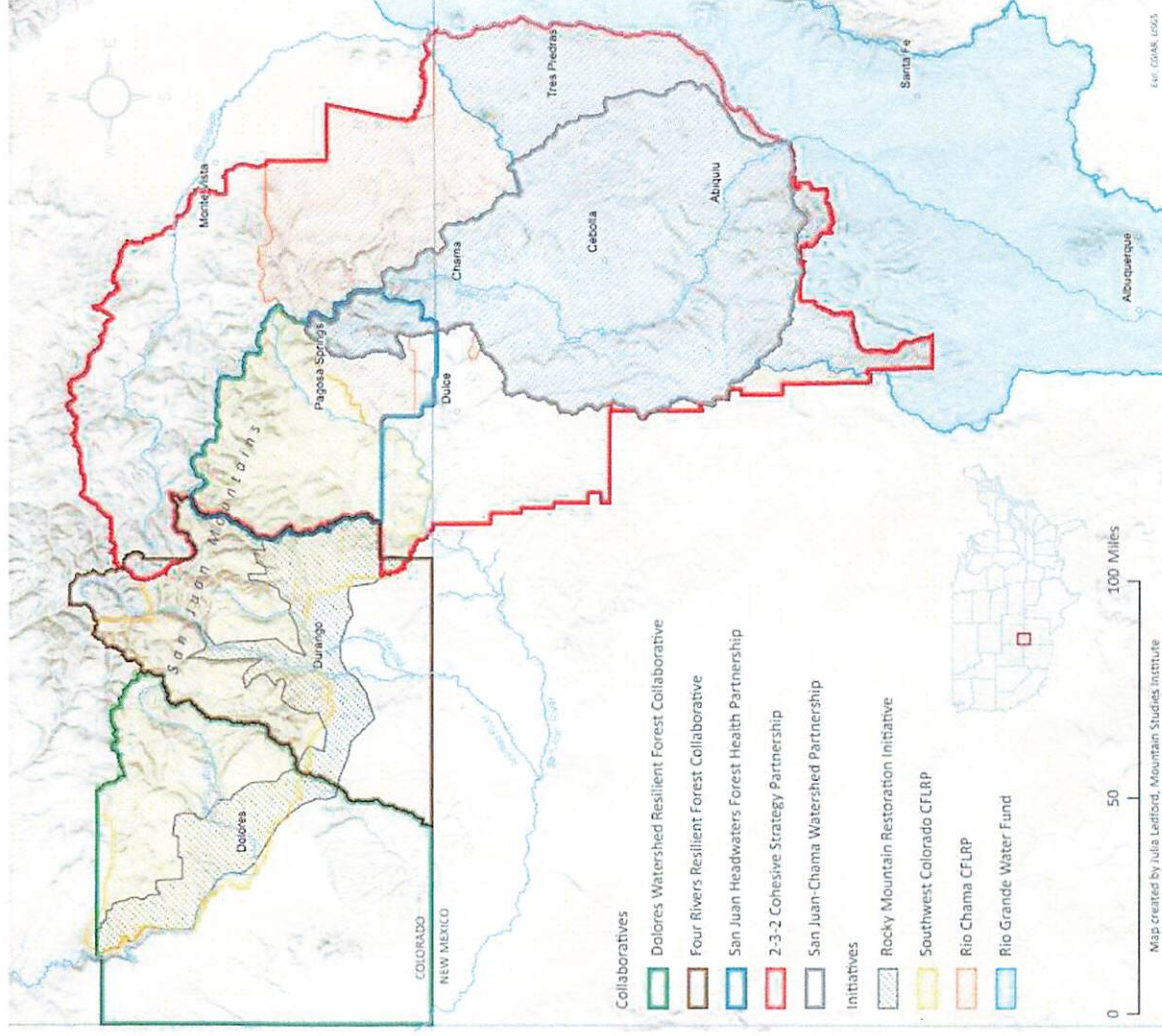
From the Rio Chama CFLRP:

- “Project area contains the headwaters of the Chama, Rio Grande, and San Juan Rivers, critical drainages that supply the life blood of the arid Southwest.”
- “Watershed function is expected to be greatly improved by proposed treatments as restoration activities will improve forest watershed conditions and riparian systems. Watersheds will be less susceptible to large, high-intensity wildfires causing severe floods and mass movement of soil and ash into stream channels.”



