

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

Thursday March 27, 2014 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	Secretary

Also Present: Dr. Al Testa, Cindy Monroe, Josh Winter, and Pedro Velazquez.

I. Preliminary

- A. Call to Order
Director Cantin called the meeting to order at approximately 5:36 pm.
- B. Roll Call - Determination of a Quorum.
A Quorum was present. Director Terry was absent due to illness.

A motion was made and seconded to excuse Director Terry's absence due to his illness. Upon a voice vote, the motion passed unanimously.

- 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 February 27, 2014.

A motion was made and seconded to approve the Minutes of the Regular Meeting of February 27, 2014. Upon a voice vote, the motion passed unanimously.

- B. Board's Time.

Director Lucia-Treese reported that due to the fact that Director Terry will not be continuing as a Board member after his term is up in May, 2014 it will be necessary for the Board to appoint a new Board member. She commented that all the Board should keep this in mind and talk to their neighbors, etc. to see if there is any interest in serving on the Board. An announcement of the opening will be placed in the April Newsletter.

C. Changes to the Agenda

No Changes.

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

None.

F. 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.

- Parks, Water and Sewer Systems (Pedro)

Superintendent Velasquez reported that cleaning up tumbleweeds continues in the parks and along Horizonview Drive. Water usage is down. The generator was taken out of the lift station and will probably be sold.

- Report on Minor Sewer Spill (Pedro)

The line that goes to Widefield got plugged up and created a minor spill of around 300 gallons. The spill was cleaned up and reported to the State.

E. Review of District Finances (Cindy)

- Bank Balances

Ms. Monroe gave the report on bank balances at this time. As of March 21, 2014 the District has \$3,069,747.09 in funds. The District's expendable funds are \$2,786,684.79.

- Budget Review for February 2014

Ms. Monroe presented the budget review for calendar year 2014, Month of February.

- Bank Transfers and Other Banking Activities

A letter was signed to transfer the Case Escrow reimbursement for expenses into the Farmers State Bank Account.

F. Review and Approval of Payables (Board)

Reviewed and approved earlier in the meeting.

G. District Operations

- Parks, Water and Sewer Systems (Pedro)

Reported on earlier in the meeting.

- Update on Cuchares Development (Cindy, Sandy)

There were three lots (Filing 5) sold in March, 2014 (two to Premier Homes and one to Challenger Homes). The total to date for all the filings is 257 (Build out is 408). Filing 6 is in process. Filing 7 is the last filing.

Dr. Testa commented that FMI has pending with El Paso County a final plat known as Cuchares Ranch Filing 7 that is located within the District and seeks to plat a total of 55 lots. As part of the plat review process for Filing 7, the County found that the prior water service commitment letter by the District dated September 13, 2013 was insufficient to provide water to the Property due to the number of lots proposed for plat approval.

An Agreement was entered into between Colorado Centre Metropolitan District and FMI Cuchares Ranch in which the District agrees to accept the platting of the Property by FMI as a residential lot solely for purposes of receiving water and wastewater services from the District in the future. The District agrees to provide water and wastewater to the Property at such time as the Property is properly platted to receive such service and FMI pays the District in full for all fees and charges then current. This Agreement will allow FMI Cuchares Ranch to complete the final plat of Filing 7 (55 lots). The Agreement will be recorded with the County.

- Acceptance of Cuchares Park Assets (Pending Signed Documents from Developer) – Al

This will be addressed later in the meeting.

- Resolution 20140327.1 Amended Rates, Charges, Fees and Penalties for Fiscal Year 2014 for the Enterprise Funds Only.

This will be addressed later in the meeting.

- Recommendations from Manager for Plant Design/Build Team, and Interviews. (AI)

Dr. Testa placed a Request for Quotes (RFQ) in the Gazette for the Plant Design. He only received one inquiry and that was from T-Bone Construction. Dr. Testa has put together a Design/Build Team with different appropriate tasks. The team consists of Van Sant Architects, Filtronics, JD Hydro, Brown Hills Consultants, Rob Monroe (IT), Polaris, Kumar, T-Bone Construction and CCMD/PCI. The design and permitting will take approximately three to four months and the Construction approximately two to three months.

A motion was made and seconded to approve the recommendations from District Manager Al Testa to pursue design, permitting and construction of a Water Plant. Upon a voice vote, the motion passed unanimously.

