

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

Thursday, June 25, 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:

Paul Anderson, Cindy Monroe, Sandy Goad

I. **Preliminary**

- A. Call to Order
Director Cantin called the meeting to order at approximately 5:01 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 May 28, 2009.

A motion was made and seconded to approve the Minutes of the Regular Meeting of May 28, 2009. Upon a voice vote, the motion passed unanimously.

- B. Presentation of 2008 Audit by Hoelting & Company

Cindy Monroe introduced Mr. Tom Sistare from Hoelting & Company at this time. Mr. Sistare presented a one page summary of what the audit entails including a comparison to 2007. All present were supplied with a copy of the audit.

The audit includes an Unqualified Opinion, a Balance Sheet, Cash Flows from Operations, a Reporting Letter and an Internal Control Letter. Mr. Sistare stated that an unqualified opinion was received which is the highest level of opinion that can be received. He stated that the books are as clean as he has ever seen and the

CCMD District Manager Al Testa and staff did an exemplary job with their books and are a pleasure to work with. Copies of the audit are available at the CCMD offices and on the CCMD website. The audit will be submitted to the State by the July 31, 2009 deadline. Director Terry asked if Mr. Sistare had any recommendations on future things that should be done. Mr. Sistare answered "keep Al, Cindy and Sandy happy."

A motion was made and seconded to accept the audit for FY2008 prepared by Hoelting & Company, Inc. Upon a voice vote, the motion passed unanimously.

Ms. Monroe reported that a proposal letter for the 2009 CCMD audit was submitted by Hoelting & Company, Inc. The Board tabled making a decision and will review this proposal and make a final decision at the July 23, 2009 Regular Board meeting.

C. Review of District Finances – Cindy

- Bank Balances

Ms. Monroe gave the report on bank balances at this time. Ms. Monroe reported that as of May 27, 2009 the District has \$3,696,104.31 in funds with \$3,622,326.76 unencumbered. The ColoTrust rates have dropped to .37%. The First Community CD's are at 2.00%, 2.60% and 2.50%.

Due to an error by Wells Fargo the signature card for Director Eccles was not recorded; therefore a new signature card was approved and signed by Director Eccles, Director Cantin and Director Edwards.

The restricted developer taxes will be disbursed to bondholders on July 1, 2008 per the Bankruptcy plan. Discussions followed regarding the authorization and disbursement to BNY for the Bondholders.

A motion was made and seconded to approve the transfer and payment of \$132,476.52 to the Bank of New York for the July 1, 2009 payment of the interest on the Series "A" bonds. Upon a voice vote, the motion passed unanimously.

A motion was made and seconded to approve the transfer and payment of \$14,018.44 to the Bank of New York for payment of excess 2008 funds to the Series "B" Bonds. Upon a voice vote, the motion passed unanimously.

- Budget Review – Closing of 2008

Ms. Monroe reported on the budget review regarding the closing of 2008. The audit is complete and all transfers have been made.

- Budget Review – May 2009

Ms. Monroe reported on the budget comparison for the month of May, 2009. All funds are pretty much on target at this point in the year (42% percent).

D. Approval of Payables

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.

E. District Operations

- Water and Sewer Operations – (Cindy)

Ms. Monroe reported that water and sewer operations are going well with no major problems.

- Water and Sewer Demand and Augmentation Reports (Info Only)

Ms Monroe reported that for the month of May, 2009 we produced approximately 8.6 million gallons of water and sold approximately 7.8 million gallons. A significant loss occurred this month (8.6%) which is being monitored. The sewer numbers are down and the wastewater to water ratio is 57.7 percent. The augmentation report for period November 2006 – October 2007 was included with the Board packets.

- Update on Cuchares Development (Cindy)

Ms. Monroe reported that the sewer lines are completely installed and vacuum testing on the manholes, air and ball testing will be completed.

Dr. Testa has completed a grant application through the American Recovery & Reinvestment Act Grant. Signatures were obtained from the Board.

