

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

Thursday, April 26, 2012 at 5:30 PM
4770 Horizonview Drive
Colorado Springs, CO 80925

Board Members Present:

Michael Cantin	President, Chairman
Shawn Eccles	Vice President, Vice Chairman
Joan Lucia-Treese	Secretary
Michael Terry	Treasurer
Karen Harvey	Assistant Secretary/Treasurer

Also Present: Al Testa, Cynthia Monroe, Sandy Goad, Paul Anderson, Bob Throgmorton

I. Preliminary

- A. Call to Order
Director Cantin called the meeting to order at approximately 5:32 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 March 22, 2012.

A motion was made and seconded to approve the Minutes of the Regular Meeting of March 22, 2012. Upon a voice vote, the motion passed unanimously.

- B. Board's Time

Director Terry commented that he would like to write an article on the Nutrients issue informing the residents about the issues and the current status. He would like to have this information printed in the next CCMD newsletter.

- C. Changes to the Agenda

None.

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

Concerned residents were in attendance and voiced their concern about the area on Chieftan that leads back to the land behind Chieftan Drive. Many off-road vehicles are accessing the area and causing a lot of neighborhood disturbance (noise, dust, etc.) Since this area is not part of CCMD there is nothing legally that CCMD can do. These vehicles are not authorized to access these areas and the Sheriff needs to be called to report them. After discussion the Board agreed that large rocks will be purchased to place in the access area to block the entrance. There are no trespassing signs in place but these vehicles are still accessing the area.

Another concern mentioned was the need for another community clean-up day. There is a substantial amount of trash and debris that is very unsightly in the neighborhoods. After discussion it was determined that this matter will be tabled until the May regular board meeting. Director Cantin noted that there have been a number of clean-ups in past years. Most of the participants were the Board and Staff. A handful of residents participated. An article will be placed in the newsletter requesting input from the residents with ideas for promoting a viable community clean-up day.

E. Review of District Finances (Cindy)

- Bank Balances

Ms. Monroe gave the report on bank balances at this time. As of April 23, 2012 the District has \$5,976,221.57 in funds. The District's expendable funds are \$5,736,544.81.

- Budget Review

The budget review was given for the month of March, 2012.

- Bank Transfers and Other Banking Activities

A transfer authorization was signed for the first wastewater loan payment to the State in the amount of \$40,607.46. There will be two payments every year for the next 20 years. The next payment will be made on November 1, 2012 in the amount of approximately \$61,000.00.

The restricted developer taxes will be disbursed to the bondholders on July 1, 2012.

The auditors were here the second week of April and are now working on the draft. They will present the audit report at the May regular board meeting.

F. Approval of Payables – (Board)

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 (AI)

Mr. Velazquez was unable to attend. Dr. Testa reported that Mr. Velazquez furnished a memo on operations during the past month. The operations included flushing the water lines, exercising water valves, daily maintenance/inspection at the water plant and distribution system and service line inspections at Cuchares Ranch. Also, they have daily inspections at the lift station and collection systems for wastewater. Sprinkler system repairs have occurred in the parks along with daily park maintenance. There are 18 more water meters that need to be replaced with wireless transmitters.

- Water and Sewer Demand and Augmentation Reports (AI)

For the month of March, we produced approximately 5.3 million gallons and sold approximately 5.1 million gallons. The water loss is 6%. We pumped approximately 3.8 million gallons of wastewater. The report of the augmentation period November 2009 – October 2010 was presented. Dr. Testa has been researching and conferring with CSU about the selling of excess water. He will report back when any final decisions are made.

- Update on Cuchares Development (Cindy & Sandy)

- Acceptance of Phase II filing 2 Water and Sewer Systems
- Acceptance of Phase II filing 3 Water and Sewer Systems

This item was discussed and approved at the March 22, 2012 meeting.

Phase II has been divided into 5 sections. 25 lots have been sold in Filing 2 and one lot in Filing 3.

- Update on US Army Reserve Center (AI)

There has been no new information received about the progress of the Center. They are using water but to date there has been no activity.

- CCMD to LFMSDD Interceptor Sewer Project – Progress of Work (AI)

The project is now completed. Schmidt Construction has been working on the shoulders and will be finished next week.

- Ultra's help with Prairie Dog Population

Dr. Testa met with Ultra representatives and they are going to take care of the prairie dog problem in Banning Lewis Ranch. There is no danger to the water system. Ultra assured CCMD that they have every intention to be a good neighbor and they are treating the prairie dogs to prevent the infestation of the parks and prevent large populations that can result in plague. A licensed professional will be doing this work and every precaution is being taken to make this a safe procedure. They are using grain pellets that they place in the burrows. The product is Rozol and Material Safety Data Sheet information can be found online. All carcasses will be picked up and disposed of but the majority die in their burrows. No Trespassing signs have been placed around the perimeter of Ultra's property. We are still using our product on our property which is carbon monoxide put into the burrows.

