

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

Thursday, November 21, 2013 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	Treasurer
Karen Harvey (Via Telephone)	Secretary
Michael Terry	Assistant Secretary/Treasurer

Also Present: Al Testa, Cindy Monroe, Pedro Velazquez, Tom Byes, Josh Winter, Paul Anderson and Sandy Goad

I. Preliminary

- A. Call to Order
Director Cantin called the meeting to order at approximately 5:30 pm.
- B. Roll Call - Determination of a Quorum.
A Quorum was present. Director Harvey 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 October 24, 2013.

A motion was made and seconded to approve the Minutes of the Regular Meeting of October 24, 2013. Upon a voice vote, the motion passed unanimously.

- B. Board's Time.

Director Lucia-Treese commented that the County through Dennis Hisey's and Jim Reid's recommendations would like to come up with more of a standardized policy in regards to speed bumps. They would like to see a permanent solution as opposed to any temporary installations. The HAC group will be researching this and submit their recommendations/suggestions to the County Commissioners.

- C. Changes to the Agenda

At this time Dr. Testa introduced Mr. Rob Monroe. Mr. Monroe has been retained in a professional capacity to assist with our conversion to on-line access for our customers. Mr. Monroe will be short-term and on an as needed basis (hourly rate = \$75.00). Mr. Monroe is an Electrical Engineer with extensive

background in wireless, IT and secure networks. He holds eight patents from his previous companies.

D. Progress Presentation of Schematic Design of Administration Bldg. Addition – by Terry Van Sant

Mr. Van Sant was in attendance and submitted a schematic design of the administration building addition. He submitted two concepts for discussion. Dr. Testa will be working on circulation. To date nothing is finalized and costs need to be determined. Director Cantin would like to ensure that security be addressed with limited access to the offices. The restrooms need to be accessible keeping in mind that the office areas need to be secure. The addition will be a little less than 5,000 square feet.

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

Residents were in attendance and expressed their concerns about all the changes and cost increases. He feels that the residents should all be involved in these decisions and be able to vote on any new cost increases. The Board explained that all residents have the opportunity to attend and give input regarding any financial decisions or changes. The meetings are posted with the County and every newsletter has extensive information about the Board's agenda. Information is also posted on our website. Resident Andy Tuthill commented that as a resident we elect our Board to make decisions and act in our best interests and it is our responsibility to attend meetings and keep ourselves informed about District issues.

The Board also recommends that residents with neighborhood issues (trash, unsightly property) need to contact the County land use department and/or County Commissioner Dennis Hisey.

Bradley Height's attorney Steve Mulliken was in attendance and he is encouraged about discussions with CSU and stated that they are still moving forward. Dr. Testa reiterated that the discussions are very positive regarding working out a win/win situation for all parties involved. Dr. Testa is still gathering information and numbers/costs and will present them to the Board at the next regular meeting. Mr. Mulliken thanked the Board and Dr. Testa for their cooperation with these negotiations.

F. Review of District Finances (Cindy)

- Bank Balances

Ms. Monroe gave the report on bank balances at this time. As of November 19, 2013 the District has \$3,324,241.37 in funds. The District's expendable funds are \$3,099,288.59.

- Budget Review

Ms. Monroe presented the budget review for calendar year 2013 month of October.

- Bank Transfers and Other Banking Activities

Two checks were signed to transfer monies into checking for the substantial payment to LFMSDD for the November, 2013 capital contribution for the Wastewater Treatment Plant and a payment to Fountain Mutual Irrigation Co.

- Approval of the January 1, 2014 Payment to Series A Interest Only Bondholders

The Bondholders payment was discussed and approved.

A motion was made and seconded to approve the January 1, 2014 payment of \$132,475.16 to the Series "A" interest only bondholders. Upon a voice vote, the motion passed unanimously.

G. Review and 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.

H. Public Hearing for 2014 Budget.

The Public Hearing for the Proposed 2014 Budget was opened at 6:22 pm.

Dr. Testa presented the 2014 Budget at this time. He remarked that it is essential to have increases this year because of the uncertainty of wastewater, water, and fire protection costs for the coming year. The water rates have not been increased for eleven years.

The Public Hearing for the Proposed 2014 Budget was closed at 6:45 pm. The Regular Board Meeting continued.

I. Approval of the 2014 Budget for CCMD and its Enterprises (AI)

- Resolution 2013-11-21.1 - General Tax Levies, Fees, Charges and Penalties for Fiscal Year 2014.

A motion was made and seconded to adopt Resolution 2013-11.21.1 "General Tax Levies, Fees, Charges and Penalties for Fiscal Year 2014". Upon a voice vote, the motion passed unanimously.

- Resolution 2013-11-21.2 – Enterprise Rates, Fees, Charges and Penalties for Fiscal Year 2014.

A motion was made and seconded to adopt Resolution 2013-11-21.2, “Enterprise Rates, Fees, Charges and Penalties for Fiscal Year 2014”. Upon a voice vote, the motion passed unanimously.

