

**MINUTES OF THE BOARD OF DIRECTORS
COLORADO CENTRE METROPOLITAN DISTRICT
REGULAR MEETING**

Thursday, October 25, 2007 at 5:00 PM
4770 Horizonview Drive
Colorado Springs, CO 80925

Board Members Present:

Michael Cantin	President, Chairman
Floyd Edwards	Treasurer
Frank Ingraldi	Vice President, Vice Chairman
Shawn Eccles	Secretary
Michael Terry	Assistant Secretary/Treasurer

Also Present:

Dr. Alvaro Testa, Paul Anderson, Cynthia Monroe, Sandy Goad

I. Preliminary

- A. Call to Order
Director Cantin called the meeting to order at approximately 5:02 pm.
- B. Roll Call - Determination of a Quorum.
A Quorum was present.
- C. Acknowledgment, Notice and Consent to Regular Meeting-Entered with the minutes.

II. General Business Items

- A. Approval of the Minutes of the Regular Meeting of September 27, 2007-Directors.

A motion was made and seconded to approve the Minutes of the Regular Meeting of September 27, 2007. Upon a voice vote, the motion passed unanimously.

- Request to Change Format of minutes to a recorded version plus written minutes only showing Board directives, motions and resolutions. – Al

A motion was made and seconded to approve the Request to Change Format of minutes to a recorded version plus written minutes only showing Board directives, motions and resolutions for a three month trial period. Upon a voice vote, the motion passed unanimously.

D. Legal Report – Paul

- Cuchares District and Development

Steve Meylan submitted a check for \$22,000 in exchange for a delay in the payment of the sewer tap fees owed by Cuchares Ranch to CCMD. Other matters discussed were the Election for the creation of the Cuchares Ranch Metropolitan District and the Cuchares Water Case.

- Regional Sewer Plant Court Case – Settlement Agreement

A Settlement Agreement has been reached between CCMD and the City of Colorado Springs, Colorado by and through Colorado Springs Utilities.

A motion was made and seconded to approve the Settlement Agreement between Colorado Centre Metropolitan District, the City of Colorado Springs, Colorado, by and through Colorado Springs Utilities, an enterprise of the City. Upon a voice vote, the motion passed unanimously.

The 208 Plan amendment hearing will take place November 13, 2007 in Breckenridge, Colorado before the Colorado Water Quality Control Commission.

- Jimmy Camp Creek Park Site Matter

This matter is still on hold with no substantive action being taken.

- Fire Protection IGA w/CSFD

There will be a meeting on Friday, November 2, 2007, at the Colorado Springs Fire Department regarding the second IGA.

B. Review of District Finances - Cindy

- Bank Balances

Cindy Monroe gave the report on bank balances at this time. Ms. Monroe reported that as of October 22, 2007 the District has \$2,155,260.41 in funds with \$1,999,700.24 unencumbered. The ColoTrust operational funds interest dropped from 4.8 percent to 4.76 percent and all other ColoTrust funds dropped from 5.13 percent to 5.07 percent.

- Budget Review

For September, 2007 tax revenues are at 93% and most of the other revenues are at or below budget. YTD the General Fund has approximately \$269,366.

Ms. Monroe further reported that the Reserve Fund earned interest of approximately \$5,444 closing at \$714,581. The Debt Service Fund had revenues of \$3,103 and expenses of \$44.00 and YTD has a deficit balance of -\$6,749. The Governmental Fund Enterprises are IGA Lorson, IGA Rolling Hills and IGA Cuchares. Expenses for IGA Lorson were \$21,469 leaving an ending balance of \$168,769. Expenses for IGA Rolling Hills were \$20,120 leaving an ending balance of \$173,173. The Cuchares District has not been formed as yet so there is no budget activity YTD.

The Water Fund-General had total revenues of \$35,071 and total expenses of \$14,529 leaving an ending YTD balance of \$41,357. The Water Fund-Capital YTD ended at approximately \$179,411.

The Wastewater Fund-General has a surplus balance of \$9,669. The Wastewater Fund-Capital has an YTD ending balance of \$277,145.

C. Approval of Payables - Cindy

The Board reviewed the list of payables.

A motion was made and seconded to approve the current list of payables as presented. Upon a voice vote, the motion passed unanimously.

D. Legal Report – Paul

All categories of the Legal Report were reported on previously in the meeting. Mr. Anderson reported via telephone.