Photograph: Dana Gunn

Collaboratives are key to implementation



Our continued working partnership with PAWSD is valuable to us and to the community!

With your support the SJHFHP will continue to facilitate conversations about resilient communities, healthy forests, healthy watersheds and well maintained, accessible water infrastructure.

In 2023, we plan to:

- Explore the impacts of forest management activities on snowpack through snowtopography
- Plan and host a panel about the impacts of forest management on local water quality and quantity
- Host a community event about shared forest stewardship responsibility
- Increase community awareness through intensified communication efforts (newsletter, paper, partnerships)
- Partner to complete private lands treatments in priority locations

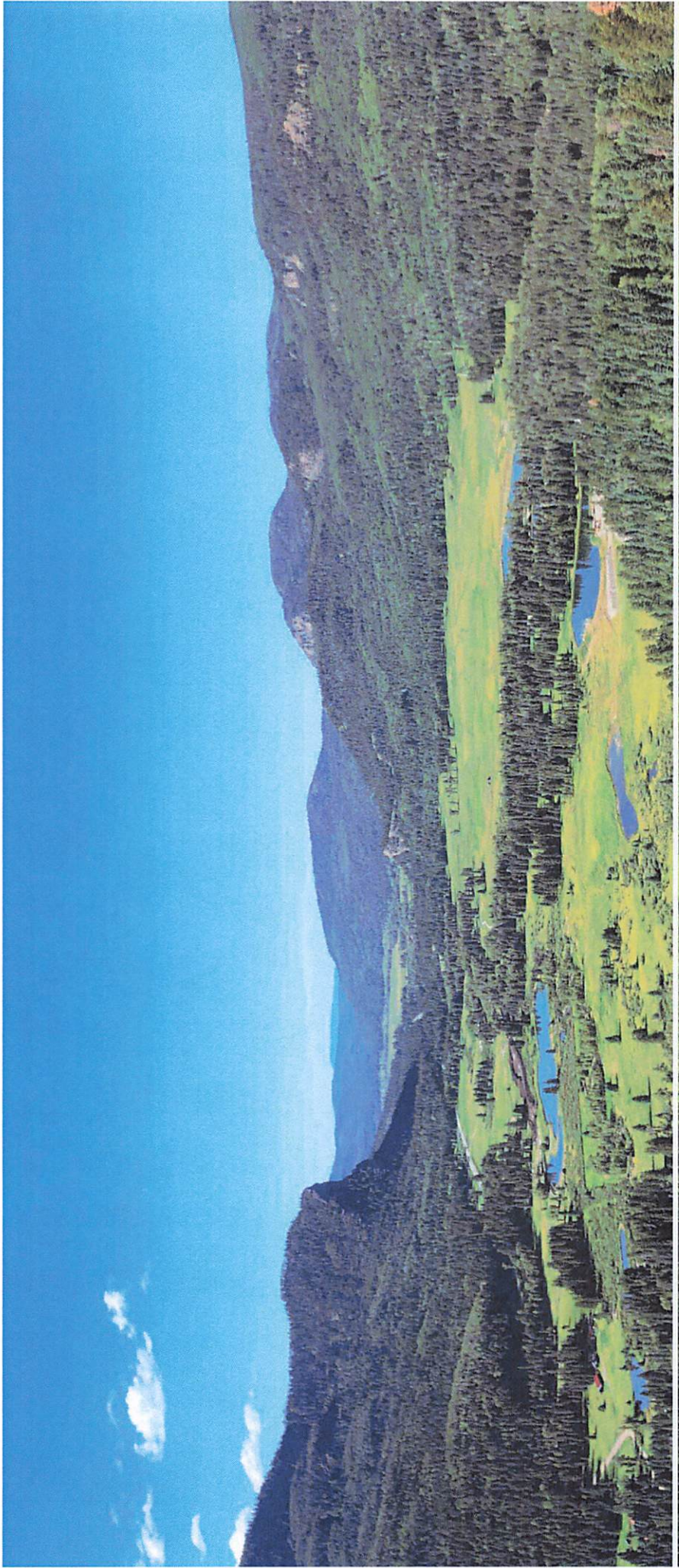


Photograph: Dana Guinn

The SJHFHP welcomes voices new and old in its mission to inform and carry out best forest management practices.

