

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

Thursday, February 26, 2009 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 5:07 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 January 22, 2009 and the Special Meeting of February 11, 2009.

**A motion was made and seconded to approve the Minutes of the Regular Meeting of January 22, 2009 and the Special Meeting of February 11, 2009. Upon a voice vote, the motion passed unanimously.**

- B. Review of District Finances - Cindy

- Bank Balances- Cindy

Cindy Monroe gave the report on bank balances at this time. Ms. Monroe reported that as of February 23, 2009 the district has \$2,293,571.33 in funds with \$2,218,203.58 unencumbered. The ColoTrust rates have dropped to .63%. The First Community CD's are at 2.00%, 2.60% and 2.50%.

A transfer of funds from the First Community Money Market to the general checking account was approved to cover payments to Lorson and Rolling Hills (Fire Liquidation proceeds), CCMD payroll and 02/26/09 payables.

**A motion was made and seconded to approve transfer of funds from the First Community Money Market to the general checking account to cover final Fire Liquidation payments to Lorson and Rolling Hills and payroll expenses. Upon a voice vote, the motion passed unanimously.**

- Period 13<sup>th</sup> 2008 and January 2009 Budget Reviews

Ms. Monroe reported on the budget comparisons for calendar year 2008 period 13 adjustments post 2007 audit. There are still some outstanding expenses which will need to be accrued back. Ms. Monroe also reported on the budget comparison for the month of January, 2009.

- Hearing for Budget Amendment – Resolution 20090226.1

The Public Hearing was opened at 5:20 p.m. Dr. Testa explained that a resolution needs to be approved which will allow CCMD to “zero” out the books/business of the CCMD Fire Department. The Fiscal Year 2009 budget and appropriation for each of the Lorson Ranch and Rolling Hills Enterprise Funds needs to be increased by \$66,000 each for the purpose of paying out the liquidation proceeds received by the District.

The Public Hearing was closed at 5:23 p.m. and the Regular Meeting resumed.

**A motion was made and seconded to approve Resolution 2009-02-26.1 amending the Lorson and Rolling Hills Enterprise Funds budget and appropriating the additional sums of money to defray expenses in excess of amounts budgeted for Fiscal Year 2009. Upon a voice vote, the motion passed unanimously.**

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 written. Upon a voice vote, the motion passed unanimously.**

D. District Operations

- Water and Sewer Operations - Pedro

Field Superintendent, Pedro Velazquez reported that water and sewer operations are going well with no major problems. A sewer bypass project was completed on Link Road which eliminated approximately three miles of sewer line. This resulted in the average pumping hours being reduced from 200 hours a month down to 30 hours a month. This will significantly reduce the pumping costs. They are also working on installing an emergency bypass for pumping.

The field team has been cleaning the parks and will be beginning Spring clean-up along Horizonview Drive.

- Parks Update – Grant Application

Dr. Testa reported that the park Grant application for \$25,000 will be approved but the City still needs letters from the CCMD community children and adults to add to the application documents. Commissioner Hisey has written a recommendation letter on our behalf.

- Water and Sewer Demand and Augmentation Reports (AI)

Dr. Testa reported that for the month of January, 2009 we produced approximately 3.5 million gallons of water and sold approximately 3.1 million gallons. The sewer numbers still indicate that we are producing sewer.

The Augmentation report is for the period of November 2006-October 2007.

- Discussion of Gravity Sewer Project from Lift Station to Peaceful Valley (1/2 Mile).

Dr. Testa has been researching the costs, etc. of the Gravity Sewer Project from the lift station to Peaceful Valley. He talked with Jeff Daniels of CSU and he said the costs to do a gravity line are approximately \$210-\$215 per foot. This is a significant cost for a ½ mile line. Dr. Testa would like to research the possibility of doing this project in house, purchasing our own materials, etc. and reducing the costs to approximately \$91.00 per foot. This would be a capital project. The Board would like Dr. Testa and Paul Anderson to research this and put a report together regarding the feasibility of doing this project.

There is still significant infiltration occurring and Dr. Testa has conferred with Jeff Daniels of CSU to have the 2 mile stretch south of Bradley inspected with closed circuit television. The cost will be under \$6,000 (\$66 per hour at an estimate of 88 hours). A time and materials agreement was submitted by CSU.

**A motion was made and seconded to approve the Time and Materials Agreement by and between CSU and CCMD to inspect the 2 mile stretch south of Bradley Road with closed circuit television. Upon a voice vote, the motion passed unanimously.**

- Parks Update – Grant Application

This item was reported on earlier in the meeting.

Dr. Testa included a copy of a Resolution by the El Paso County Board of Commissioners which conveys property located at 0 Pony Gulch to CCMD for trail purposes. The conveyance by a Quit Claim Deed was attached.

E. Legal Report – Paul Anderson

- Cuchares Inclusion Petition, Inclusion Agreement & Inclusion Addendum

The Public Hearing that was continued at the January 22, 2009 Board Meeting was re-opened at 5:56 p.m. Mr. Anderson stated that a satisfactory agreement has been reached by all parties and the Cuchares Inclusion Petition, Inclusion Agreement and Inclusion Addendum were discussed. Mr. Don Lester was in attendance and participated in the discussion regarding the Cuchares Inclusion. Director Cantin explained to the public in attendance the necessity of the Cuchares Inclusion with regards to fire protection.

The Public Hearing was closed at 6:03 p.m. and the Regular Board Meeting was resumed.

