

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

Thursday May 22, 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
Floyd Edwards	Assistant Secretary/Treasurer (Newly Appointed)
Michael Terry	Assistant Secretary/Treasurer (Out-going)

Also Present: Dr. Al Testa, Cindy Monroe, Paul Anderson, Tom Byes, 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 Harvey was unable to attend tonight's meeting.

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

- C. Acknowledgment, Notice and Consent to Regular Meeting-Entered with the minutes.
- D. Oath of Office to Re-elected Director (s)

At this time the Oath of Office was administered to Joan Lucia-Treese by Director Michael Cantin. Ms. Lucia-Treese was deemed elected for a four year term (2014-2018).

- E. Appointment of New Director and Oath of Office

Michael Terry did not seek re-election for the year 2014. Therefore, at this time Mr. Floyd Edwards was appointed to fill the vacant seat on the Board. He will be appointed to serve a two-year term (2014-2016).

A motion was made and seconded to appoint Mr. Floyd Edwards to fill the vacant seat on the Board for a two-year term (2014-2016). Upon a voice vote, the motion passed unanimously.

At this time the Oath of Office was administered to Floyd Edwards by Director Michael Cantin. Mr. Edwards was deemed appointed for a two-year term (2014-2016).

F. Election of Officers

A motion was made and seconded to keep the slate of officers as is with Michael Cantin continuing as President, Shawn Eccles continuing as Vice-President, Joan Lucia-Treese continuing as Treasurer, Karen Harvey continuing as Secretary and appointed Director Edwards becoming Assistant Secretary/Treasurer. Upon a voice vote, the motion passed unanimously

G. Recognition of Outgoing Director Mike Terry.

At this time Director Cantin and the Board thanked Mr. Terry for his years of faithful service from November 2005 until May 2014. Mr. Terry was presented with a plaque commemorating his years of service. Director Cantin further thanked him for his insight and hard work.

II. General Business Items

A. Approval of the Minutes of the Regular Meeting of April 24, 2014.

A motion was made and seconded to approve the Minutes of the Regular Meeting of April 24, 2014. Upon a voice vote, the motion passed unanimously.

B. Board's Time.

Director Edwards thanked the Board for appointing him to the Board and looks forward to his years of service.

Mr. Terry commented that his 10 years on the CCMD Board of Directors was an amazing journey given all the complicated issues that were addressed and the many accomplishments. He praised Dr. Testa, Paul Anderson and all the staff for their excellent work for the District. He was very thankful to serve with the Board and he is proud of the accomplishments that were facilitated through hard work and dedication.

C. Changes to the Agenda

No Changes.

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

Bradley Heights Attorney Steve Mulliken was in attendance and stated that CSU is still in the process of “refining” the numbers on the Colorado Springs side. Mr. Mulliken stated that Dr. Testa had another good meeting with CSU and he is hopeful that there will be a draft IGA that can be discussed at the next CCMD Regular Board Meeting. He further commented that they have an interested builder for the project.

E. Review of District Finances (Cindy)

- Bank Balances

Ms. Monroe gave the report on bank balances at this time. As of May 19, 2014 the District has \$3,086,490.23 in funds. The District’s expendable funds are \$2,906,401.92.

- Budget Review for April, 2014

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

- Bank Transfers and Other Financial Activities

A check was signed to deposit/transfer the availability of service fees into the appropriate Farmers State Bank Account.

- Update on 2013 CCMD Audit by Hoelting & Co.

Hoelting & Company will be getting a 2013 audit draft to Dr. Testa and Ms. Monroe on Wednesday or Thursday of next week. The 2013 audit will be presented at the June 26, 2014 Regular Board meeting.

- Status on Colorado Labor Department Audit and Challenge

The findings resulting from the audit states that the Contract Fire Fighters should be treated as employees and CCMD needs to pay into unemployment insurance for these Fire Fighter Contractors. Ms. Brenda Heineke, a Labor Law Attorney has been engaged to facilitate the appeal process.

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

A motion was made and seconded to enter in Executive Session at 6:10 p.m. Upon a voice vote, the motion passed unanimously.

Upon Motion the Board went into Executive Session at 6:10 p.m. pursuant to C.R.S. Section 24-6-402(3) (a) (II) and closed at 6:40 p.m. The regular meeting continued.