- Meetings the **third Friday** of every month from 9 – 11am
 - Tour and education opportunities
 - Community partnerships
- Science driven land management projects and monitoring activities
 - Check out sanjuanheadwaters.org
 - Sign up to receive our bi-monthly newsletter
 - Contact Dana Guinn: dana@mountainstudies.org





Thank You



Photograph: Alex Handloff

Rapid Lesson Sharing

Event Type: Fire Management Planning/Strategies
Date: May 2022
Location: Plumtaw Fire, San Juan National Forest Colorado

Plumtaw Fire Use of Potential Operational Delineations and Risk Management Assistance Products

The Plumtaw Fire was ignited May 17, 2022 on the San Juan National Forest, Pagosa Ranger District, by suspected human activities. It grew rapidly on its first day to more than 400 acres and continued growing for the next three days.

This was a very undesirable ignition due to: its cause, its location adjacent to a critical watershed and the water supply intake for the town of Pagosa Springs, Colorado, as well as an adjacent subdivision.

In addition, like much of the southwest, this area is in a prolonged drought. Fire danger metrics were nearing all-time highs. There was a very high potential for the Plumtaw Fire to be a long-duration incident.

A heavy Initial Attack (IA) response was assigned, including multiple large air tankers, type one helicopters, and numerous ground resources, including dozers, crews, and engines. The fire ignited within a pre-identified Potential Operational Delineation (POD) developed by staff and



Figure 1 – Smoke column during IA of the Plumtaw Fire on May 17 at 1538 hours. Photo taken by Air Attack.

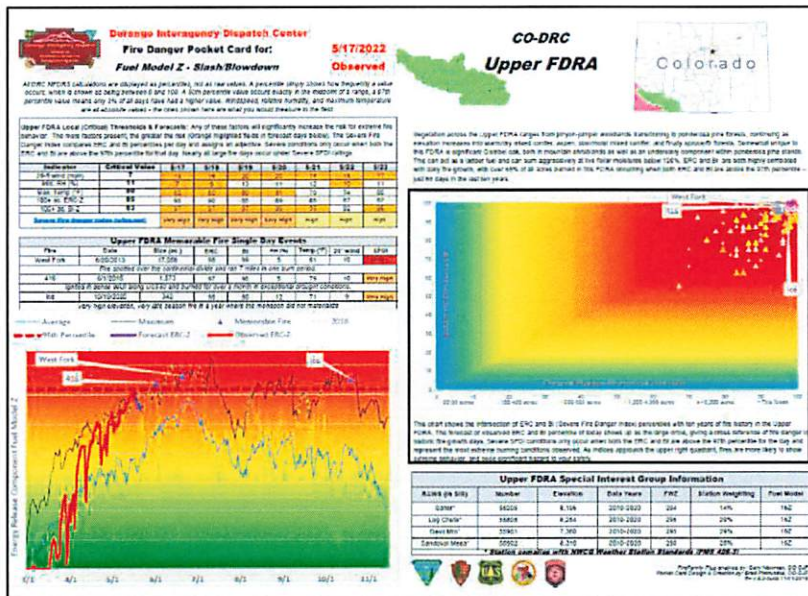


Figure 2 – Observed Pocket Card data for May 17 that shows ERC-Z reaching critical levels for the day and seasonal severity of 2022 compared to 2010-2020.

cooperators on and adjacent to the San Juan National Forest in 2019. (PODs are fire management and planning units whose boundaries are defined by potential control features—such as roads and natural barriers—within which fire risk to values can be quantified and summarized.)

Both the incoming Type 3 Incident Commander (ICT3) and the Type 3 Operations Section Chief (OPS3) went to the fire on the evening of May 17 to interface with the ICT4 and his Operations Chief. While IA response was heavy, fire activity still outpaced the ability of resources to contain it with direct tactics. When they arrived, work was heavily focused on the fire’s heel, establishing an anchor, and scouting for continued direct attack options.

Through the understanding of the locally developed PODs, incoming overhead developed a plan that was developed to bring fire from the head down to the POD boundary at night to establish a more secure anchor and limit the threat the next day of fire spotting across the Fourmile Creek Road, which forms the eastern boundary of the POD in question.

Those on scene took advantage of the conditions as night fell. With substantially lower winds, they believed that this plan presented the best opportunity for success in the coming days.