- Tumbleweeds – What can CCMD do? (All)

Ms. Susan Vaughn, a resident of Colorado Centre was in attendance, and has concerns regarding how to eliminate the tumbleweeds on her property. She commented that she is having problems with other residents trying to discard the weeds on her property. She did call the Sheriff. Director Lucia-Treese added that if the Sheriff is called they cannot issue a complaint unless they see the actual illegal action. They did talk to the residents involved.

Director Lucia-Treese commented that the person who called the Sheriff can file a complaint. Director Cantin emphasized that it is not legal to shove them into the street or over the fence (subject to ticketing and fines). Since they are on your property they are all yours. Right now the list of suggestions on what to do is small; it appears that breaking them down and putting the remains into a trash bag for disposal is the most cost effective and legal way to deal with the problem.

- Bradley Heights (AI)

Dr. Testa stated that Colorado Springs needs to step up and make a decision and that there will be no deals if both water and sewer, interim and/or permanent, do not come to CCMD, and the fees proposed are accepted as presented. CCMD's proposal is on the table and we are finished negotiating until the City makes a counter offer or accepts our proposal.

Bradley Heights Attorney Steve Mulliken was in attendance and stated that CSU is in the process of "tweaking" the numbers on the Colorado Springs side. He is hopeful that he will have something concrete to report at the next CCMD regular Board Meeting.

- Acceptance of Cuchares Park Assets (Pending Signed Documents from Developer) – AI

Dr. Testa commented that through an agreement with FMI Cuchares Ranch Tract A was conveyed to Colorado Centre. We also have an agreement with the Cuchares HOA stating that they will maintain part of Tract A as a park. After we receive the signed Bill of Sale with an Exhibit stating what park equipment was placed in the park then we will convey the \$25,000 received from the County for the Urban Park Grant to FMI Cuchares Ranch. The Bill of Sale with Exhibit A will be recorded with the County.

A motion was made and seconded to approve Resolution 2014-3-27.2 to reimburse FMI for the park equipment and facilities through the release of the Urban Park Grant Funds (\$25,000) awarded to CCMD. Upon a voice vote, the motion passed unanimously.

- Resolution 20140327.1 Amended Rates, Charges, Fees and Penalties for Fiscal Year 2014 for the Enterprise Funds Only.

After the Budget was adopted on November 21, 2013, the District undertook a study of its assets and came up with a revised value for the proper allocation of cost per connection to both its water and sewer systems. Therefore, it was necessary to amend the Rates, Fees, Charges and Penalties for Fiscal Year 2014.

A motion was made and seconded to approve Resolution 2014-03-27.1-Amended Rates, Fees, Charges and Penalties for Fiscal Year 2014. Upon a voice vote, the motion passed unanimously.

- Final Acceptance of Cuchares Ranch Filings 2 and 3 – Expiration of 2-yr Warranty Period. (Pending repair of three fire hydrants) – AI

Dr. Testa explained that the warranty on Cuchares Ranch Filings 2 and 3 expired last week. There are three fire hydrants that are too low and they need to be adjusted to the correct height. There will be no formal acceptance until the hydrants are in compliance.

- Report on Minor Sewer Spill (Pedro)

Reported on earlier in the meeting.

H. Legal Report (On vacation)

Mr. Anderson is on vacation and had written a memo to the Board stating any legal issues. The Board reviewed the memo and had no additional comments. Dr. Testa stated that while he was gone, Mr. Anderson attended several meetings

in his place including the El Paso County Water Authority meeting (Transit Loss Model). He reported to Dr. Testa regarding the meetings he attended.

I. Fire Department Report (Tom Byes and/or Josh Winter)

Assistant Chief Winter reported on several items. First of all in regards to a situation in which any staff member feels threatened by an irate, bullying resident, that staff member should not hesitate to push the in-house panic button and call the Sheriff. The Board emphasized that any person in the station who feels threatened should "err on the side of caution" and call the Sheriff.

Secondly, Assistant Chief Winter wanted to emphasize that the tumbleweeds are a huge fire hazard and every resident is responsible for their removal from their property. It is not legal to burn them. Should the fire get away from an individual, all damages and Fire Fighting costs will be that person's responsibility. There is prescribed burning laws in the County but this is highly regulated and can only be done under County approved conditions.

