

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

Thursday, June 25, 2015 at 5:30 PM
4770 Horizonview Drive
Colorado Springs, CO 80925

Board Members Present:

Karen Harvey
Joan Lucia-Treese
Floyd Edwards

Secretary
Treasurer
Assistant Secretary/Treasurer

Also Present: Dr. Al Testa, Cindy Monroe, Paul Anderson, Tom Byes, Pedro Velazquez.

I. Preliminary

- A. Call to Order
Director Harvey called the meeting to order at approximately 5:31 pm.
- B. Roll Call - Determination of a Quorum. A Quorum was present. Directors Cantin and Eccles were unable to attend tonight's meeting.

A motion was made and seconded to excuse Directors Cantin and Eccles absence from tonight's meeting. 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 May 28, 2015.

A motion was made and seconded to approve the Minutes of the Regular Meeting of May 28, 2015. Upon a voice vote, the motion passed unanimously.

- B. Board's Time

Director Lucia-Treese commented that she would like to again thank the Board and Staff for all the great assistance in planning the Water Treatment Plant Ground Breaking ceremony. It was a great success.

Director Lucia-Treese commented that she has received numerous complaints about the prairie dog population. Dr. Testa responded that Colorado Centre is not required to do prairie dog mitigation on Banning Lewis Ranch parcels and that the City/County have enforcement policies in place. Director Lucia-Treese would like Ms. Monroe to contact Norwood Properties, as a courtesy, to inform them about the prairie dog problems and the trash issues. Director Lucia-Treese will also contact the County and City.

C. Changes to the Agenda

No Changes.

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

Ms. Michelle Shea, a resident of Colorado Centre, has real concerns about the overgrown grass, brush and tumbleweeds behind their property. Dr. Testa commented that land is part of Banning Lewis Ranch and residents can call City Code Enforcement and make complaints. She was also given the Sheriff's non-emergency number to call about concerns regarding truck and RV parking in and around Colorado Centre.

E. Review of District Finances (Cindy)

- Bank Balances

Ms. Monroe gave the report on bank balances at this time. As of June 22, 2015 the District has \$3,002,347.91 in funds. The District's expendable funds are \$2,693,312.72.

- May, 2015 Budget Review

Ms. Monroe presented the budget review for calendar year 2015, month of May.

- Bank Transfers and Other Financial Activities

A transfer letter was signed (\$20,000) to transfer monies from the Farmers State Bank Account into Wells Fargo Checking for first of the month expenses.

F. 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)

Mr. Velazquez reported that the field personnel have had a very busy month. The water demand has increased because of the warmer weather and no rain. We have been working on cutting the grass in all the parks and common areas. Dereck Guba has been added as a full-time employee. AJ Eccles has been helping out this summer also.

Ms. Susan Vaughn, a resident of Colorado Centre had a question about the yellow street markings on her cul-de-sac. Mr. Velazquez explained that they are located for work to be done by Mountain View Electric.

- Augmentation and Usage Reports (AI)

The District produced 6.9 million gallons of water in May and sold approximately 6.7 million gallons. There was approximately 3.7 million gallons of wastewater metered to Lower Fountain. We have excess augmentation water but because of the abundance of rain we are not selling any of the excess.

- Upgrade at Water Tank – (Pedro)

A decision has been made to use the solar panel and battery backup on the future administration building. For the tank, we will use the existing power and it will be installed on top of the tank.

- Jimmy Camp Creek Extended Bank Improvements (AI)

This project is completed and the final invoices have been submitted.

- Water Filtration Plant Design Progress and Permitting and Approval of Invoices, if any.

The Water Treatment plant Design is near completion and the Permitting should be finished this week. The Site Plan Permit is missing so the County sent a Stop Order until that is approved. By next week work will continue.

- Filtration Plant Construction and Approval of Invoices, if any.

Dr. Testa reported that T-Bone Construction submitted a Pay Request for the Water Treatment Plant. Of The \$969,000 contract, we will initially pay \$20,000 for material presently ordered and delivered.

- Progress on Purchase of Nearon's Parcels-Update (AI)

The closing for the Nearon Parcels will take place next Tuesday, June 30, 2015. This is an excellent investment in land for a very low cost to Colorado Centre. There will be no taxes since we are a tax exempt entity. We will have to pay the Availability of Service Fees for the Nearon lots since we are still paying back the loan. Indirectly we will have to pay taxes because CCMD is not subject to developer or property taxes. As a result the District's General Fund will have to transfer additional funds to subsidize the bondholder payments.

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

Filing 5 has only one lot left to sell and there have been eleven more lots sold in Filing 6 in June. The total to date for all the filings is 323 (Build out is 408).

- Bradley Heights Update-Status of IGA with CSU (Al)

Dr. Testa reported that the final Amended and Restated Intergovernmental Agreement for Water Distribution and Wastewater Collection, Treatment, and Disposal between the City of Colorado Springs and Colorado Centre has been approved. The document will be signed on July 7, 2015.

H. Legal Report (Paul)

Mr. Anderson reported that he spoke with County Attorney Cole Emmons and he commented that the Cuchares Ranch Service Plan Amendment has not progressed since April, 2015. He contacted Cuchares Ranch Attorney Jennifer Tanaka and indicated that a decision needs to be finalized. He was able to attend the Regional Water Authority meeting in June and commented on AFCURE, Water Quality Management Technology, Water Distribution and Treatment, etc. Rain Barrel collection is becoming a real issue in the State.

Mr. Anderson mentioned that he has concerns that because of the Nearon purchase, CCMD may be subject to the 100 Mill Levy as a “developer”. Dr. Testa explained that other parcels owned by Colorado Centre (Mosko Park Land, etc.) have never been subject to the 100 Mill Levy and his interpretation of the bankruptcy plan is that we would not be treated as “developers” and therefore subject to the 100 Mill Levy.

There is still no decision made regarding the Hanna Ranches substitute supply plan.

I. Fire Department Report (Josh Winter)

Firefighter Tom Byes reported for Chief Winter who was unable to attend. In the last month there have been six alarms including a grass fire, a missing child, a hanging, and a small house fire.

J. Fountain Mutual Irrigation Company (Al)

The minutes of the May 21, 2015 Regular Board meeting were included with the Board packets. Litigation concerning an individual who would like his cattle to be able to drink Fountain Mutual water continues to be an issue. Three of the Board voted to settle with this individual (Dr. Testa and Mike Thibault voted against any settlement). The repairs to the outlet gate at Big Johnson Reservoir is still not completed.

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

Minutes of the May 14, 2015 Regular Board Meeting were included with the Board packets plus the Agenda for the June 11, 2015 Regular Board Meeting.

This item was addressed under Legal.

Dr. Testa commented that Mr. Velazquez completed his Associate's Degree in Water Management and he wanted to acknowledge all his hard work in obtaining this Degree.

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 6:43 p.m. Upon a voice vote, the motion passed unanimously.

Respectfully Submitted,



Karen Harvey, Secretary (Chair-person for the meeting)



Floyd Edwards, Assistant 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, June 25, 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.

Karen K. Harvey

Joe Louis Reese

Hayden Edwards
