

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

Thursday, November 19, 2009 at 5:30 PM
4770 Horizonview Drive
Colorado Springs, CO 80925

Board Members Present:

Michael Cantin	President, Chairman
Frank Ingraldi	Vice President, Vice Chairman
Floyd Edwards	Treasurer
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 5:31 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 October 22, 2009.

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

- B. Board's Time

Director Cantin reported that he attended the open forum meeting this week sponsored by Colorado Springs Utilities regarding the Southern Delivery System Construction in El Paso County. CSU is in the process of getting permits needed from El Paso County. They have obtained the permits from Pueblo County. The preferred route is still from the dam headwaters at the Pueblo Reservoir through Pueblo County over to Williams Creek. Director Cantin had a flyer to hand out with updated information and map.

- C. Changes to the Agenda

No Changes.

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

None.

E. Review of District Finances – Cindy

- Bank Balances

Ms. Monroe gave the report on bank balances at this time. Ms. Monroe reported that as of November 17, 2009 the District has \$3,558,211.41 in funds. The District's expendable funds are \$3,484,143.66. These expendable funds have increased almost \$26,000 since 10/20/09. The \$63,000 in checking will cover the payables signed at the meeting. A transfer will need to be made next week for payroll and payables.

- Budget Review – October 2009

Ms. Monroe reported on the budget comparison for the month of October, 2009. All funds are pretty much on target at this point in the year. The Series A Bondholder's payment will be disbursed on January 1, 2010.

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. FY 2009 Budgetary Transfer Review and Public Hearing Announcement

Dr. Testa reported that CCMD budgeted and appropriated Reserve Funds in the amount of \$725,000 for Fiscal Year 2009. The District will likely experience a revenue shortfall of up to \$250,000 in the General Fund and an unexpected expenditure of not more than \$30,000 in the Wastewater General/Operations Fund. Transfer of Reserve funds to the General and Wastewater Fund to defray expenses in excess of amounts budgeted and/or revenue shortfall anticipated during fiscal year 2009 will need to be authorized. These transfers shall be paid back to the Reserve Fund as soon as the General and Wastewater General/Operation funds have sufficient revenue to repay these amounts, and with no interest. A Notice of Public Hearing needs to be posted to authorize the transfer of reserve funds.

A motion was made and seconded to approve A Notice of Public Hearing to be held during the December 11, 2009 Regular Meeting for the purpose of discussing and acting on the budgetary transfer. Upon a voice vote, the motion passed unanimously.

H. FY 2010 Budget Public Hearing (BODs and AI) – Includes Resolutions

The second public hearing on the 2010 proposed budget was opened at 5:50 pm. As required by State law Dr. Testa made a presentation of the Draft 2010 Budget and the Budget Resolutions. He has proposed that the First Responder fees will be reduced to \$29.86 down from \$33.00 and the commercial entities will be \$179.11 down from \$195.00. The water and wastewater tap fees will increase to \$5,775.00 up from \$5,500.00 (5% increase), the lost water charge will increase to \$.80 per kgal up from \$.77 and the excess sewer charge will be \$4.50 per kgal up from \$4.40 per kgal. All other fees will remain the same as 2009. There will be no salary raises except for those individuals who have earned additional certifications pertaining to their job responsibilities.

Dr. Testa noted that the difference in First Responder costs were significant between 2009 and the projected 2010 budget estimate. The reason for this significant difference is that the First Responder Services didn't start until May of 2009 and the 2010 estimate is for the entire year.

Dr. Testa stated that there is a new charge added for FMIC (Fountain Mutual) water. The fee is \$125 per acre-foot at the head gate of FMIC before consumptive loss factors are applied, or as negotiated by the District Manager in each case.

The District intends to provide the following services during fiscal year 2010: potable water, wastewater collection, trash collection, fire protection, park and landscaping maintenance, and general government liaison. Certain surplus revenues of the District at the end of each fiscal year are pledged to repay the non-G.O. bonds resulting from the CCMD US Bankruptcy Case No. 89 B 16410 J. The public hearing closed at 6:21 pm.

I. District Operations

- Water and Sewer Operations – (Pedro)

Superintendent Velazquez reported that water and sewer operations are going well with no major problems. We are adding more ferric now to lower the BOD/TSS which was up a little the last month. Sampling is being done twice a week. We are pumping only three to four hours a day due to the siphoning of sewage.

- Water and Sewer Demand and Augmentation Reports (AI)

Dr. Testa reported that the water loss is still up (5.2%) but not as much as last month (7.0%) No leaks have been detected. We are still monitoring this. Keeping the tank level at 28 feet may have lowered the loss but this leveling only occurred for half of the month. The sewer numbers keep going up and we are still trying to establish why this is happening. Dr. Testa wants Mr. Velazquez to have the meter calibrated.

The augmentation report is for the period of November 2006 through October 2007. The City of Colorado Springs and the City of Fountain are both looking at possibly purchasing our surplus (515.62 acre feet).

- Parks Update (Pedro)

Superintendent Velazquez reported that they are still working in the parks raking leaves and other fall cleanup. Dr. Testa suggested trying the newly purchased vacuum for leaf pick-up. Next week they will be trimming the trees along Horizonview Drive. After the park cleanup is completed they will be working on cleaning the valve areas with the new vacuum.

