

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

Thursday, January 22, 2015 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, 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

At this time Director Cantin announced that the Board would like to pay tribute to former Fire Chief Tom Byes. He was presented with a plaque thanking him for his years of service as Fire Chief. New Fire Chief Josh Winter commented that he took over a smooth running station with no problems and he appreciates all the help with the transition.

- Approval of the Minutes of the Regular Meeting of December 12, 2014.

On Page 6 under the LFMSDD report, the company name is McDade Woodcock not McCade Woodcock as reported. This will be corrected.

A motion was made and seconded to approve the corrected Minutes of the Regular Meeting of December 12, 2014. Upon a voice vote, the motion passed unanimously.

- Board's Time

No comments.

- Changes to the Agenda

No Changes.

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

No Public Comment.

- Review of District Finances (Cindy)
 - Bank Balances

Ms. Monroe gave the report on bank balances at this time. As of January 20, 2015 the District has \$2,830,518.74 in funds. The District's expendable funds are \$2,587,650.96.

- December 2014 Budget Review

Ms. Monroe presented the budget review for calendar year 2014, month of December.

- Historical Bondholder Payment Review

Dr. Testa provided a chart indicating "Revenue From Taxes (Gen & Restricted) and Tap Fees vs. Payments to Bondholders. He noted that there is a trend indicating increasing assess valuations. The bondholder payments have remained level for the last twelve years except for one year in which tap fees were paid and these fees go to the bondholders.

- Bank Transfers and Other Financial Activities

A transfer letter was signed authorizing transfer of monies (\$12,174.00) from ColoTrust into Farmers State Bank for Bradley Heights expenses incurred by Colorado Centre for the Bradley Heights Development.

- 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.

- Audit Proposal for FY 2014 by Hoelting & Company

Hoelting & Company sent their proposal for the 2014 audit. Their fee for these services will be \$18,900.00.

A motion was made and seconded to accept the 2014 Audit Proposal by Hoelting & Company. Upon a voice vote, the motion passed unanimously.

- District Operations
 - Parks, Water and Sewer Systems (Pedro)

Mr. Velazquez reported that they have had quite a few calls because of frozen pipes and frozen sprinkler systems. He commented that all is going well with parks, water and sewer systems and they continue daily maintenance. He moved the “No Motor Vehicle” sign close to the gate to discourage ATV’s trying to enter the park areas. There are some street signs that are down (Horizonview & Anvil and Drennan & Marksheffel) because of weather related mishaps. The DOT will be contacted.

The sewer sensor indicated that the sewer was rising so Mr. Velazquez checked it out and there was something caught around the sensor which skewed the numbers. Mr. Velazquez was able to fix the problem.

- Augmentation and Usage Reports (AI)

The District produced 4.5 million gallons of water in December and sold approximately the same amount. There was approximately 4.1 million gallons of wastewater metered to Lower Fountain. The augmentation report is for water paid in period November 2014-October 2015 and for Augmentation period November 2012-October 2013. There is some surplus water this month.

- Acceptance of Cuchares Ranch Filing 6 Water and Sewer Systems into the District’s System and Start of 2-Yr Warranty.

Dr. Testa reported that FMI Cuchares Ranch would like to convey Filing 6 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 6 FMI Cuchares Ranch, LLC Water and Sewer Systems. Upon a voice vote, the motion passed unanimously.

- Upgrade at Water Tank (AI)

There is no new development regarding the upgrade at the water tank. The parts have been ordered and Browns Hill Engineering will move forward when the parts come in. All equipment will be moved to the top of the tank.

- MS-IIA Process

The “Letter of Responsibility” was signed by Directors Cantin and Harvey and approved as to form by District Counsel, Paul Anderson. As a condition of the

County's approval of CCMD's application to subdivide the Morning Sun II A Subdivision the "Letter" states that CCMD assumes responsibility for design and construction of improvements and CCMD agrees to maintain the improvements as a new asset of the District. The "Letter of Responsibility" will be delivered to the County Commissioners and County Attorney.

- Water Filtration Plant Design Progress (Al)

Dr. Testa reported that we are moving forward on this and everything is going well. The architects and engineers are working on the design and are almost finished. Dr. Testa furnished a preliminary layout of the plant and the District Administration building plus an estimate for the design and construction of the filtration plant.

- Update on Cuchares Development (Cindy, Sandy, Al).

Filing 5 has only two lots left to sell and there have been three lots sold in Filing 6. The total to date for all the filings is 294 (Build out is 408). Filing 7 is the last filing.