A motion was made and seconded to approve the Small System Training & Technical Assistance Grant through the American Recovery and Reinvestment Act. Upon a voice vote, the motion passed unanimously.

F. Legal Report – Paul Anderson

- Special interim Cuchares connections – Resolution 20090625.1

Mr. Anderson reported that an inclusion addendum regarding utility service to the existing homes on the Cuchares Ranch subdivision property needs to be addressed.

A motion was made and seconded to approve Resolution No. 2009-06-25.1 regarding utility service to current homes located on Cuchares Ranch Subdivision. Upon a voice vote, the motion passed unanimously.

- Update on Water Tank Lease

Mr. Anderson has been conferring with Gary Mancuso from the City and aviation director, Mark Earle. Mr. Mancuso stated that CCMD will be treated no differently than any other lessee; therefore all are subject to the same deposits, appraisals, etc. Ms. Monroe has started the appraisal process. Mr. Anderson will keep us apprised of the situation.

- Discuss possible resolution to cover fire fighter deductible reimbursements in case of claims.

Mr. Anderson reported per Dr. Testa's wishes that he has been doing research to prepare a resolution for the Board to consider covering fire fighter deductible reimbursements in case of any potential claims against the fire fighters if there is no negligence on part of the contracted firefighter. The insurance is in the District's name and the deductible is \$2,500. He is still putting this together with the purpose of making this a fair resolution for both the District and the fire fighters. He feels that it is prudent to insure part of the claim. 2.6% is withheld from the contractor's checks to go towards a portion of the general liability insurance expense.

G. Emergency First Responder Services Report – Fire Chief

Chief Tom Byes reported that the fire station had seven calls in the last month with six being medical and one fire.

H. El Paso County Water Authority (Cindy)

Minutes were not included with the Board packets this month. Ms. Monroe had no report.

I. Fountain Mutual Irrigation Company – (Cindy)

Minutes of the May 21, 2009 meeting were included with the Board packets.

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

Minutes of the May 14, 2009 meeting were included with the Board packets. Director Cantin reported that approval from the Water Quality Control Division Board has been received. Bids for the first phase of the Interceptor have been reviewed and we should be breaking ground within two months. A decision was made to go with a contractor/manager risk management for the project. This entails the designer and contractor working together. The plant will be located south of Birdsall Road south of Fountain. Since CCMD is a part of this regional plant we will have a say and input regarding the management, rates, etc.

K. Public Comments

There were a number of residents in attendance who have concerns about the First Responder services and the \$33 fee for this service. Many questions were asked about the process and concerns about the fee. All questions and concerns were addressed by the Board, staff and Mr. Anderson. Questions answered concerned the survey process, duties and powers of the Board under Title 32, First Responder Services, fundraisers for the fire station, the ISO rating, mutual aid, etc. The Board proposed having another open Forum in September to solicit the same type of responses and opinions from the community. One resident asked if a proxy could be in attendance if they can't make it. Director Cantin reiterated that it is the responsibility of the individual to be in attendance and ample notice will be given so arrangements can be made by the individuals to be in attendance. Overall, the participants were not satisfied with having another survey process with open forums and preferred a formal voting process.

After an extensive question and answer session, the Board made the following motion:

A motion was made and seconded to participate in the November El Paso County coordinated election whereby registered voters will be able to vote on whether to continue with First Responder services as it now exists with a fee. Upon a voice vote, the amended motion passed with Director Edwards, Director Cantin and Director Ingraldi voting Yes and Director Terry and Director Eccles voting No.

Arrangements will be made to participate in the November El Paso County Election to vote on whether to keep the first responder service as it now exists with a fee.

III. Adjournment

A motion was made and seconded to adjourn the regular meeting at approximately 9:04 p.m. Upon a voice vote, the motion passed unanimously.

Respectfully Submitted,

/s/

Michael Cantin, President

/s/

Shawn Eccles, Secretary