

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

Thursday, February 25, 2010 at 5:30 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 (Via Telephone)	Secretary
Michael Terry	Assistant Secretary/Treasurer

Also Present:

Dr. Alvaro Testa, Paul Anderson, Cynthia Monroe, Pedro Velazquez, Sandy Goad

I. **Preliminary**

- A. Call to Order  
Director Cantin called the meeting to order at approximately 5:33 pm.
- B. Roll Call - Determination of a Quorum.  
A Quorum was present. Director Eccles participated via telephone.
- 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 28, 2010.

Mike Cantin commented that under Paul Anderson's legal report regarding the House Bills 60, 61 and 100 House Bill 100 should be Bill 101.

**A motion was made and seconded to approve the corrected Minutes of the Regular Meeting of January 28, 2010. Upon a voice vote, the motion passed unanimously.**

- B. Board's Time

Director Terry reported that Stan Richardson of the Widefield School District will forward the suggestion of Colorado Centre leasing the School District land to their General Counsel for review. Mr. Richardson feels that this is a win-win situation. Dr. Testa has discussed this with John Cassiani of the Banning Lewis Ranch and to date hasn't heard back from him.

Director Cantin would like to discuss the Spring Clean-up at the March, 2010 Regular Board Meeting.

C. Changes to the Agenda

- Source Water Assessment (Paul Hempel)

At this time, Director Cantin moved up the discussion regarding The Water Quality Control Division, the Source Water Protection Planning and the awarding to CCMD of a source water protection planning grant in the amount of \$5,000. Mr. Paul Hempel, Source Water Specialist, for the Colorado Rural Water Association is in attendance and gave an introduction of the program and outlined the necessary steps that need to be taken for the Grant. A meeting of stakeholder's has been planned to take place on March 10, 2010 at 1:00 pm. The meeting will take place at the CCMD Fire Station.

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. As of February 22, 2010, the District has \$2,949,592.66 in funds. The District's expendable funds are \$2,863,940.62. It is necessary to transfer \$90,000 from the Money Market account into checking for payables, payroll and Lower Fountain. Also, a landscaping escrow account was opened for any fees regarding landscaping paid by developers. (\$600.00 was transferred into this account which were fees paid by Premier Homes.)

- Budget Review

Ms. Monroe gave the budget report for January, 2010. We are one month into the year. Administration is over budget because of all the once a year payments for insurance, etc. There were also some large one-time payments for Lower Fountain and Fountain Mutual.

F. Approval of Payables - Cindy

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. District Operations

- Water, Sewer and Parks Operations (Pedro)

Field Superintendent, Pedro Velazquez reported that water and sewer operations are going well with no major problems. The field personnel have been working on valve locations and any repairs needed. Water usage has been down. We are still experiencing a big water loss. Not much going on in the parks; mainly trash pickup. Frankie Diaz attended a wastewater class and Pedro attended a class for license renewal. The BOD/TSS numbers are getting better.

- Water and Sewer Demand and Augmentation Reports (AI)

There is a substantial loss and we are continuing to try to determine where this loss is. We also continue to produce more sewer than water produced. Fountain Sanitation continues to work with us on the "ghost water" situation. Dr. Testa reviewed the augmentation report.

- New Water Meters (AI)

A small capital project has begun which entails buying and installing remote meters. We will order 25 at a time. As soon as the program is up and running we will start scheduling hook-up times. There will be no cost to existing CCMD customers. Cuchares customers will pay \$250.00 per installation as part of the new home charges.

- Update on Cuchares Development (AI)

Dr. Testa reported that taps are being purchased and the plat recorded. Cuchares has requested that we accept their system.

- Trash Collection Request for Quotes (AI)

Request for quotes were mailed out to nine trash companies. The deadline for responses is March 17, 2010. If any change is made the service will begin on January 1, 2011.

- Source Water Assessment (Paul Hempel)

This was reported on earlier in the meeting.

#### H. Legal Report (Paul Anderson)

- Cuchares Water Rights Issue

The water court application is pending and there are no updates to report. Mr. Anderson is still conferring with water attorney Kevin Kinnear.

- Discussion on District Financing Options for LFMSDD

Mr. Anderson would like to have an executive session at the end of the meeting for the purpose of discussing legal issues in regards to House Bills 60, 61 and 101.

Mr. Anderson reported that Dr. Testa has been researching possible financing through private placement of bonds. Other options would relate to loans through formal agreement with the bank and they in turn sell to the public. Another idea would be to sell to the public similar to a municipal bond situation thereby getting community involvement. Mr. Anderson stated that we should include the State Revolving Fund in our research efforts (the application deadline is June, 2010). All these options will be thoroughly researched and any conclusions reported back to the Board.

Mr. Anderson has forwarded a lien release to FMI Cuchares Ranch. Dr. Testa would like a full lien release put together by Colorado East Bank indicating there are no encumbrances on the Cuchares development infrastructure. Also Mr. Anderson will get a disclaimer from Colorado East Bank to be recorded.

- Discussion on Legislative Issues at State Level

Mr. Anderson supplied some fact sheets on Bills 60, 61, and 101 being proposed (essentially Districts would not be able to assess property and sales tax without voter approval-voting to take place each year). Legal issues will be discussed in Executive Session.

I. Emergency First Responder Services Report

Chief Byes reported that there were eight runs in the last month which consisted of six medicals and two public assists.

The CCMDFD entered into an Intergovernmental Agreement for Ground Emergency Ambulance Services with the El Paso County Emergency Services Agency. Through this agreement Chief Byes has applied to receive two new ADD's and a suction unit.

J. Fountain Mutual Irrigation Company – (A1)

Minutes of the January 12, 2010 meetings were included with Board packets. The Lorson litigation (infiltration problems because of defective liners in the ditch) should be settled soon. Fees were increased because of litigation issues and the budget is already depleted because of these litigation issues.

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

Minutes of the January 14, 2010 meeting were included with the Board packets. Director Cantin reported that laying of the pipeline is up to Jimmy Creek Road. To date 1.5 million has been spent for construction of the pipeline.

L. Election Update (Sandy)

As part of the election process a resolution appointing a designated election official and authorizing the designated election official to cancel the election must be approved.

**A motion was made and seconded to approve Resolution 2010-2-25.1 Appointing a Designated Election Official and Authorizing Designated Election Official to Cancel Election. Upon a voice vote, the motion passed unanimously.**


Sandy reported that six individuals were self-nominated to run for the two Board of Director positions. The election will take place on May 4, 2010. A request for a short CV from each candidate will be made and published in the April, 2010 newsletter.

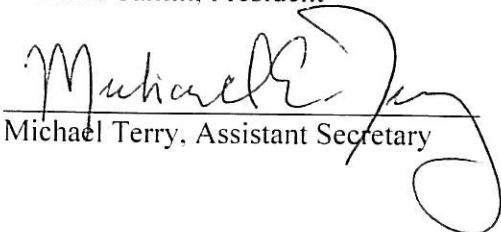
The Board entered into Execution Session at 7:15 pm for the purpose of legal advice from the CCMD attorney, Paul Anderson. The Board resumed the regular meeting at 7:54 pm.

**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,

  
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Michael Cantin, President

  
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Michael Terry, Assistant Secretary