

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

Thursday, August 27, 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:

Al Testa, Paul Anderson, Cindy Monroe, Pedro Velazquez, 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 July 23, 2009 and Special Meeting of August 22, 2009.

A motion was made and seconded to approve the Minutes of the Regular Meeting of July 23, 2009 and Special Meeting of August 22, 2009. Upon a voice vote, the motion passed unanimously.

- B. Board's Time

Director Terry commented that he wanted to publically acknowledge with example how the District Manager Al Testa, the staff and Board are constantly striving to make the most fiscally responsible decisions they can make in regards to saving money. He noted that Dr. Testa made a decision regarding the interceptor line and due to the decision he made he was able to save CCMD over 1 million dollars in costs. He also noted the Grant process and the work involved by Dr. Testa in applying for the GOCO Grant and others.

C. Changes to the Agenda

Director Cantin suggested that the Board meeting time should be changed to 5:30 pm. By starting at a later time this may facilitate better attendance by the community. If this time change does not make a difference, then the Board could address changing it back to 5:00 pm. This change will be re-posted at the County and in the District and will begin with the Sept. 24, 2009 Regular Board meeting.

A motion was made and seconded to approve changing the commencement time of the Regular Board meetings from 5:00 pm to 5:30 pm beginning with the September 24, 2009 Regular Board meeting. Upon a voice vote, the motion passed unanimously.

D. Public Comments – Maximum of 5 minutes per person who has signed in.

There were five individuals in attendance who signed the public comment sign-up sheet to have five minutes to voice any concerns they have. All questions and concerns were addressed by the Board, staff and Mr. Anderson. One question answered concerned who is responsible for clean-up on land around Colorado Centre (the area in question is owned by Banning Lewis Ranch). The individual was informed that she should call the City of Colorado Springs Code enforcement and the El Paso County Code enforcement. Fall clean-up has been scheduled to take place on October 17, 2009 and the Board encouraged suggestions as to areas that need clean-up.

Dr. Testa explained that we should be cognizant of the fact that private property areas around Colorado Centre are not the responsibility of Colorado Centre to clean-up. The various code enforcement offices and private property owners should be made aware of any unsightly trash conditions on the offending properties.

Other concerns addressed were the First Responder Fees, the individual charged with vandalism and the continuing vandalism in and around Colorado Centre.

E. Review of District Finances – Cindy

- Review and Acceptance of Hoelting & Company's Proposal

Hoelting & Company submitted a proposal for the 2009 Audit. The new proposal has a 2.25% increase (\$18,225.00). After discussion the Board approved acceptance of the contract. The Board also stated that next year they will seek additional quotes for the 2010 audit.

A motion was made and seconded to accept Hoelting & Company's contract proposal (\$18,225.00) for the 2009 Audit. Upon a voice vote, the motion passed unanimously.

- Bank Balances

Ms. Monroe gave the report on bank balances at this time. Ms. Monroe reported that as of August 26, 2009 the District has \$3,711,097.41 in funds with \$3,637,229.66 unencumbered. The ColoTrust rates are at .33%. The First Community CD's are at 2.00%, 2.60% and 2.50%. Great Western has recommended moving our money market to a high wealth fund which will earn 1.76 percent as compared to 1.60 percent.

- Budget Review – July 2009

Ms. Monroe reported on the budget comparison for the month of July, 2009. All funds are pretty much on target at this point in the year. Most of the property taxes have been collected for the year. Sales tax revenue is up a little probably due to the "clunker car" rebates offered to car buyers.

- Presentation of Draft FY 2010 Budget for CCMD

Dr. Testa made a presentation of the Draft 2010 Budget. He has proposed that the First Responder fees will be reduced to \$30.10 down from \$33.00 and the commercial entities will be \$180.00 down from \$195.00. The water and wastewater tap fees will increase to \$5,775.00 up from \$5,500.00 (5% increase). All other fees will remain the same as 2009. Dr. Testa has proposed paying off the fire engine that is on loan to the CSFD for primary fire service to our area. This is a probability, if the Case development monies are paid on schedule. If the GOCO Grant is approved, we will be able to build the two fitness trails. There will be no salary raises except for those individuals who have earned additional certifications pertaining to their job responsibilities. The Budget Hearings will take place during the Regular Board meetings of October 22, 2009 and November 26, 2009.