Mr. Don Lester of FMI Cuchares Ranch had agreed to amend by Resolution their District Service Agreement to "piggyback" with the Colorado Centre Metropolitan District Service Agreement by stating that the Cuchares Ranch Metropolitan District is a financing only District. Per the Inclusion Agreement an extension will be granted for construction of the remaining SFEs until December 3, 2015 with the condition of receiving this Resolution. Dr. Testa and Mr. Anderson had commented on the Resolution draft but have not heard back from Mr. Lester or their attorney, Ms. Tanaka. Dr. Testa will contact Mr. Lester regarding the status of the Resolution.

- Bradley Heights Update (Al)

This Item was discussed earlier in the meeting. There is nothing new to report.

- Legal Report (Paul)

Mr. Anderson reported that he continues to monitor several issues including AFCURE Re-Segmentation Committee; CWWUC efforts to organize service providers to join in a letter proposing a revision to the nitrate standards; Clean Water Act/Safe Drinking Water Act; 303d Listing Methodology workgroup; and the Regional Water Authority (next meeting is February 4, 2015).

Mr. Anderson had questions about the detention pond in the plans for the water plant and administration building. Steve Witte, Engineer for the Arkansas Basin has written letters to the County regarding flood waters, storm waters, etc. and augmentation issues. Dr. Testa explained that the detention pond is considered a

“water quality structure” by the County and he included the detention pond to cover “all bases” when getting permits from the County.

Mr. Anderson and Dr. Testa will need to meet and complete the Service Plan update.

Director Lucia-Treese commented at this time that there is another correction for the minutes which is on page one. The County Engineer’s name should be Jennifer Irvine and not Jennifer Ervine. This will be corrected.

- Fire Department Report (Josh Winter)

Chief Winter commented that the District has had eight alarms to date. All the contractors have been updating their contracts and trade names for 2015. We had one station tour this month with approximately 30 children. The station encourages tours at any time. The Firemen always include educational tips during any tour. One of our contractors, Tim Cleveland, will be doing the maintenance on our Excursion in-house. Chief Winter is working on setting up a meeting with the Colorado Springs Fire Department (with the Chief and/or the Operations & Support Services Chief). One of our contractors, Sonny Burnett, had a cardiac incident in the last month. He is doing well and has even worked one shift since then for Colorado Centre.

Chief Winter thanked Director Floyd Edwards for making a leather helmet shield for Contractor Dave Lee. Director Edwards said he will pass that on to his son who made the shield that Director Edwards designed.

Chief Winter asked Dr. Testa about the water tank and if there will be any implications for the fire department. Dr. Testa will provide him with all the information needed for the water tank project plus the water plant and administration building.

- Fountain Mutual Irrigation Company (AI)

The minutes of the December 18, 2014 Regular Board meeting and the minutes of the January 14, 2014 Annual Meeting were included with the Board packets. The 2015 annual meeting took place on January 13, 2015 and Dr. Testa was re-elected to the FMIC Board for two more years along with Mike Thibault and Ron Woolsey. They are still working on management issues. The Field Manager/Superintendent continues to do an excellent job.

- Lower Fountain Metropolitan Sewage Disposal District (Mike Cantin)

Minutes of the December 11, 2014 Regular Board Meeting were included with the Board packets plus the Agenda for the January 15, 2015 Regular Board Meeting.

Director Cantin commented that warranty issues are still being addressed. The mixer issue may end up in court as to who is responsible for replacement/repair. The District will need to make a decision regarding who to sue (the supplier or the engineer who over-sized the mixer). They will also need to determine who is fiscally responsible if any court action is taken.

Other issues are the Nutrients Recycling (McDade Woodcock said the project will be finished by June, 2015); AFCURE database of testing and monitoring numbers. The database needs to be finished for the next Triennial Review in 2018. The compilation of data from streams, lakes and reservoirs will be the basis of the Water Quality Control Division's recommendations to the Water Quality Control Commission for maintaining or modifying water quality classifications and standards. This database will be an important tool for justifying not having to spend up to 30 million dollars for a phosphorus plant.

They have staked out the out-flow piping and will need to finish up with the easement issues with Ms. Hanna.

Director Lucia-Treese asked Mr. Anderson if our District is required to Notice a Sunshine Law Review posting along with our posting of Regular Meetings for the year. Mr. Anderson responded that this is not a legal requirement.

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

No Executive Session needed.

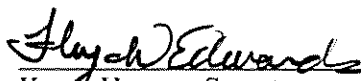
III. Adjournment

A motion was made and seconded to adjourn the regular meeting at approximately 6:47 p.m. Upon a voice vote, the motion passed unanimously.

Respectfully Submitted,



Michael Cantin, President



Karen Harvey, Secretary

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, January 22, 2015** 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.