**A motion was made and seconded to approve Resolution 2009-02-26.2 regarding inclusion of Cuchares Ranch Metropolitan District Service Area. Upon a voice vote, the motion passed unanimously.**

Mr. Don Lester was in attendance and presented to the Board the monies requested to complete the inclusion process. Mr. Lester also submitted a letter from Colorado East Bank & Trust regarding a cash line of credit in favor of Colorado Centre Metropolitan District. Because of the monies submitted at this meeting by Mr. Lester and Colorado East Bank & Trust, the Notice of Lien filed by Colorado Centre and recorded November 25, 2008 will be released.

- Renewal of Water Lease to Pikes Peak Community Foundation

Mr. Anderson explained that The Pikes Peak Community Foundation would like to renew the Water Lease Agreement with Colorado Centre Metropolitan District. The Pikes Peak Community Foundation owns and operates the Venetucci Ranch, which relies on augmentation water to irrigate crops at the ranch property. The Colorado Centre Metropolitan District has excess augmentation water credits available on Fountain Creek due to over-augmentation of the District's water supply.

**A motion was made and seconded to approve the Water Lease Agreement between Colorado Centre Metropolitan District and the Pikes Peak Community Foundation. Upon a voice vote, the motion passed unanimously.**

- Lease of FMIC Water to LFMSDD

Mr. Anderson reported that Lower Fountain desires to lease some of the excess water credits from Colorado Centre for use in connection with the regional plant construction and landscaping irrigation purposes as part of the site construction work. Colorado Centre augments its water supply with water available from shares it owns in the Fountain Mutual Irrigation Company which in turn own water rights on Fountain Creek. Colorado Centre has excess water credits

available on Fountain Creek due to current over-augmentation of Colorado Centre's water supply; therefore Colorado Centre is in a position to be able to lease their excess water. Lower Fountain will be able to lease up to 5-acre feet per year.

An amendment to the Water Lease Agreement is necessary to allow the lease to be assigned. This allows Lower Fountain to assign its rights to receive some or all of the lease water available to a third party in exchange for receiving an equal amount of water from said third party for Lower Fountain to use in connection with construction and/or landscape irrigation purposes for the regional plant construction project.

**A motion was made and seconded to approve the Water Lease Agreement between Colorado Centre Metropolitan District and the Lower Fountain Metropolitan Sewage Disposal District. Upon a voice vote, the motion passed unanimously.**

**A motion was made and seconded to approve an Amendment to the Water Lease Agreement between Colorado Centre Metropolitan District and the Lower Fountain Metropolitan Sewage Disposal District which allows the lease to be assigned. Upon a voice vote, the motion passed unanimously.**

Mr. Anderson commented that the Southern Delivery System is back in the news with announcements that Fremont County has voiced strong support for the Highway 115 alternative for the SDS. The Board has concerns that this will bring Fountain Creek back into the picture. This matter will be closely watched.

F. Fire Services –Tom Byes, Chief

- What's next?

Tom Byes was not in attendance. Dr. Testa reported that Mr. Byes is working diligently on all aspects (Federal Government monies, grants, stimulus monies, etc.) related to re-opening the fire station. A Special Public Forum meeting has been scheduled to take place at CCMD on Thursday April 2, 2009 beginning at 6:00 p.m. This meeting has been advertised in the newsletter asking residents to attend with any and all ideas related to the feasibility of CCMD being able to re-open the fire station. Mr. Byes and the Board will have all their options, ideas and research available at the meeting.

G. El Paso County Water Authority (AI)

Minutes of the January 7, 2009 and February 4, 2009 regular board meetings were included with the board packets. Dr. Testa was unable to attend the February 4, 2009 meeting. Sandy Goad attended in his place and reported that when consultant Gary Barber was reporting on the HB09-1129 Bill ("Rain Barrel Bill"), he commented that "now that the bill includes 100% augmentation we should ask Al Testa if he would now support it". Dana Duthie jumped in and made a Motion to support the bill with all voting yes. Sandy abstained from any voting.

H. Fountain Mutual Irrigation Company – AI

Minutes of the January 13, 2009 meetings were included with the Board packets. The City of Fountain hasn't replied to the offer to buy their water rights.

I. Lower Fountain Metropolitan Sewage Disposal District (Mike Cantin)

Minutes of the January 13, 2009 meeting were included with the Board packets. Director Cantin reported that a consultant gave a seminar/workshop on different ways to build the reservoir which was very informative. We are still waiting on an answer from the Water Quality Board regarding the site approval. The GeoTech work has started and we are moving towards the bidding process.

Under other issues Director Cantin reported that a letter from the Victim Witness Unit-Office of the District Attorney regarding the charge of defacing property in Colorado Centre. A list of CCMD's losses (restitution) will be compiled and sent to the Office of the District Attorney by the deadline. As soon as a conviction is documented a \$1,000 reward check will be issued to the resident who reported and documented the defacing.

J. Public Comments

A resident of Colorado Centre, Mr. Tuthill, was in attendance and expressed his concerns about the quality of the water and the build-up in his water softener filters. He brought the filters with him to show how bad the build-up is. He also expressed concerns about the availability of water from the aquifers, Jimmy Camp Creek and the Southern Delivery System. The Board thanked Mr. Tuthill for his comments and attendance and assured him that all the issues he has concerns about are concerns of the Board and will be evaluated and kept to the forefront of future Board issues.

Director Cantin reported that there are two street lights out at Bramble and Anvil. Sandy will report these outages to Mountain View Electric.

**III. Adjournment**

**A motion was made and seconded to adjourn the regular meeting at approximately 7:10 p.m. Upon a voice vote, the motion passed unanimously.**

Respectfully Submitted,

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Michael Cantin, President

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Shawn Eccles, Secretary