Additionally, a roadside fuel break was completed along the POD line in 2021 which greatly aided in firing and increased comfort with the firing operation. A local Long Term Fire Analyst (LTAN) worked to get a new Potential Control Line (PCL) for 2022 posted to enable the IMT3 to begin to plan farther out, if needed.

The LTAN then developed incident-specific fire behavior models which were overlaid with the PCL to identify future containment opportunities.

No good options existed until Highway 160, about 10 miles east in a POD that would result in a long-duration incident with exceptional smoke impacts to the town of Pagosa Springs—until the monsoonal onset which, in that area, would have been at least 45 days distant.

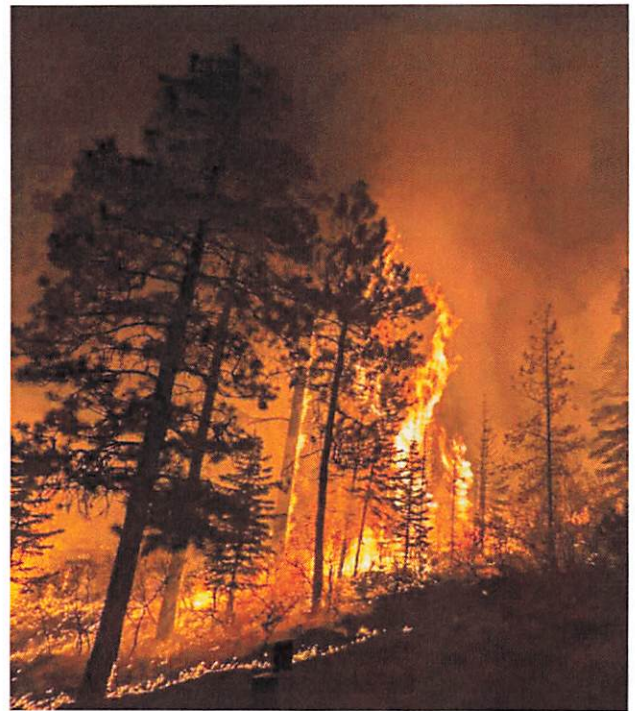


Figure 3 – Active fire behavior during backfiring operations the night of May 17.

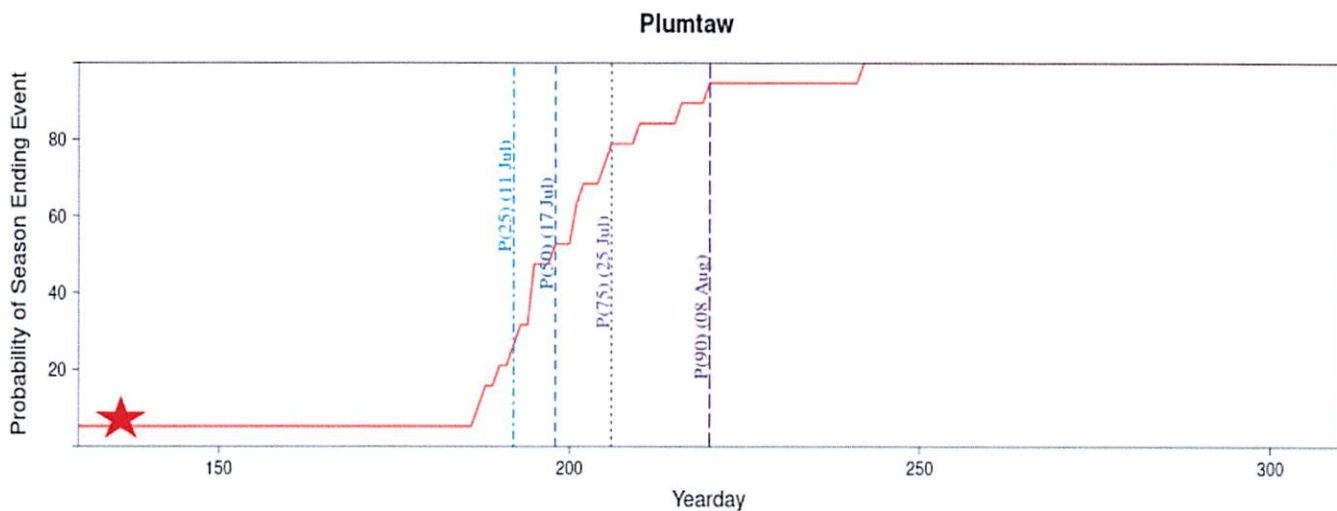


Figure 4 – Fire slowing/stopping event file of the area around the Plumtaw Fire, indicative of sustained monsoonal moisture. Odds begin increasing in early-July, which was a little over 50 days from the ignition of the Plumtaw Fire, indicating that if suppression actions failed the likelihood for a long-duration incident was high when viewed side by side with current indices.

