

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

Thursday July 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
Joan Lucia-Treese	Treasurer
Karen Harvey	Secretary
Floyd Edwards	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 5:30 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 June 26, 2014.

**A motion was made and seconded to approve the Minutes of the Regular Meeting of June 26, 2014. Upon a voice vote, the motion passed unanimously.**

- B. Board's Time

Director Lucia-Treese reported that after two and a half years of work by HAC there is a working document in place for speed bump legislation. The document will go to the County Commissioners for approval.

- C. Changes to the Agenda

No Changes.

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

Andy Tuthill, a long time resident of Colorado Centre, spoke at this time regarding the District's policy of a mandatory retirement at age 67. He would like the Board to research this policy and determine the legalities, etc. of this policy.

**A motion was made and seconded to have discussion of the District's policy of a mandatory retirement age placed on the agenda for the August 28, 2014 Regular Board meeting. Upon a voice vote, the motion passed unanimously.**

Steve Mulliken, Bradley Heights Attorney, was in attendance and commented that to date there is no draft IGA from the City of Colorado Springs. He further commented that Bradley Heights does have a developer/builder under contract for the project.

E. Review of District Finances (Cindy)

- Bank Balances

Ms. Monroe gave the report on bank balances at this time. As of July 21, 2014 the District has \$3,147,708.25 in funds. The District's expendable funds are \$2,864,424.44.

- Budget Review for June, 2014

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

- Bank Transfers and Other Financial Activities

A transfer check was signed to transfer monies into the Wells Fargo checking for payables and payroll and a transfer check was signed to transfer monies from the Bradley Heights ColoTrust escrow account into the Farmers State Bank to cover expenses incurred on their behalf.

Ms. Monroe supplied the Board with a breakdown of Robinson Ditch expenses and revenue.

- Status on Colorado Labor Department Audit and Challenge

The appeal process is on-going with no new developments. 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.

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.**

H. District Operations

- Parks, Water and Sewer Systems (Pedro)

Mr. Velazquez reported that water demand is high. There was some flooding last Wednesday along Jimmy Camp Creek. Some of the stabilization foundation was taken out by the flood water. Dr. Testa commented that he will have the contractor that is doing the grading for the water treatment and office sites price out doing re-stabilization of that area. We are also checking to see if we have any insurance coverage for the flooding damage.

- Augmentation and Usage Reports (AI)

The augmentation 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 will be sold to CWPDA.

- Morning Sun IIA and Jimmy Camp Creek Channel Improvements Alternative (AI)

Dr. Testa has been researching different scenarios for the Tresmar property that we now own. There are actually 25 lots along that section and his idea would be to re-plat the lots and sell them for development. We would need to get all County approvals. Talking with Commissioner Hisey would be a good place to start this process. The monies from selling these lots could be used for protection/stabilization along Jimmy Camp Creek. After discussion the Board conferred that they would like Dr. Testa to move forward with this proposal.

**A motion was made and seconded to approve having Dr. Testa research the possibility of selling the 25 lots owned by Colorado Centre. Upon a voice vote, the motion passed unanimously.**

Dr. Testa is meeting with the County regarding the 1041 process requirement and the reasons that Colorado Centre should not have to adhere to this 1041 process. Director Lucia-Treese will attend the meeting also.

- SCADA System Upgrade (AI)

The SCADA system is running well right now. The lift station radio will be added when Lower Fountain is finished with that area.

- Water Filtration Plant Design Progress- Grading Contract (AI)

Dr. Testa reported that the grading design has been accomplished and the Contractor will be sending the Contract next week which Dr. Testa will review. The flooding problems will need to be addressed also. He will talk with drainage engineers to determine the most efficient way to do the stabilization. Tony Cuchares was in attendance and he commented that the flooding that occurred last week was a milder flood than what could occur at a later date and the silt problem needs to be addressed when determining the repairs that need to be made. The Board thanked Mr. Cuchares for his input.

- Metering Station to Lower Fountain and Asset conveyance updates (AI)

Dr. Testa reported that all is finished except for getting power to the lift station for implementation of the SCADA system.

- Update on Cuchares Development (Cindy, Sandy).