Mr. Anderson commented that subjects discussed in Executive Session included the pending audit/appeal with the Unemployment/Labor Department; and the supply of interim water and wastewater service to the Bradley Heights property and the terms and conditions for any interim service agreement.

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)

Dr. Testa reported that the field personnel have been working in the parks and they are making progress with the tumbleweeds.

Dr. Testa presented his grading concept around the water treatment plant location. Dr. Testa explained that the grading will include fields for soccer, baseball, etc. The Board all conferred that the grading concept put together by Dr. Testa will work and they were all pleased with the design plan. Dedicating Well 217 for a sprinkler system for those areas will alleviate having to treat that water. All the trees in that area will remain.

- Augmentation and Usage Reports (AI)

The State is still working on “fine tuning” this report. This report is for water paid in period November 2013-October 2014 and for Augmentation period November 2011-October 2012. All the data from Lower Fountain gets transferred electronically. All excess waters have been sold to CWPDA. Dr. Testa would like to have Mr. Anderson look at the CWPDA Agreement to determine if it needs to be amended.

- SCADA System Upgrade (AI)

The upgraded SCADA software and server hardware have been purchased and are being programmed at this time. The SCADA will be operational within the next two months.

- Water Filtration Plant Design Progress (AI)

The Design process with Filtronics is going well. They are pricing two buildings: one at 32 feet by 80 feet and one at 36 feet by 80 feet. All plans include future expansion possibilities. Dr. Testa commented that we will be out of design and in construction by August, 2014. The grading can begin at any time.

- Connection to LFMSDD's System (AI)

We are flowing to Lower Fountain and the numbers look good. The lift station has been cleaned up. We will keep the lift station site in case it will be needed for pre-treatment or a metering system.

- Update on Cuchares Development (Cindy, Sandy).

To date there have been no new lots sold in May. 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 (AI)

This was reported on earlier in the meeting.

H. Legal Report (Paul)

Mr. Anderson commented that the water quality issues are an ongoing concern. He continues to track the Environmental Protection Agency rulemaking activities including the modification of the Water Quality Improvement Fund, Clean Water Act requirements, WQCC Regulation No. 31 for standard of sediment discharges, 303D Methodology Work Group and EPA authority over waters of the United States. The Permit Issue Forum met recently and their main issue is how temperature is assessed and Discharge Monitoring Report (DMR) guidance.

Mr. Anderson commented that AFCURE released a "white paper" and executive summary. The summary is a good brief overview of the organization purpose and cost estimates for upcoming and current projects. It summarizes the needs and costs for water quality related issues that need to be addressed in our region.

Regarding Ms. Hanna, there have been no further conversations regarding her claim about the treated discharge water making her cows sick. She has not returned any calls to discuss giving her a \$20,000 check in lieu of installing the tree line and additional irrigation.

The Senate Bill 46 regarding the Fire Grant Safety program will be in place soon.

The Lower Fountain Service Plan update has been put on hold and the easement is still pending.

How we go about preserving the District's investments may entail filing some sort of document stating what facilities the District has in place.

Director Cantin commented that because of the article in the newsletter regarding the purchase of the Tresmar property all vehicles, equipment, etc. have been removed.

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

Chief Byes commented that Assistant Chief Winter was unable to attend tonight's meeting because of personal issues. Chief Byes reported that the department had eight alarms last month with the majority being medical assists. The Masimo unit (measures CO levels in the blood) bought with help from the ESA Grant that Assistant Fire Chief Josh Winter applied for has arrived.

J. Fountain Mutual Irrigation Company (AI)

Minutes of the April 17, 2014 Regular Board Meeting were included with the Board packets.

Dr. Testa reported that FMIC has hired a new individual to help manage the delivery of water. He will start working next week and will replace Gary Steen as Manager. Mr. Steen will continue with some engineering projects. The new manager will be reporting directly to the Board. There have been numerous complaints about the management so it was necessary to hire a new manager.

The Lorson Ranch pipe installation has been completed and everything is flowing smoothly.

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

Minutes of the April 10, 2014 Regular Board Meeting were included with the Board packets plus the Agenda for the May 15, 2014 Regular Board Meeting.

- Activity Report.

Director Eccles attended this month's Lower Fountain meeting because Mr. Cantin was unable to attend. Director Eccles stated that all issues discussed at the meeting have been touched on previously in this meeting so there is nothing else to report.

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

Executive Session was entered into earlier in the meeting.

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,



Michael Cantin, President



Karen Harvey, Secretary