Star indicates the Plumtaw Fire ignition date.

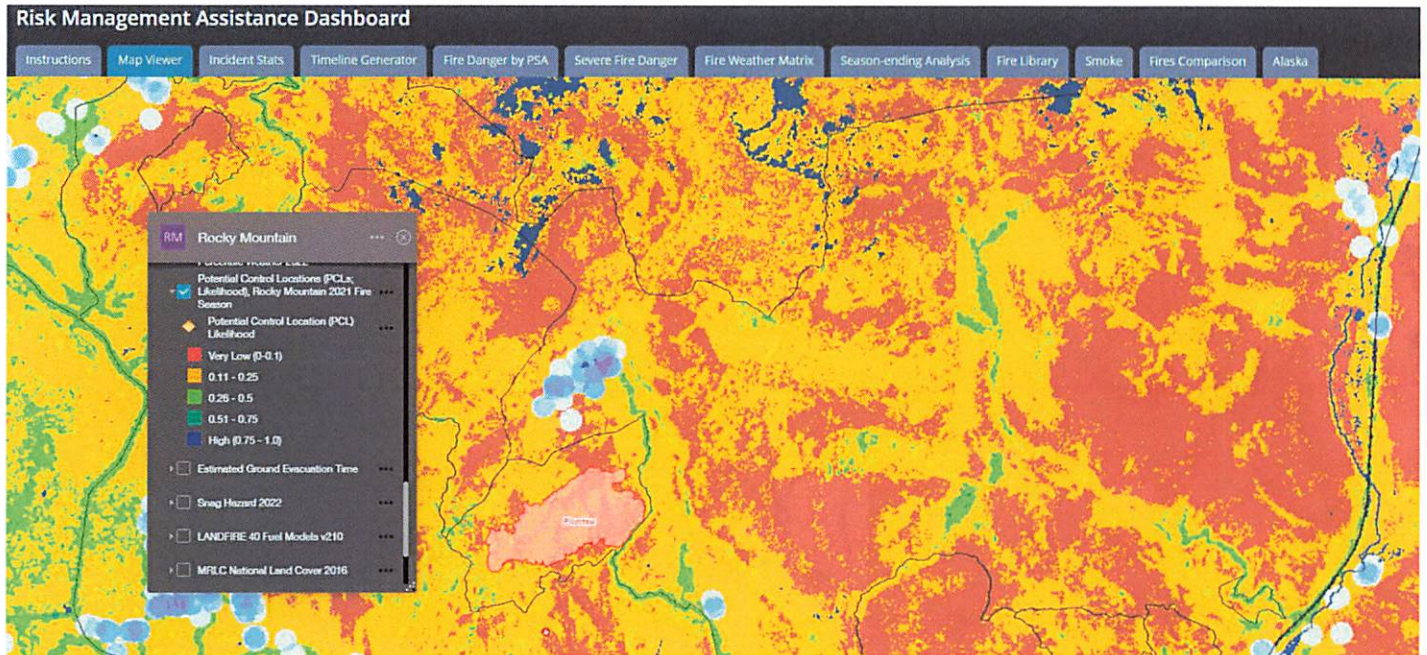


Figure 5 – The Risk Management Assistance (RMA) Dashboard was used early in the incident to evaluate POD lines against Potential Control Location Likelihood. While the western portion of the POD is highlighted within a relatively high area of the Potential Control Line (PCL), the northern perimeter was located in a low likelihood area. This information was used to inform tactics on the northern perimeter, including extending with direct lines from the heel (west) to the head (east). Few areas of high potential control exist within the adjacent POD to the east, illustrating the priority placed along the Fourmile Road.

POD lines are in black; PCL legend shown; purple circles are Housing Unit Density.