To date there has been two new lots sold in July. The total to date for all the filings is 264 (Build out is 408). Filing 6 is in process. Filing 7 is the last filing. There has been a slow down probably because of the military transitions.

- Bradley Heights Update (AI)

Dr. Testa has been conferring with the City and they realize that the "ball is in their court" but still need to address some issues. Dr. Testa reiterated that the City should not expect a decision back from Colorado Centre immediately. Colorado Centre needs time to go over the IGA before anything can be approved. The City Attorney did mention that they would like to confer with Lower Fountain regarding joining LF.

I. Legal Report (Paul)

Mr. Anderson mentioned that Dr. Testa is still working with Roger Sams and Jim Heckman on the finalization of the outfall easement.

He stated that he has been tracking several issues including the 303d Listing Methodology workgroup (next meeting will be August 6<sup>th</sup>), AFCURE, Permit Issues workgroup, Waters of the US Proposed Rule, Water Quality Forum workgroup, Sediment Policy workgroup and pending EPA Rulemakings.

Jim Heckman has been working on Ms. Hanna issues and there is nothing new to report.

Mr. Anderson reviewed the form that Assistant Chief Winter put together for charging insurance companies for traffic accidents (non-resident) and found it to be workable.

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

Assistant Chief Winter reported that the Fire Engine had its annual test. One valve problem will be fixed in house. All the bunker gear was cleaned and inspected at Station 18 in Colorado Springs.

Chief Byes reported that the department had 16 alarms last month with the majority being medical assists. There were some calls involving illegal fireworks.

Assistant Chief Winter has been researching different scenarios for running a Fire Department in Colorado. One idea that came up was having a combination fire department/volunteer department. There would be paid captains and volunteers would receive a stipend for their services. This will be researched further by Chief Winter, Dr. Testa and legal counsel Paul Anderson.

K. Fountain Mutual Irrigation Company (AI)

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

Dr. Testa reported that the new Field Superintendent is doing an outstanding job. All is going well with FMIC in terms of irrigation and augmentation water. There are ongoing discussions involving CSU improvements at the FMIC Headgate.

FMIC purchased the Colorado Centre used F250 trucks paying \$10,000 for both trucks.

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

Minutes of the May 15, 2014 Regular Board Meeting were included with the Board packets plus the Agenda for the June 12, 2014 Regular Board Meeting.

- Activity Report.

Director Cantin commented that the Nutrient Grant funded projects will cost about 1.4 million. The Grant was 1 million so Colorado Centre's portion of the funding for the projects will be approximately \$100,000.

Director Cantin reported that LF is still reviewing and editing the Memorandum of Understanding between FSD and CCMD. Operationally, the costs are coming down. There are minimal start-up and warranty issues to deal with.

Director Cantin told the LF Board that Colorado Centre is against any diversion through the Hanna Ranch. Mr. Heckman said that the City of Fountain totally agrees with Colorado Centre on this issue.

Dr. Testa will not be attending the LF meetings with Director Cantin unless Director Cantin is not able to attend.

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

**A motion was made and seconded to enter in Executive Session at 6:50 p.m. Upon a voice vote, the motion passed unanimously.**

Upon Motion the Board went into Executive Session at 6:50 p.m. pursuant to C.R.S. Section 24-6-402(3) (a) (II) and closed at 7:55 p.m. The regular meeting continued.

Mr. Anderson commented that subjects discussed in Executive Session included 1) the pending audit/appeal with the Unemployment/Labor Department (Ms. Brenda Heineke, a Labor Law Attorney who has been engaged to facilitate the appeal process participated in the Executive Session); 2) Resolutions passed in 2006 and 2007 regarding the District's policy of a mandatory retirement at age 67; and 3) the Cuchares Ranch Inclusion Addendum.

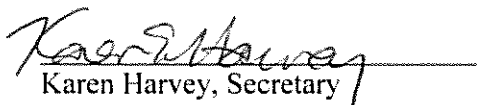
### III. Adjournment

**A motion was made and seconded to adjourn the regular meeting at approximately 7:57 p.m. Upon a voice vote, the motion passed unanimously.**

Respectfully Submitted,



Michael Cantin, President



Karen Harvey, Secretary