Superintendent Velazquez is looking into having a special wrench built to fit the new hydrant caps.

- Update on Cuchares Development and Water Court Case (AI)

Dr. Testa reported that the Cuchares Developers have secured one builder (Premier Homes) and have been in negotiations with two more. The homes are estimated to sell for \$196,000 to \$210,000. The light poles are being installed. They will be conveyed to Mountain View Electric Association.

Dr. Testa also commented that he has been conferring with Banning Lewis Ranch representatives about the possibility of leasing their parcels surrounding Colorado Centre for \$1.00 a year. If this happens they would pay us to maintain the property and this lease would also give us the legal right to report any violations on the properties to the proper authorities. He will continue talking to BLR and will also contact the Widefield School District regarding doing the same with their parcel.

J. Legal Report – Paul Anderson

- Cuchares Water Rights Issue

As Mr. Anderson reported previously there was an error on the deed as to the exact wells that were capped (two were conveyed erroneously). Mr. Anderson has the Correction Deed prepared (with the corrected well list) for Virginia Cuchares to sign for proper conveyance to Cuchares Ranch. To date the Correction Deed has not been signed. Tony Cuchares is making sure that everything is correct before his mother, Virginia Cuchares, signs it. Clear title is needed before any conveyance can be facilitated.

- Park Rules, Regulations and Signage

Mr. Anderson has compiled a proposed draft of Park Rules and Regulations. This will be placed in the December newsletter for the purpose of gaining input from the residents about what they feel should be established for the park rules, regulations and signage.

This issue will be tabled until the first of next year so that the Board will be able to utilize any feedback from the residents. If necessary a public hearing will be held to address any issues regarding the rules, regulations and signage for the park areas.

Director Cantin presented a letter from Lower Fountain stating that they need more water than the 5 acre feet. After discussion, it was determined that the Board would like Dr. Testa to research this and administratively facilitate the adjustment.

A motion was made and seconded to authorize Dr. Testa to research and make any adjustments needed regarding the amount of water needed for Lower Fountain. Upon a voice vote, the motion passed unanimously.

K. Emergency First Responder Services Report – Resolution 20091119.1 - Tom

Chief Tom Byes reported that the fire station had six runs in the last month. All runs were medical. Building plans for a Verizon battery storage facility were issued to Spectrum Incorporated. They paid an application and inspection fee.

Chief Byes continues working with the City of Colorado Springs regarding answering calls west of Drennan Road. The City of Colorado Springs has concerns about the natural gas plant on Drennan Road. 600 million cubic feet of natural gas flows through the natural gas plant on a cold day and if any problems occur it could virtually shut down Colorado Springs. Their big concern is to call Colorado Springs first and no water should be used until they are called. Any water could cause huge problems.

Director Cantin read Resolution 2009-11-19.1 regarding recognizing assistance given by Chief Cox and the City of Colorado Springs Fire Department. While the CCMDFD engine was undergoing recall valve repairs the CSFD donated the use of a Fire Truck at no cost to the District. Also, the CSFD discounted inspection fees for the pumper.

A motion was made and seconded to approve Resolution 2009-11-19.1 regarding assistance made by Chief Cox and the Colorado Springs Fire Department. Upon a voice vote, the motion passed unanimously.

L. El Paso County Water Authority

The EPCWA October 5, 2009 board meeting minutes was included in the packets. The Transit Loss Model is the main issue being discussed. The Rain Barrel House Bill is still being discussed and monitored. Recommended charges (drafted by Gary Barber) for inclusion in the Transit Loss Model were adopted.

M. Fountain Mutual Irrigation Company – (A1)

Minutes of the October 15, 2009 regular meeting were included with the Board packets.

Leasing of storage at Big Johnson continues to be an issue. Dr. Testa believes that any leasing obligations need to be beneficial to the Company and all Shareholders.

Lorson asked for mediation on December 3, 2009 regarding the wrong ditch liner that was installed by the Lorson developers. This mediation will take place and Dr. Testa will report back to the Board on the results.

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

Minutes of the October 15, 2009 meeting were included with the Board packets. Director Cantin reported that the Construction Manager will be Weaver Construction. The contract with Weaver Construction will be completed by the end of the year. The tour of Lower Fountain on December 10, 2009 will not work. A tour will be scheduled at a later time. The first payment of \$400,000 for the interceptor was approved. The second phase pipe was installed and work on the first phase is beginning. The entire project is moving forward at a rapid rate.

Director Cantin passed out Thanksgiving Day greeting cards and Christmas party invitations to the Board, Staff and Firefighters.

O. Christmas Party (Sandy)


Sandy reported that all arrangements have been made for the Christmas party for Directors and Staff. It will take place on December 12, 2009.

III. Adjournment

A motion was made and seconded to adjourn the regular meeting at approximately 7:28 p.m. Upon a voice vote, the motion passed unanimously.

Respectfully Submitted,


Frank Ingraldi, Vice-President


Michael Terry, Assist. Secretary/Treasurer