The completed firing operation provided a solid anchor point to begin working back toward the heel and allow further scouting at the most critical point of the fire. The burnout resulted in a few spot fires which were detected and suppressed the next morning, none of which was larger than one-tenth of an acre. Despite an expressed intent to field resources to continue to use the POD edge as the containment feature, not everyone fully understood what tactics fit with the overall strategy.

On Division D a combination of handline and dozer line was used to complete control features rather than the existing POD edge. There was nothing unsafe about this operation. It met the intent to keep fire within the POD—it just wasn't in line with the strategic risk management effort of sticking to pre-identified features for control.

This did provide an opportunity to have in-depth conversations with the DIVS (who are typically Task Force Leader [TFLD] on Type 3 incidents) about the value of using pre-existing and pre-identified features to suppress fire. The ICT3 and OPS3 were able to use this example and others as teachable moments to discuss concepts such as opportunity costs, risk management at multiple levels, and the value of analytics in initial and extended response.

The Plumtaw Fire transitioned to a Complex Incident Management Team (CIMT) the morning of May 20. The team was briefed to the local PODs and the difficulty of fire establishing in the adjacent POD. They expanded this POD network at the incident scale to the east, working with Strategic Operations and Strategic Risk Assessment coaches.

The CIMT built upon the work of the IMT3 to improve their odds of protecting critical values at risk adjacent to the POD, including a small subdivision and a critical watershed and water supply intake to the town of Pagosa Springs.