- Resolution 20090827.1 – Donated Equipment from PCI

Dr. Testa's company, Professional Consultant's, Inc. donated a Konica Minolta Bizhub valued at \$1,960 to CCMD. The donated business machine is identical to the Konica Minolta owned by the District and the donated ink cartridges, imaging units and other new components can be used as replacement parts.

A motion was made and seconded to approve Resolution No. 2009-08-27.1 regarding the generous donation made by Professional Consultant's Inc. Upon a voice vote, the motion passed unanimously.

F. Approval of Payables

The Board reviewed the list of payables.

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

G. Election Issues (Sandy and BOD)

Due to the forthcoming election issues, the Board feels it is necessary to appoint a permanent Designated Election Official for CCMD. Directors Mike Terry and Frank Ingraldi are up for election in May, 2010. Directors Mike Cantin, Floyd Edwards and Shawn Eccles are up for election in May, 2012.

A motion was made and seconded to appoint Sandy Goad as the permanent Designated Election Official for CCMD. Upon a voice vote, the motion passed unanimously.

H. Customer Issues

- Tresmar Issue – Resolution 20090827.2 to Foreclose on Debt

Due to the fact that Tresmar, Inc. has neglected to pay their fees to CCMD, it is necessary to foreclose on that debt via a tax lien through El Paso County.

A motion was made and seconded to approve Resolution 2009-08-27.2 to file a lien against Tresmar, LLC to collect debt via a tax lien through El Paso County, Colorado. Upon a voice vote, the motion passed unanimously.

I. District Operations

- Water and Sewer Operations – (Pedro)

Superintendent Velazquez reported that water and sewer operations are going well with no major problems. With four wells now pumping, electricity costs should go down. Flushing of the lines will take place the last two weeks of October. All water sampling tests have come back from the State with good results.

Work in all the parks has continued daily. The graffiti in the parks and culvert areas is still happening. These areas have been painted but the graffiti reappears. Dr. Testa has found a company that sells anti-graffiti paint coating that he recommends purchasing. Once the special coating is applied, the graffiti can be washed off with a special cleaner. The total cost for 2 kits and a five gallon container of cleaner is approximately \$2,100. The Board instructed Dr. Testa to order the anti-graffiti paint and cleaner. Hopefully if the graffiti is immediately removed, this may deter further episodes.

The individual that has been charged with defacing property in Colorado Centre will be meeting with Cindy and Sandy for mediation and to determine the type of restitution CCMD would like to see happen. The Board and staff would like to see community service hours completed at CCMD and an apology would be appropriate at the next Board meeting. Based on the monetary damages that were incurred, Cindy will determine how many community hours he would need to complete.

- Water and Sewer Demand and Augmentation Reports (AI)

Dr. Testa reported that for the month of July, 2009 we produced approximately 8.8 million gallons of water and sold approximately 7.8 million gallons. A significant loss occurred this month (10.7%) which is being monitored. The sewer numbers are down and the wastewater to water ratio is 55.3 percent.

- Update on Grant Application to GOCO

Dr. Testa has submitted the GOCO Grant (lottery monies) to build Fitness Trails with work/exercise stations around the 22 acre Mosko Park. We should be informed of the decision in December, 2009.

Director Eccles has been researching activities, etc. for the park areas that address the in between ages of 10-16 year olds. Some of his ideas include skate parks, a mountain bike trail, a baseball field area with just a backstop, etc. A skateboard park could be incorporated with the basketball courts. He would like to get this age group involved so that they feel they have some ownership in any of these activities that could possibly be added. He has found ways to do skate parks, ball parks, bike trails, etc. that would be of minimal expense. The feasibility of adding any of these activities will be researched.

- Park Equipment Ordered to Request EPC Matching Funds

The climbing equipment has been ordered from Rocky Mountain Recreation, Inc. based in Littleton, Colorado. The company included an \$8,035.00 climbing rock if we placed the order before the end of August. The El Paso County matching funds (\$25,000) will be requested once the park equipment is delivered.

