

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

Thursday, November 20, 2008 at 5:00 PM
4770 Horizonview Drive
Colorado Springs, CO 80925

Board Members Present:

Michael Cantin	President, Vice-President
Frank Ingraldi	Vice-President, Vice-Chairman
Floyd Edwards	Treasurer
Shawn Eccles	Secretary

Also Present:

Al Testa, Paul Anderson, Cynthia Monroe, Sandy Goad

I. Preliminary

- A. Call to Order
Director Cantin called the meeting to order at approximately 5:05 p.m.
- B. Roll Call - Determination of a Quorum.
A Quorum was present. Director Terry was absent.
- 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 October 23, 2008.

Director Cantin noted that there was a typo on page 2 of the minutes. On the second to last line amp should read Camp.

A motion was made and seconded to approve the Minutes of the Regular Meeting of October 23, 2008 as corrected.

- 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 November 19, 2008 the district has \$2,912,255.62 in funds with \$2,841,337.87 unencumbered. The ColoTrust rates have dropped to 1.41%. One of the First Community CD's is at 5.25%. A transfer letter authorizing transfer of \$30,000 from the ColoTrust account to Wells Fargo checking for payables and payroll was signed.

- Current Budget Review - Cindy

Cindy Monroe reported on the budget comparison for calendar year 2008, month of October post 2007 audit.

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. Public Hearing on 2009 Proposed Budget and Proposed Resolutions
20081211.1 through .4

The public hearing on the 2009 proposed budget was opened at 5:18 pm. Dr. Testa presented the proposed 2009 Budget and Proposed Resolutions 20081211.1 through .4. The proposed residential increases of cost in \$ per Kgal for water of \$2.35 to \$12.00 (2008 = \$2.35 to \$11.00); minimum monthly administrative service charge of \$11.95 (2008 = \$9.50); and for sewer the cost in \$ per Kgal will be \$5.95 (2008 = \$5.50); minimum monthly administrative service charge will be \$11.95 (2008 = \$9.50). The monthly residential trash removal service charge will go from \$11.00 to \$12.50. The monthly residential street light service charge will go from \$2.00 to \$2.20. Dr. Testa is still negotiating with Lorson and Rolling Hills regarding fire protection. He is also conferring with Cuchares regarding their development monies. Cuchares may possibly have other developers interested in assuming the development of Cuchares Ranch. He will keep the Board apprised of both situations.

After discussion, it was approved that a recycle bin will be provided by Waste Management to begin January 1, 2009. The bin will be placed at the fire station.

The public hearing was closed at 6:09 pm.

E. District Operations

- Water and Sewer Operations (Pedro)

Pedro Velazquez reported that everything is going great and no significant problems have been encountered. The field personnel flushed the week of October 20, 2008. They are continuing to work on cleaning out the valve areas.

Mr. & Mrs. Maddox were in attendance and commented that they are still having hard water problems even though the loop was constructed on Shining Star. Dr.

Testa and the Board felt that it will possibly take some time before the line gets flushed out. Pedro will research this further.

- Water & Sewer Demand & Augmentation Reports (A1)

The augmentation water for the period of November 2005 to October 2006 was reported on by Dr. Testa. CCMD has overpaid 323 acre feet. There is still some significant water loss and field personnel are trying to locate where the loss is coming from. Pedro suggested that there may be some loss from malfunctioning inside meters and remote meters. Dr. Testa and the Board approved giving an amnesty from penalties to residents that report any possible seals that are broken or suspected illegal taps. This amnesty period will end on January 31, 2009. Notice will be placed in the December newsletter and hopefully there will be some reports of malfunctioning meters due to broken seals or illegal taps.

- Parks Update (Pedro)
Mr. Velazquez reported that the toddler swing set was installed in the small park.
- Re-affirm Avalon Contract for \$51,000 to Grade JCC Slopes Near Wells and Progress Pictures.

Dr. Testa reported on the Avalon Contract to Grade JCC slopes for protection of the wells. He furnished pictures of the work completed to date.

A motion was made and seconded to approve the Avalon contract to Grade JCC Slopes near the Wells for \$51,000. Upon a voice vote, the motion passed unanimously.

Dr. Testa reported that Avalon can place rip-rap and crushed rock on the slope. It would cost another \$14-\$16 thousand to place the rock and approximately \$25,000 for the cost of the rock. The completed project would come under \$100,000. This is a change to the original contract that Avalon submitted.

A motion was made and seconded to approve the Contract change with Avalon. Upon a voice vote, the motion passed unanimously.

- Review of Contract to Place Rip-rap to Protect JCC Slopes Near Wells.

Rocky Mountain Materials, Inc. will be furnishing the Rip-rap & rock under contract with Avalon.

A motion was made and seconded to approve the Contract to supply Rip-rap to Protect JCC Slopes Near Wells. Upon a voice vote, the motion passed unanimously.

- Review of Proposal to Re-vegetate all Disturbed Areas Along JCC Slopes Near Wells.

Two estimates were submitted to Dr. Testa for re-vegetation of the disturbed areas along JCC slopes near the wells. The lowest estimate was submitted by American Land Reclamation. A fence will be installed along the top of the second slope.

A motion was made and seconded to approve the Contract with American Land Reclamation to re-vegetate all disturbed areas along JCC Slopes near the wells. Upon a voice vote, the motion passed unanimously.

- Review Proposed Resolution 20081211.5 Re: Employee Benefit Standards

There will be new employee benefit standards. The proposed Resolution 20081211.5 will be approved at the December 11, 2008 regular Board meeting. The split of contributions will now be that CCMD pays 75% and the employee pays 25%.