- Resolution 2013-11-21.3 – Summarizing Expenditures and Revenues for Each Fund and Adopting a Budget for the Colorado Centre Metropolitan District (District), Colorado, for the Calendar Year Beginning on the First Day of January, 2014 and Ending on the Last Day of December, 2014.

A motion was made and seconded to adopt Resolution 2013-11-21.3, “Summarizing Expenditures and Revenues for Each Fund and Adopting a Budget for the Colorado Centre Metropolitan District (District), Colorado, for the Calendar Year Beginning on the First Day of January, 2014 and Ending on the Last Day of December, 2014.” Upon a voice vote, the motion passed unanimously.

- Resolution 2013-11-21.4 – Summarizing Expenditures and Revenues for Each Enterprise Fund and Adopting a Budget for the Water And Wastewater Enterprises of the Colorado Centre Metropolitan District (District), Colorado, for the Calendar Year Beginning on the First Day of January, 2014 and Ending on the Last Day of December, 2014.

A motion was made and seconded to adopt Resolution 2013-11-21.4, “Summarizing Expenditures and Revenues for Each Enterprise Fund and Adopting a Budget for the Water And Wastewater Enterprises of the Colorado Centre Metropolitan District (District), Colorado, for the Calendar Year Beginning on the First Day of January, 2014 and Ending on the Last Day of December, 2014.” Upon a voice vote, the motion passed unanimously.

- Resolution 2013-11-21.5 Levying General and Special Property Taxes for Calendar Year 2013 to be Collected in 2014 and According to the Provisions of the Colorado Centre Metropolitan District’s Plan of Reorganization, Case No. 89 B 16410 J, to Allow for the Optimum Recovery of Bondholder’s Investment in the District After Specific Allowances for Operational Expenses are Satisfied for the 2014 Budget Year.

A motion was made and seconded to adopt Resolution 2013-11-21.5, “Levying General and Special Property Taxes to be Collected in Year 2014 According to the Provisions of the Colorado Centre Metropolitan District’s Plan of Reorganization, Case No. 89 B 16410 J, to Allow for the Optimum Recovery of Bondholder’s Investment in the District After Specific Allowances for Operational Expenses are Satisfied for the 2014 Budget Year”. Upon a voice vote, the motion passed unanimously.

- Resolution 2013-11-21.6 Appropriating Sums of Money to the Various Funds and Agencies in the Amounts and for the Purpose as Set Forth Below for the Colorado Centre Metropolitan District, Colorado, for the Budget Year 2014.

A motion was made and seconded to adopt Resolution 2013-11-21.6, "Appropriating Sums of Money to the Various Funds and Agencies in the Amounts and for the Purpose as Set Forth Below for the Colorado Centre Metropolitan District, Colorado, for the Budget Year 2014". Upon a voice vote, the motion passed unanimously.

- Resolution 2013-11-21.7 Appropriating Sums of Money to the Various Funds of the Water and Wastewater Enterprises of the Various Funds of the Water and Wastewater Enterprises of the Colorado Centre Metropolitan District in the Amounts and for the Purposes As Set Forth in the Budget of the Colorado Centre Metropolitan District, Colorado, for the Budget Year 2014.

A motion was made and seconded to adopt Resolution 2013-11-21.7, "Appropriating Sums of Money to the Various Funds of the Water and Wastewater Enterprises of the Various Funds of the Water and Wastewater Enterprises of the Colorado Centre Metropolitan District in the Amounts and for the Purposes As Set Forth in the Budget of the Colorado Centre Metropolitan District, Colorado, for the Budget Year 2014". Upon a voice vote, the motion passed unanimously.

Dr. Testa explained that the District uses the Modified Accrual Budgetary Basis of Accounting for its governmental and proprietary funds.

The District intends to provide the following services during fiscal year 2014: 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.

J. District Operations

- Water, Sewer and Parks Operations (Pedro, AI)

Superintendent Velazquez reported that all systems are running with no problems. All tests were passed in Cuchares Filing 6. The State is coming for Inspections the first week of December.

- Water and Sewer Demand and Augmentation Reports (AI)

For the month of October we produced approximately 6.5 million gallons and sold approximately 5.8 million gallons. The water loss is minimal. We pumped approximately 4 million gallons of wastewater to Widefield. The augmentation report was given for the augmentation period November 2011-October 2012.

- Update on Cuchares Development (Cindy, Sandy)

Nothing sold in November. The total to date for all the filings is 247 (Build out is 408). Filing 6 is in process. Filing 7 is the last filing.

- Acceptance for District Ownership of Water and Sewer Systems in Filing 5 Cuchares Ranch (AI).

Dr. Testa reported that FMI Cuchares Ranch would like to convey Filing 5 Water and Sewer Systems to the Public Water system of Colorado Centre Metropolitan District. If accepted Dr. Testa will notify FMI Cuchares Ranch, LLC that the two year warranty begins today.

A motion was made and seconded to approve the Acceptance of Filing 5 FMI Cuchares Ranch, LLC Water and Sewer Systems. Upon a voice vote, the motion passed unanimously.

