

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

Thursday, June 23, 2016 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	Secretary
Jackie McClintock	Assistant Secretary/Treasurer

Also Present: Al Testa, Cindy Monroe, 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 May 19, 2016.

A motion was made and seconded to approve the Minutes of the Regular Meeting of May 19, 2016. Upon a voice vote, the motion passed unanimously.

- B. Board's Time

Director Eccles and the rest of the Board have concerns about the abuse and illegal use of ATV's in and around Colorado Centre. An informative letter will be enclosed with the July invoices with information about the illegality of ATV's in and around Colorado Centre. Also, information regarding legal areas to ride any ATV's in and around Colorado Springs will be included in the informative letter.

Director McClintock has concerns regarding the amount of vehicles parked in and around Colorado Centre boundaries. The correct thing to do is to call the Sheriff regarding these vehicles and if illegally parked they will be ticketed. Also, Director McClintock has concerns about dangerous fencing situations and unkempt properties. The El Paso County Code Enforcement office should be called to address these problems.

C. Changes to the Agenda

Mr. Tom Sistare from Hoelting & Company presented a three page summary of the 2015 Financials including a comparison to 2014. He reported on the General Fund, Enterprise Funds, Water and Wastewater Fund-Cash Flow, Fund Balance, Fund presentation versus Government-Wide presentation, Long-term Liabilities and Internal Controls. All present were supplied with a copy of the draft audit. Because of strong internal control, Mr. Sistare stated that an un-modified, clean opinion was received which is the highest level of opinion that can be received. Mr. Sistare was very complimentary and said that the CCMD audit is one of the cleanest and strongest in internal controls that his firm does. Copies of the audit are available at the CCMD offices and on the CCMD website. The audit will be submitted to the State by the July 31, 2016 deadline.

A motion was made and seconded to accept the audit for FY2015 prepared by Hoelting & Company, Inc. Upon a voice vote, the motion passed unanimously.

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

Ms. Rhonda Lewis, a resident of Colorado Centre, questioned the water contamination issues that are occurring in the Fountain/Security/Widefield areas. Dr. Testa explained that the District has no reason to believe that our source water has PFC's. CCMD's water is not in the same alluvium as Fountain, Security and Widefield. CCMD's source of water is from the Jimmy Camp Creek alluvium. As a courtesy the El Paso County Health Dept. will be testing CCMD's water and the results will be distributed to the residents. The Health Department has a map on their website reflecting the areas of concern and the CCMD area is not considered an area of concern.

Mr. Hibbert, a resident of Colorado Centre in Cuchares Ranch introduced himself at this time. He is currently the President of the Cuchares Ranch HOA. He inquired about getting information about the history and current informational documents for Colorado Centre. The Board told him to access the website for the information he is interested in. Also he had a question about the street lights. Dr. Testa answered that we have an agreement with Mountain View Electric and they are responsible for any maintenance. Mr. Hibbert also stated that they are working diligently on cleaning up the drainage pond. Director Lucia-Treese would like to attend one of their HOA meetings. Mr. Hibbert will send her the date and time of the meeting. A link to Cuchares Ranch's website will be placed on the CCMD website. Mr. Hibbert stated that there are a quite a few unofficial websites/blogs for Cuchares Ranch.

E. Bank Balances

- Bank Balances

Ms. Monroe gave the report on bank balances at this time. As of June 21 the District has \$2,138,699.72 in funds. The District's expendable funds are \$1,794,451.92.

- End of Fiscal Year 2015 Closing Figures

Ms. Monroe presented the End of Fiscal Year 2015 Closing Figures.

- May 2016 Budget Review

Ms. Monroe reported on the May 2016 Budget Review.

- Electronic Funds Authorization

The Board signed an Electronic Funds Authorization for the Fire & Police Pension Fund which our Fire Chief, Josh Winter, is enrolled in.

- Bank Transfers and Other Financial Activities

Bank Signature cards from Farmers State Bank were signed by the new Board of Directors. Earlier in the meeting Wells Fargo Bank Signature cards were signed by the new Director, Jackie McClintock.

F. Approval of Payables

A motion was made and seconded to approve the current list of payables. Upon a voice vote, the motion passed unanimously.

G. Presentation of the 2015 Audit by Hoelting & Company

This item was presented earlier in the meeting to accommodate Mr. Sistare's schedule.

H. Review of and Public Hearing for Resolution 20160623.1 Late Payment Penalties. Included one letter of opposition received.

The Public Hearing was opened at 6:15 pm.