- Review Proposed Resolution 20081211.6 Re: Transfer of Excess Reserve, Water General and Wastewater General Funds to the Wastewater Capital Fund.

Any excess monies in the Reserve, Water General and Wastewater General Funds will be transferred to the Wastewater Capital Fund. The proposed Resolution 20081211.6 will be approved at the December 11, 2008 regular Board meeting.

F. Legal Report

- Cuchares District and Development – Paul, Al, Cindy, Sandy

Mr. Anderson reported that a Notice of Lien was posted on November 3, 2008 and mailed to the El Paso County Clerk & Recorder's office for recording on November 14, 2008. The water case is still in process.

Dr. Testa has been meeting with the Cuchares investors and all negotiations and any decisions are still pending. He also met with Rolling Hills and they have verbally indicated that they will stay with CCMD fire protection. Lorson may come back in also. All negotiations are pending and Dr. Testa will keep all parties involved apprised of any final decisions.

- Jimmy Camp Creek Park Site Matter/SDS- Paul

There is a Pueblo County Commissioner's meeting on Dec. 9, 2008 regarding the Southern Delivery System. They will be discussing the 1041 permit for construction of the pipeline. The proposed site is Williams Creek.

- CSU Ballot to Relocate Sewer Plant – Resolution 20081120.1-Paul/AI

Colorado Springs Utilities sent out a ballot to locate the Banning Lewis Ranch Annexation Area Wastewater Treatment Facilities at the Las Vegas Wastewater Treatment Plant. CCMD's answer to this ballot is in the form of Resolution 20081120.1. This Resolution is a "polite No" and reasons why. With this Resolution, CCMD is preserving our position under the Annexation Agreement.

A motion was made and seconded to approve Resolution No. 2008-11-20.1 regarding a ballot question to relocate Banning Lewis Ranch Annexation Area Wastewater Treatment Facilities.

The Pikes Peak Foundation indicated to Mr. Anderson that they would like to renew their lease for 2009. Dr. Testa indicated that usage needs to be determined and payment made before any new lease is made. Mr. Anderson indicated that 8 to 10 acre feet of water was used and this will need to be invoiced. He will find out the exact numbers for Cindy.

G. Fire Services – Tom Byes, Chief

- Activity Report - Tom

Fire Chief Tom Byes reported that for the month there were four medicals, three smoke/odor investigations which were false alarms, one vehicle accident and one public assist. There have been 110 responses YTD. Chief Byes met with Colorado Springs Fire Chief Steve Cox on November 4, 2008. Chief Cox connections are a real asset for Colorado Centre and he indicated to Chief Byes that they will be cutting staff and it is a real problem providing service to the CCMD area. Director Eccles feels that we need to do everything in our power to keep the Colorado Centre Fire Station open. All agreed with Director Eccles' comments.

- Status of Negotiations with Various Entities for 2009 Service (AI)

This item was discussed under Legal.

H. El Paso County Water Authority-(AI)

Dr. Testa reported that the El Paso County Water Authority is being encouraged to disband. Another Board in Northern Colorado believes it can manage all the water authority issues and wants the EPCWA members. The Transit Loss Model is still an ongoing agenda item and being managed by the EPCWA. Dr. Testa believes this is something we wouldn't want to let go of and the El Paso County

Water Authority is a Board that is a real asset to keep in the County. The October 1, 2008 meeting minutes were included with the Board packets.

I. Fountain Mutual Irrigation Company – (Al)

Minutes from the October 16, 2008 regular meeting were included with the Board packets. There are ongoing discussions regarding leasing Big Johnson Reservoir for storage. The proposed MOU with FMMD still has not been finalized. A goal of FMIC is to buy more senior water rights which would give FMIC more water for augmentation. There are water rights available for purchase.

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

- Minutes

Minutes from the October 9, 2008 meeting were included with the board packet.

- General Progress Update (Mike Cantin)

Director Cantin reported that he was able to sit in on a staff meeting before the Board meeting. A timetable was submitted by Roger Sams. The interceptor construction will begin early 2009 with completion by May 2009. The interceptor funding will be from monies that LF already has. A completion date is forecast for June, 2011. Final Site approval was made by the Water Quality Board.

K. Hearing for Eller's Request

Mr. Steve Eller has requested a hearing on his written request to remove his sewer fees totaling \$62.72 to date. After discussion the Board voted unanimously that Mr. Eller would be given two options. Ms. Monroe will correspond with Mr. Eller on what action was taken at the Board meeting and the options that will be offered.

A motion was made and seconded that Mr. Eller must comply with one of two options. The options are 1. Mr. Eller must fix & calibrate his meter, plug his line and manage and treat all sewage in the plugged service line and pay for any sewer usage fees after removal of the plug or; 2. Mr. Eller would pay the man hour costs for dealing with this request and any future requests and the \$62.72 will be removed. Also, in the future Mr. Eller's sewer usage fees will be invoiced and calculated by subtracting the usage on the irrigation meter from the usage on the main supply water meter.

L. Public Comments

Public comments were made previously under District Operations by residents, Mr. and Mrs. Maddox.

Executive Session was entered into at 7:40 p.m, to discuss personnel matters.

Executive Session was closed at 7:50 p.m.

III. Adjournment

A motion was made and seconded to adjourn the regular meeting at approximately 7:55 p.m. Upon a voice vote, the motion passed unanimously.

Respectfully Submitted,

Michael Cantin, President

Shawn Eccles, Secretary