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

This is progressing and they are expected to be near the Colorado Centre line within the next month.

- Testing Report from Filtronics and Cost Estimate for Manganese Removal Filtration System (w/o Building and other piping)

The testing report from Filtronics and the Cost Estimate for the Manganese Removal Filtration System (\$540,242.00) was received this week. The proposal Replacement Media is \$24,900.00. These amounts do not include a building. Dr. Testa will prepare a report on actual costs and different scenarios so that the Board can make a decision on how to move forward with the most effective water treatment plant.

- Energy Audit Report

Colorado Springs Utilities Customer & Corporate Services submitted an Energy Audit Report to the District. The Improvement Suggestions will be facilitated.

K. Legal Report (Paul Anderson)

The Urban Grant Park Agreement for Cuchares Ranch Park has been approved by the El Paso County Board of Commissioners.

Mr. Anderson reported that the Lower Fountain Inclusion Policy was adopted at the LF November, 2013 Board Meeting. After discussion the LF Board concluded that an amendment to the service agreement is no longer required.

Mr. Anderson commented that the EPA is in the process of drafting a "Waters of the US" document regarding jurisdictional waters. If this is passed it will have an impact on Lower Fountain in that more waters can be regulated resulting in higher costs. He will keep the Board apprised of this issue.

The Water Quality Control Division (WQCD) submitted the final discharge permit for public review. The AFCURE group (Lower Fountain is working on this through this group) is examining each segment as they exist in Fountain Creek and will submit a re-segmentation plan to the Water Quality Control Commission at the next triennial basin review hearing.

L. Emergency First Responder Services Report (Tom Byes)

Fire Chief Tom Byes reported that Colorado Centre Fire had a low month as far as alarms go (total of 9). As usual the alarms were 70-80% medical. There were numerous automatic alarms. All were advised to be sure and change all batteries. Assistant Fire Chief Josh Winter commented that we did have a family in Cuchares Ranch who were alerted by their automatic alarm and were able to escape carbon monoxide exposure.

M. Fountain Mutual Irrigation Company – (AI)

Minutes of the October 24, 2013 Regular Board Meeting was included with the board packets.

On-going issues are still on the agenda, including the Lorson Ranch Pipe Design, repairs to outlet gates at Big Johnson Reservoir, CSU improvements at FMIC Headgate, dredging at Big Johnson, etc.

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

Minutes of the October 12, 2013 Regular Board Meeting were included with the Board packets plus the Agenda for the October 10, 2013 Board Meeting.

- Progress Report

All of the big ticket items have been paid and close out should occur in January, 2014. Director Cantin commented that the BioSolids Building is on track and will be completed as scheduled.

Electrical bills have been extremely high for the plant (approximately \$20,000 per month). They have decided to look into more cost effective ways to generate power (solar, etc.).

O. 2014 Board Meeting Schedule

Notice will be given that the Board of Directors of the Colorado Centre Metropolitan District of the County of El Paso, State of Colorado, will hold a regular meeting at 5:30 p.m. on the dates listed below at the Colorado Centre Offices, 4770 Horizonview Drive, Colorado Springs, Colorado 80925, for the purpose of any business that may come before the Board.

Thursday , January 14, 2014	Thursday, July 24, 2014
Thursday, February 27, 2014	Thursday, August 28, 2014
Thursday, March 27, 2014	Thursday, September 25, 2014
Thursday, April 24, 2014	Thursday, October 23, 2014
Thursday, May 22, 2014	Thursday, November 20, 2014
Thursday, June 26, 2014	Friday, December 12, 2014

These meetings are open to the public. If any of the posted dates and/or the time and/or the place of the meetings change, a new announcement will be posted.

A motion was made to approve the 2014 regular board meeting schedule. Upon a voice vote, the motion passed unanimously.

P. Christmas Party – Last minute issues (Sandy)

Sandy Goad reported that the event will take place at the Iron Springs Chateau in Manitou Springs on Saturday December 14, 2013 from 6:00 pm until 10:00 pm.

Q. Executive Session (if needed)

No Executive Session Needed.

III. Adjournment

A motion was made and seconded to adjourn the regular meeting at approximately 7:50 p.m. Upon a voice vote, the motion passed unanimously.

Respectfully Submitted,



Michael Cantin, President



Karen Harvey, Secretary

Michael Terry, Asst. Sec.

ACKNOWLEDGMENT, NOTICE AND CONSENT TO
REGULAR MEETING OF THE
BOARD OF DIRECTORS OF THE
COLORADO CENTRE METROPOLITAN DISTRICT

WE, THE UNDERSIGNED members of the Board of Directors of the Colorado Centre Metropolitan District, do hereby acknowledge receipt of adequate notice of the regular meeting of the Board held **Thursday, November 21, 2013** informing us of the date, time and place of the meeting and the purpose for which it was called. We do hereby waive any and all irregularities, if any, in such notice and in the manner of service upon us, and consent and agree to the holding of such meeting at the time and place specified in said notice, and to the transaction of any and all business which may come before such meeting.