Lastly, Assistant Chief Winter has been doing some research and has found a potential revenue source for the Fire Department. That source consists of the ability to bill insurance companies for our fire department's assistance on traffic accidents. There is a possibility that we could charge up to \$900.00 per accident. The Board agreed that only non-resident's insurance companies needs to be billed since the CCMD residents are already paying for the service. Assistant Chief Winter will pursue this further and compose the necessary forms needed to bill the insurance companies.

A motion was made and seconded to approve that the CCMD Fire Department Chief/Assistant Chief can initiate a form modeled after the Security Colorado Fire Department in which the CCMD Fire Department can seek reimbursement from any traffic accident that they respond to through the CCMD Fire Department. Residents of CCMD are exempt from this fee. This will not go forward until this is reviewed by Paul Anderson, our legal counsel. Upon a voice vote, the motion passed with Directors Eccles, Lucia-Treese and Harvey voting yea and Director Cantin voting nay.

Director Eccles requested that the Fire Department place something in the newsletter regarding the tumbleweeds and that it is not legal to burn them. This will be facilitated.

J. Fountain Mutual Irrigation Company (AI)

Minutes of the February 13, 2014 Regular Board Meeting were included with the Board packets. Dr. Testa reported that FMIC moved to hire a consultant (GMS) for paperwork for assistance to FMIC in determining the best route to follow in

regards to Big Johnson Reservoir in terms of the outlet structure, dredging, etc. Phase One of the Lorson canal project was completed. There have been improvements planned and implemented by CSU at the Fountain Mutual Headgate.

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

Minutes of the February 13, 2014 Regular Board Meetings were included with the Board packets plus the Agenda for the March 13, 2014 Board Meeting.

- Progress Report .

Director Cantin reported that Ms. Hanna continues to cause issues with the LF District. She had nothing to report at the last meeting with her and after the meeting sent an e-mail still alleging that the District's treated discharge water is making her cows sick. He commented that the LF District is preparing to litigate and will continue to move forward on putting the pipe underground.

A big issue is that we have a big list of items that need to be taken care of including the clarifiers, excess water in the roll off dumpster, freezing of the slide gates, SCADA communication problems, etc. The appropriate vendors have been notified but the response was minimal. Jim Heckman and the vendors were able to work things out. The project should be closed out by the end of this month.

The Environmental Protection Agency rulemaking activities and ongoing nutrient issues continue to be a financial burden to the District in terms of legal fees. Hopefully, Colorado Centre will be flowing to LF by May 1, 2014.

L. Executive Session, if needed. Used for legal, contract and personnel matters only.

No Executive Session needed.

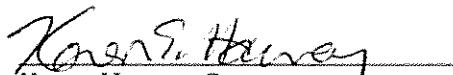
III. Adjournment

A motion was made and seconded to adjourn the regular meeting at approximately 7:15 p.m. Upon a voice vote, the motion passed unanimously.

Respectfully Submitted,



Michael Cantin, President


Karen Harvey, Secretary

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

Thursday, April 24, 2014 at 5:30 p.m.
4770 Horizonview Drive
Colorado Springs, CO 80925

AGENDA

I. Preliminary

- A. Call to Order
- B. Roll Call - Determination of a Quorum.
- C. Acknowledgment, Notice and Consent to Regular Meeting

II. General Business Items

- A. Approval of the Minutes of the Regular Meeting of March 27, 2014.
- B. Board's Time
- C. Changes to the Agenda
- D. Public Comments – Maximum of 5 minutes per person who has signed in.
- E. Review of District finances (Cindy)
 - Bank Balances
 - Budget Review for March 2014
 - Bank Transfers and Other Banking Activities
- F. Approval of Payables (Board)
- G. District Operations
 - Parks, Water and Sewer Systems (Pedro)
 - Augmentation and Usage Reports (Al)
 - Connection to LFMSDD's System
 - Update on Cuchares Development (Cindy, Sandy)
 - Bradley Heights Update (Al)
- H. Legal Report (Paul)
 - Update of District's Service Plan
 - Enforcement Powers
- I. Fire Department Report (Tom Byes and/or Josh Winter)
- J. Fountain Mutual Irrigation Company (Al)
- K. Lower Fountain Metropolitan Sewage Disposal District (Mike Cantin)
 - Progress Report
- L. Executive Session, if needed. Used for legal, contract and personnel matters only.

III. Adjournment