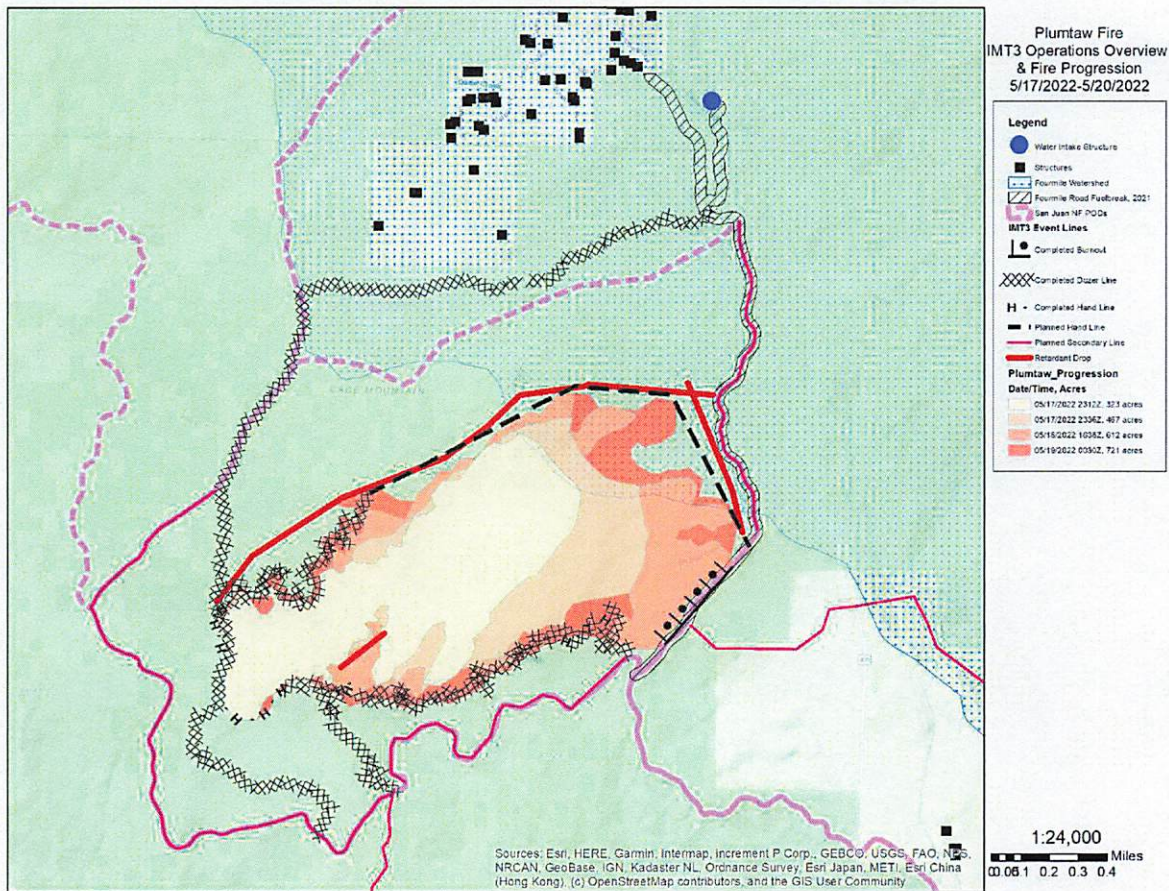


Figure 6 – Plumtaw Fire Progression and Operations Overview through May 19 during IMT3. Many areas of the POD (purple dashed line) were coincident with projected high Potential Control Line (PCL), further improved by the completion of a fuel break along Fourmile Road in 2021 (crosshatched black). The northern boundary of the POD was not viewed as favorable by operations personnel, necessitating construction of control lines to the north off of POD boundaries but along more favorable terrain. Fire progression between May 17-18 on the fire's far eastern perimeter was the result of burnout operations to anchor the head of the fire to the POD boundary on Fourmile Road. Retardant usage was prioritized on the northern perimeter where few viable control opportunities existed outside of direct tactics.

The PODs concept is still new to some resources, and framing intent around this idea had its challenges, but was well worth the investment spent before the fire as well as during incident management. Speaking to PODs at cooperators' meetings allowed the ICT3 to rapidly establish strategic direction to a diverse group of stakeholders and rapidly create buy-in to this strategy.

The Public Information Officers were able to develop messages around how resources were suppressing the fire rapidly with little input needed by the IC. In addition, the public can quickly grasp the intent of the suppression response when framed around PODs located at the areas of highest potential control likelihood. On transition to CIMT2, cooperator and public relationships were robust. This is likely a direct outcome of the IMT3's use of PODs during initial and extended response to the Plumtaw Fire.

This outcome was a combination of preparedness and luck. While we acknowledge the role of luck, we also work to improve the odds of achieving incident objectives by investing in pre-planned tools such as PODs. We have witnessed their value at all levels of incident response.

Lesson

Use PODs to Create an Easily Accessible Common Operating Picture

PODs and tools on the [Risk Management Assistance Dashboard](#) can improve response strategies and cooperative relationships by providing a common operating picture at the strategic level that is easily interpretable and shareable.

The Plumtaw Fire can now demonstrate the value of application of these tools and concepts at the incident level so that they can be further adopted by the field.

This RLS was submitted by:

**Brad Pietruszka
Fire Management Specialist,
Rocky Mountain Research Station**

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Click this button:

[Share
Your Lessons](#)