- Update on VA Cemetery

Representatives trying to construct a VA Cemetery are still very interested in Case's Bradley Heights land (Southwest corner of Bradley & Marksheffel) for the Cemetery. The City is in favor of this location also for the Cemetery. He will keep us apprised of this situation. There is no definite timeline established as to when the Cemetery will be built.

H. Legal Report (Paul Anderson)

- Series B Bond Buy Back by Water Enterprise

Letters were mailed on April 2, 2012 to the accepting bondholders with instructions to notify the Bank of New York for payment and conveyance. Mr. Anderson has had numerous inquiries but the response has been slow. The DTC response has been faster. April 30, 2012 is the final date and at that time CCMD will buy what is sent to BNY.

Mr. Anderson reported that HB12-1161 which is sponsored by Representative Marsha Looper and co-sponsored by Senator King passed in the House Agriculture Committee. The next hurdle is to get it through the Senate Agriculture Committee. HB12-1161 establishes a nutrients scientific advisory board to review proposed numeric water quality nutrient standards regulating nitrogen and phosphorus. This bill is structured to avoid unnecessary regulation

and minimize the fiscal impact to state agencies and local governments and is designed to address basin-specific conditions.

I. Emergency First Responder Services, Operations and Budget Report
(Chief Tom Byes)

Chief Tom Byes was unable to attend the meeting so Captain Bob Throgmorton reports that in the month of April, 2012 the CCFD had an average amount of calls consisting of medicals, traffic accidents with injuries and service calls. The CCFD is checking all the Fire Hydrants in the District for serviceability and flow, and performing maintenance when needed. This project will be finished in May. The CCFD will finish with our yearly auto extrication training this summer. We still haven't received our alternative response vehicle from the City.

J. Fountain Mutual Irrigation Company – (A1)

Minutes of the March 15, 2012 Regular meeting were included with the board packets.

Dr. Testa reported that FMIC has implemented a trial 2012 rotational irrigation schedule which seems to be working very well. The schedule is based on the shareholders geographical order in the schedule using two systems (Big Johnson and Gibby Reservoirs).

FMIC has been reviewing a draft agreement regarding FMIC's use of Crews Gulch Augmentation Station for the 2250 water being run thru the station. Crews Gulch is owned by Widefield and Fountain. Dr. Testa suggested that they should research the possibility of building their own augmentation station. Doing this would eventually be more cost effective.

There are ongoing discussions regarding Mesa Ridge Filing No. 4 and the future status of FMIC's lateral ditch. Mesa Ridge's pipeline installation project is almost completed.

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

Minutes of the, March 15, 2012 Board meeting were included with the Board packets plus the April 12, 2012 Agenda.

- Progress Report

Director Cantin reported that the concrete work and piping are nearly completed and the HVAC system is being installed in the headworks building.

- Cost and Financing Issues

Director Cantin furnished the Board with a breakdown of the cost as related to different options and their costs. The options include the original budget or contract value; 1. Budget or Contract Value-Ops Building 4 with Biosolids Dewatering; 2. Contract Values Ops Building 4 without Biosolids Dewatering; and 3. Contract Values Ops Building 5 without Biosolids Dewatering. The Building 5 option was basically thrown out because of the absence of the lab. After discussion the Board conferred that Option 1 of Building 4 with Biosolids Dewatering would be the best choice in terms of long term cost savings. This will be discussed with Lower Fountain and the contractors and a "Final Cost" will be determined next month.

- Nutrients Issue

This item was discussed previously in the meeting under Legal.

Ms. Monroe submitted some data on different speaker phone systems. This item was tabled until the next meeting. The Board would like Ms. Monroe to research refurbished speaker phone systems.

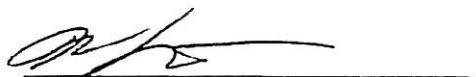
L. Executive Session (if needed)

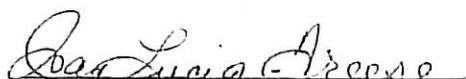
No Executive Session needed.

III. Adjournment

A motion was made and seconded to adjourn the regular meeting at approximately 7:25 p.m. Upon a voice vote, the motion passed unanimously.

Respectfully Submitted,


Michael Cantin, President


Joan Lucia-Treese, Secretary