

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

Thursday April 24, 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
Karen Harvey	Secretary
Michael Terry	Assistant Secretary/Treasurer

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

**I. Preliminary**

- A. Call to Order  
Director Cantin called the meeting to order at approximately 5:34 pm.
- B. Roll Call - Determination of a Quorum.  
A Quorum was present. Director Lucia-Treese was absent due to her hospitalization for surgery.

**A motion was made and seconded to excuse Director Lucia-Treese's absence due to her hospitalization for surgery. 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 March 27, 2014.

A word needs to be changed in the minutes on page four paragraph one (the sixth line should read "will" take not "with" take). This will be corrected.

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

- B. Board's Time.

No report.

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

This item will be reported on later in the meeting.

- Budget Review for March 2014

This item will be reported on later in the meeting.

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.**

G. District Operations

- Parks, Water and Sewer Systems (Pedro)

Superintendent Velasquez reported that during the month of April the lines were flushed. Water use has increased during the last month. The new sewer line is ready by the lift station. The City will be coming in to clean the lines, and the lines to Widefield will be plugged. We will be flowing to Lower Fountain on May 1, 2014.

All the sprinkler systems are running in the parks and along Horizonview. We had to do some minor repairs to the lines. There has been some fence encroachment along Horizonview that needs to be reported to the County. The tumbleweeds continue to be a problem and cleanup efforts are ongoing.

Dr. Testa commented that Colorado Centre now owns/has title to the unimproved land located along Jimmy Camp Creek and Anvil Drive between Sleepy Creek Drive and Breaking Dawn Street. Any resident who has vehicles, campers, equipment, etc. parked on that parcel will be notified that those items need to be removed.

- Bradley Heights Update (Al)

Bradley Heights Attorney Steve Mulliken was in attendance and stated that CSU is still in the process of “tweeking” the numbers on the Colorado Springs side. Mr. Mulliken stated that Dr. Testa had a good meeting with CSU and he is hopeful that he will have something concrete to report at the next CCMD Regular Board Meeting.

Dr. Testa stated that he did have a good meeting with Colorado Springs. They are shifting the numbers and Dr. Testa emphasized that Colorado Centre “needs to get what it needs on the Creek”. Colorado Springs need 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. They discussed numerous issues including fees, plant capacity and whether CSU should become a member of the LF District, the uncertainty of financial obligations in the future, etc. All these issues are being discussed and researched and hopefully a decision will be made in the near future.

E. Review of District Finances (Cindy)

- Bank Balances

Ms. Monroe gave the report on bank balances at this time. As of April 21, 2014 the District has \$3,093,395.61 in funds. The District’s expendable funds are \$2,834,573.31.

- Budget Review for March 2014

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

- Bank Transfers and Other Banking Activities

Ms. Monroe reported that a payment of \$61,335.19 needs to be made on May 1, 2014 to CWRPDA (Colorado Water Resources and Power Development Authority) for the Wastewater Loan.

**A motion was made and seconded to approve a wire transfer payment of \$61,335.19 to be made on May 1, 2014 to CWRPDA for the Wastewater Loan. Upon a voice vote, the motion passed unanimously.**

A letter was signed to transfer the 2013 Conservation Trust Funds into the Farmers State Bank Account.

Hoelting & Company were here the second week of April for the annual audit. They haven't indicated when the audit will be completed.

Ms. Monroe reported that the Colorado Department of Unemployment came to CCMD to do an audit. The auditor has not released her findings yet, but the auditor expressed that there is a gray area regarding the Firemen. The auditor believes the Firemen are employees and not contractors. As employees, CCMD should pay unemployment tax on the Firemen's pay. After discussion, it was unanimously agreed that we argue/appeal this decision. If necessary we would employ an attorney who specializes in unemployment issues.

F. Review and Approval of Payables (Board)

This item was addressed earlier in the meeting.

G. District Operations

- Parks, Water and Sewer Systems (Pedro)

Reported on earlier in the meeting.

- Augmentation and Usage Reports (AI)

The augmentation report has been revised. It now includes our daily allocation of flow to Lower Fountain for the State. The Colorado Water Protection & Development Agency is purchasing all of our excess water. The report now shows the current year.

Dr. Testa commented that he would like to research the possibility of doing some pre-grading for the water treatment plant (built this year) and administration building (will be built probably next year). Doing it all at once for both buildings would be more fiscally advantageous. The Board would like him to put a package together regarding this project. Also he would like to look into building Well 204 next to the Fire Station. (Well 204 is in the Gunbarrel neighborhood presently). To do this it will need to be re-permitted. He will get all prices, etc. to do this project.