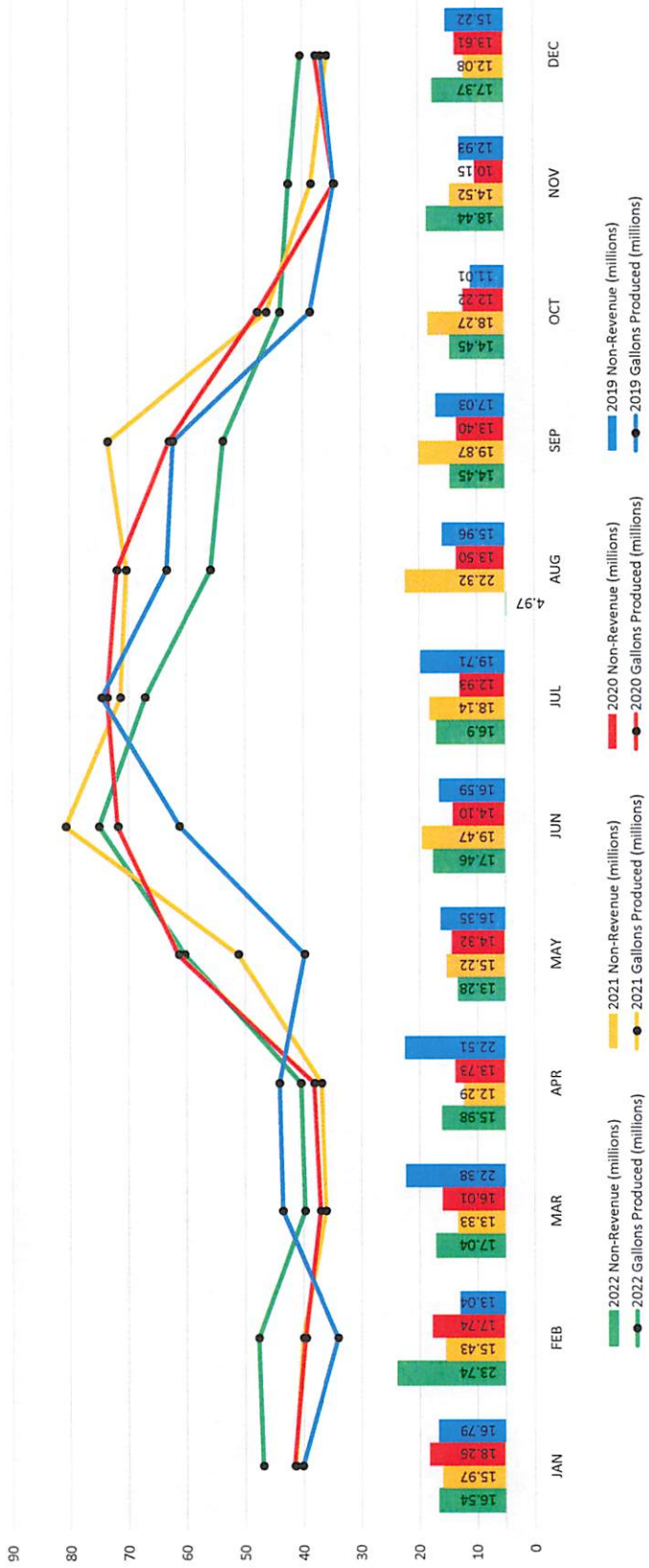
Monthly Water Loss Report

Pagosa Area Water and Sanitation District

For the Month of: December Year: 2022

Water Produced this month:	40.320	million gallons
A: Total Water Produced =	40.320	million gallons
Sold: Metered and Billed Use	22.947	million gallons
Water Tanker Sales (Metered in 2014)	0.000	
Total Sold =	22.947	million gallons
B: Difference: Produced - Sold =	17.373	million gallons
% Difference =	43	% Unbilled
 Gallons of Water Accounted For:		
Breaks (Estimated Total)	0.086	million gallons
Hydrant Flushing (PAWSD & PFPD)	1.001	million gallons
Storage Tank Overflow	0.000	million gallons
Net Computer Adjustment + / -	0.000	million gallons
Meter Change Outs	0.000	million gallons
C: Total Gallons Accounted For =	1.087	million gallons
Loss: Unaccounted-for Water: (B-C) =	16.286	million gallons
% Loss: Unaccounted-for Water: (B-C)/A % =	40	% Unaccounted
 12 Month Running Percentage Total Un-Billed	 31.1%	
	31	days in month
 Non- Revenue Gallons / Day Loss =	 560,419	 gallons/day
Non- Revenue Gallons / Minute Loss =	389	gallons/min.
Adjusted Non- Revenue Gallons / Minute Loss =	365	gallons/min.

PAWSD Water Produced/Non-Revenue Water (in Million Gallons)



Month	2019 Non-Revenue (millions)	2019 Gallons Produced (millions)	2020 Non-Revenue (millions)	2020 Gallons Produced (millions)	2021 Non-Revenue (millions)	2021 Gallons Produced (millions)	2022 Non-Revenue (millions)	2022 Gallons Produced (millions)
JAN	16.54	15.97	18.26	15.97	16.79	15.97	16.79	15.97
FEB	13.04	17.74	17.74	17.74	13.04	17.74	13.04	17.74
MAR	17.04	13.33	16.01	13.33	22.38	13.33	22.38	13.33
APR	15.98	12.29	12.29	12.29	22.51	12.29	22.51	12.29
MAY	13.28	15.22	14.32	15.22	16.35	15.22	16.35	15.22
JUN	17.46	19.47	14.10	19.47	16.59	14.10	16.59	14.10
JUL	16.9	18.14	12.93	18.14	19.71	12.93	19.71	12.93
AUG	22.32	13.50	13.50	13.50	15.96	13.50	15.96	13.50
SEP	14.45	19.87	13.40	19.87	17.03	13.40	17.03	13.40
OCT	14.45	18.27	12.22	18.27	11.01	12.22	11.01	12.22
NOV	18.44	14.52	10.15	14.52	12.98	10.15	12.98	10.15
DEC	17.37	12.08	13.61	12.08	15.22	13.61	15.22	13.61