- Cuchares District and Development
- Regional Sewer Plant Court Case – Settlement Agreement
- Jimmy Camp Creek Park Site Matter
- Fire Protection IGA w/CSFD

E. District Operations - Al

- Water and Sewer Operations

Dr. Testa reported that in regards to operations everything is going well. For the month of September, the District produced 8.9 million gallons and sold 8.7 million gallons. The water loss for August was 278,104 gallons which is about 3.0 percent. YTD the District produced/purchased approximately 61.09 million

gallons and sold 61.1 million gallons. The water loss is 1.2 percent for the year which is very minimal. Wastewater pumped was 4.4 million gallons for the month of September and YTD 37.7 million gallons.

- Augmentation Report

Dr. Testa included the augmentation report in the board packets.

- Parks – Al and John Wheeler

Mr. Wheeler and Dr. Testa reported that the open space has been graded and cleaned up and that the District will continue to move ahead with Phase I of Mr. Wheeler's North Park Improvement ideas, subject to funding limitations. (The Board made a motion to approve proceeding ahead at the September, 2007 regular board meeting).

- Community Cleanup

Attendance at the Community Cleanup was down this year, but the cleanup was a success. Next year's cleanup may possibly include community specific projects such as helping with park improvements.

F. Fire Services – Lonnie Inzer

- Staffing and Equipment progress – Lonnie Inzer

A smaller brush truck is needed for areas that the fire engine cannot access.

A motion was made and seconded to approve proceeding with the purchase of a brush truck. Upon a voice vote, the motion passed unanimously.

- Activity Report

Mr. Inzer reported that there have been 15-20 alarms in a six-week period. Our firemen participated in the Lorson Ranch Extreme Makeover in a support capacity. The firemen have been checking and documenting all the district fire hydrants.

- Fire Chief Position – Al

A motion was made and seconded to approve the Fire and Emergency Services Chief Consulting Agreement giving the Consultant, Lonnie Inzer, the title of Fire and Emergency Services Chief. Upon a voice vote, the motion passed unanimously.

Per the agreement, Mr. Inzer shall confer with, advise, provide recommendations and work under the direct oversight to the District Manager, Dr. Al Testa.

G. El Paso County Water Authority – Minutes

Minutes of the September 5, 2007 were provided by Dr. Testa. The Transit Loss Model management agreement is still not finalized.

H. Fountain Mutual Irrigation Company – Minutes

Minutes from FMIC's September 20, 2007 meeting were provided by Dr. Testa. Dredging of Big Johnson reservoir for more storage capability is still a priority.

I. Lower Fountain Metropolitan Sewage Disposal District

- Minutes

Minutes from LFMSDD regular meeting of October 11, 2007, and the regular meeting of September 13, 2007 were provided by Dr. Testa.

- General progress update

The litigation with the City of Colorado Springs and CSU was discussed previously in the meeting under Legal Matters. Director Cantin and District Manager, Dr. Al Testa, have concerns regarding management of the Lower Fountain wastewater plant.

J. Public Hearing for the 2008 Draft Budget of the District

At this time, the 2008 Budget Hearing was opened (7:15 pm) and Dr. Testa presented the 2008 Budget.

A copy of the budget is available at the CCMD offices. The next Budget hearing will be held on Friday, November 16, 2007 and the final budget will be submitted to the County and State before December 15, 2007. The only change is the wastewater use charge which be \$6.00 per thousand gallons (in 2007, the use chare was \$5.50 per thousand gallons.

There was no public input. The Budget Hearing closed at 7:20 pm.

K. Proposed 2007 Budget Amendment Resolution

A resolution of the Colorado Centre Metropolitan District appropriating additional sums of money to defray expense in excess of amount budgeted during fiscal year 2007 (Resolution No. 2007-11-16.1) was presented and discussed by

the District Manager and will be presented for approval at the November 16, 2007 regular board meeting.

L. Appointment of Cindy Monroe as Assistant District Manager

Dr. Testa made comments concerning the benefits of appointing Cindy Monroe as Assistant District Manager.

A motion was made and seconded to approve the promotion of Cindy Monroe to Assistant District Manager. Upon a voice vote, the motion passed unanimously.

M. Public Comments

The two residents in attendance commented that this was a great meeting with beneficial information.

I. Adjournment

A motion was made and seconded to adjourn the regular meeting at approximately 7:35 p.m. Upon a voice vote, the motion passed unanimously.

Respectfully Submitted,

Michael Cantin, President

Shawn Eccles