- Update on Cuchares Development (Pedro)

Pedro reported that the Cuchares developers will be installing the electrical lines next week. The water and sewer lines have been completed. Shining Star will re-open within the next three weeks.

- Recognition of Pedro Velazquez Five-year Anniversary

In recognition of Pedro Velazquez' Five-year Anniversary, he was presented with a gift and gift card. Thanks goes to Pedro for all his hard work the last five years.

J. Legal Report – Paul Anderson

- Status of CSU/CCMD IGA

The CSU/CCMD IGA was approved by the Colorado Springs City Council and all documents were signed and finalized by the authorized Directors and the Colorado Springs representatives.

- Status of Water Tank Lease

Mr. Anderson reported that we now have a signed and final water tank lease with the Colorado Springs airport.

- Draft Recommendations on Petition Guidelines and Rules

Due to the confusion and concerns regarding the implemented First Responder Fees, Mr. Anderson has researched and compiled a Policy Regarding Citizen Initiatives. The District values the input provided by its residents and property owners; it attempts to be responsive to all such input and ultimately to act in the best interests of all District residents and property owners. At the same time, the District has limited financial means to hold an election every time a segment of District residents or property owners disagrees with a Board action or decision. Therefore, the overall Policy objective is to ensure the rights of District residents and property owners to pursue initiatives, while also allowing the District to efficiently manage its' affairs without every District Board action potentially becoming the subject of an initiative effort.

Director Cantin remarked that the Citizen Initiatives Policy will give the registered voters/residents of Colorado Centre an avenue to express any opposition to the policies that the Board has adopted.

A motion was made and seconded to approve Resolution No. 2009-08-27.3 regarding Citizen Initiatives Policy. Upon a voice vote, the motion passed unanimously.

K. Emergency First Responder Services Report – Fire Chief

Chief Tom Byes reported that the fire station had twelve runs in the last month consisting of: six medicals, one traffic accident, two automatic alarm soundings, one automatic medical alarm, two hazmat and two public assists/service calls. A pump test has been scheduled which is a yearly requirement. The City of Colorado Springs will be doing the testing. The Fire Department assisted a local Boy Scout in obtaining his Fire Safety Badge.

There was discussion regarding the participation in the El Paso County Coordinated Election. Now that the Board has implemented the Petition process, the Board concluded that there is no need to participate in the Election regarding the Fire Station. All survey results were re-tabulated and the results were the same as originally tabulated.

A motion was made and seconded to not participate in the El Paso County Coordinated Election regarding whether or not to keep the Fire Station open as is with the First Responder Fees. Upon a voice vote, the motion passed unanimously.

Other public comments were that this decision to not have the election was a good decision and that hopefully the Board learned that there is a need to table decisions if there is a significant amount of controversial items to be looked into. Also, other

comments were that there are many programs out there for assistance (211, C.O.P.E., etc.) and the Citizen's Initiative Policy will give all a healthy outlet for voicing and documenting any concerns.

The Board would like Chief Byes to research areas around Drennan & Meridian that may be interested in having Fire Protection from the CCMD Fire Department.

L. El Paso County Water Authority (No Meeting in August)

The EPCWA did not meet this month; therefore, there is no report.

M. Fountain Mutual Irrigation Company – (AI)

Minutes of the July 16, 2009 meeting were included with the Board packets. They are still in negotiations with the City of Fountain regarding the conversion of the No. 4 and No. 17 water rights to FMIC shares.

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

Minutes of the July 9, 2009 meeting were included with the Board packets. Director Cantin reported that everything is moving forward and work on the Interceptor is in process. District Manager Al Testa was instrumental in reducing CCMD's costs for Phase I down to \$800,000 from a projected 1.4 million. Since CCMD is a part of this regional plant we will have a say and input regarding the management, rates, etc. The plant will break ground in 2011.

Mr. Anderson commented that the Birdsong Road paving has begun. He has completed a draft of the operations and management agreement.

III. Adjournment

A motion was made and seconded to adjourn the regular meeting at approximately 7:40 p.m. Upon a voice vote, the motion passed unanimously.

Respectfully Submitted,

/s/

Michael Cantin, President

/s/

Shawn Eccles, Secretary