Dr. Testa will have a report and costs on the new SCADA system at next month's meeting.

- Connection to LFMSDD's System

The connection to LF is being completed. Frazee Construction will do all the clean-up for us and the manhole by the lift station will be filled in. Just south of

Peaceful Valley Road all the way to LF is the line that we own. We have one million gallons of flow capacity a day.

Director Cantin commented that the wastewater treatment workers (Pedro Velazquez and Frankie Diaz) were honored with State of Colorado Proclamation of Recognition Week thanking these workers for protecting the water and environment of the State of Colorado.

- Update on Cuchares Development (Cindy, Sandy)

There were two lots (Filing 5) sold in April, 2014. The total to date for all the filings is 259 (Build out is 408). Filing 6 is in process. Filing 7 is the last filing.

- Bradley Heights Update (Al)

This was discussed earlier in the meeting.

#### H. Legal Report (Paul)

Mr. Anderson commented that Jim Heckman, Tad Foster and he had a phone conference concerning splitting up the duties regarding water quality matters. Mr. Anderson will be taking care of the 303 Listing Methodology, AFCURE meeting, permit issues, EPA Rulemaking and EPA Waters of the US Rulemaking. This way there will be no replication of efforts.

Mr. Heckman had a phone call with Ms. Hanna and she would like to take the \$20,000 as is and will not require Lower Fountain to put in any landscaping.

- Update of District's Service Plan

Mr. Anderson commented that there is no need to update the Service Plan at this time. The Service Plan does not include Fire Protection as a District Service.

- Enforcement Powers

The Board would like Mr. Anderson to compose a document to be recorded stating facts concerning the District's original investment in the infrastructure of Colorado Centre. If the City takes over the Commercial properties in Colorado Centre we need to protect our initial investment in the infrastructure and the monies need to be recouped.

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

Chief Byes stated that it was a pretty quiet month. The Board reiterated that the

District will protest the unemployment audit decision if it states that our contract firefighters need to be treated as employees and Employment insurance needs to be paid into.

Assistant Chief Winter applied for an ESA Grant Application and was awarded a grant in the amount of \$3,190.00. It will be used to purchase an EMS Massimo unit which tests for CO levels in the blood.

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. A Motion was made at the last meeting to pursue this potential revenue source. Assistant Chief Winter has composed what would be needed on the forms for this and will have a company make them. Also, the information will be given to Mr. Anderson so that he can explore the legalities of this.

J. Fountain Mutual Irrigation Company (AI)

Minutes of the March 18, 2014 Regular Board Meeting were included with the Board packets. Dr. Testa reported that FMIC has been advertising for an engineering company to design the outlet structure for the dam. They are trying to restructure the company in terms of field management. Gary Steen will be restricted to the technical side of engineering and someone will be hired for field management.

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

Minutes of the March 13, 2014 Regular Board Meetings were included with the Board packets plus the Agenda for the April 10, 2014 Board Meeting.

- Progress Report .

Director Cantin reported that the final bill was paid to Weaver. Ms. Hanna has not made any more issues regarding her sick cows.

There is ongoing work on the clarifiers, excess water in the roll off dumpster, freezing of the slide gates, SCADA communication problems, etc.

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

Since it is Mike Terry's last meeting in May Director Cantin would like to plan a get-together farewell dinner to take place on May 23, 2014 at Schnitzel King in Fountain. This will be planned by Sandy and information sent out.

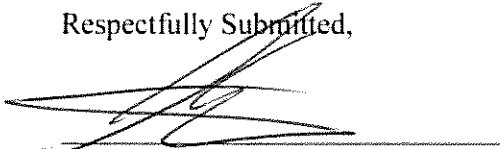
L. Executive Session, if needed. Used for legal, contract and personnel matters only.

No Executive Session needed.

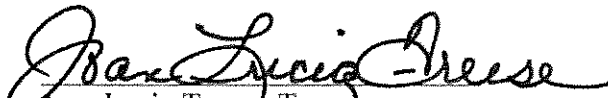
### III. Adjournment

A motion was made and seconded to adjourn the regular meeting at approximately 7:35 p.m. Upon a voice vote, the motion passed unanimously.

Respectfully Submitted,



Shawn Eccles, Vice-President



Joan Lucia-Treese, Treasurer