The Board and staff discussed amending the District's Rules and Regulations to mandate an automatic assessment of \$25 in the event any charge due and payable to the District by a property owner and/or customer is not received by the 20th day of the month for which the charge is invoiced and if not paid disconnection will occur the last day of the month.

Resident Jenice Owens argued that other utility companies do not charge late fees. She works at Colorado Springs Utilities and their policies are not as stringent. Director McClintock agrees that the grace period is too stringent and needs to be longer. Resident Mr. Hibbert commented that a longer grace period would be more appropriate and resident Rhonda Lewis agreed with his comment. Director Lucia-Treese and Director Edwards both commented that it is a matter of personal responsibility to pay your bills on time. After discussion Resolution 20160616.1 was approved.

A motion was made and seconded to approve Resolution 20160623.1. Upon a voice vote, the motion passed with a three to two vote (Directors Cantin, Lucia-Treese and Edwards voting yea and Directors Eccles and McClintock voting nay).

The Public Hearing was closed at 6:35.

I. District Operations

- Parks, Water and Sewer Systems (Pedro)

Mr. Velazquez reported that all parks, water and sewer systems are operating efficiently. The water demand has been extremely high this month. We have been maintaining the open areas and drainage areas. Security cameras have been installed so that the park areas and water plant can be easily monitored.

Resident Mr. Pennington was in attendance and inquired what the administration fees are utilized for. Dr. Testa explained that those fees are for operational expenses of the District. Mr. Pennington also expressed concern about the open area around his home being overgrown with weeds, grass, etc. He has done some maintenance on his own but would like to know if those areas will be maintained. Dr. Testa explained that there are 30 plus acres of open space around Colorado Centre and the park and common areas are the main concern for our field personnel. There has been quite a bit of dumping behind resident's fences and if those individuals are caught they will be fined. The District will pay a \$1000 reward if any individuals are caught and prosecuted for any damage to District property.

Director Eccles would like the Board, Staff and Fire Chief to tour the entire District to pinpoint areas of concern and a plan of action to address these concerns. Director Cantin suggested that members of the Cuchares HOA also attend. This tour could possibly be planned to take place before the off-site workshop which will take place sometime this fall.

- Augmentation and Usage Reports (Info Only)

The District produced 11.2 million gallons of water in April and sold 11 million gallons. There was 4.5 million gallons of wastewater metered to Lower Fountain. Dr. Testa discussed the augmentation report. He discussed FMIC in regards to repairs to the Outlet gates at Big Johnson Reservoir and the possibility that CCMD can lease water to Fountain Mutual for utilization during this 2-3 year repair project.

- Water Filtration Plant Dedication Ceremony

The Water Filtration Plant Dedication Ceremony will take place this Saturday, June 25th beginning at 10:30. All arrangements have been made with the assistance of Barry Grossman. Mr. Grossman is a friend of Dr. Testa's and has retired from the PR business.

He was able to give us a tremendous amount of professional help with the planning of the ceremony.

- Approval of Final to T-Bone Construction for Filtration Plant Work (AI)

Dr. Testa commented that T-Bone has not submitted the Final to be paid.

- Approval of Final Payment for C.O. No. 6. W.O. #4-Seeding and Reclamation

Dr. Testa commented that T-Bone has not submitted the Final Payment Application to be paid.

- Acceptance of Work under W.O. #4 for Filtration Plant to start the Two-year Warranty period as of June 1, 2016

Dr. Testa recommends Acceptance of Work under W.O. #4 for Filtration Plant to start the Two-year Warranty period as of June 1, 2016.

A motion was made and seconded to approve Acceptance of Work under W.O. #4 for Filtration Plant to start the Two-year Warranty period as of June 1, 2016. Upon a voice vote, the motion passed unanimously.

- Bradley Heights Update – (Nothing New)
- Update on Cuchares Ranch Filing 7 (Sandy)

To date ten lots remain in Cuchares Ranch.

J. Legal Report (Paul)

Mr. Anderson was unable to attend the meeting. Dr. Testa relayed that Mr. Anderson recommended that language needs to be revised in the Rules and Regulations as to how payments are applied.

K. Fire Department Report (Josh Winter)

Chief Winter reported that in the last month there have been eleven alarms. One alarm was a fire when a huge Cottonwood tree was hit by lightning. There was response from Colorado Centre, the City of Colorado Springs and the El Paso County Wild Land unit.

Chief Winter commented that when Wild Cat Construction tore down the old building on Norwood Property they hit an old gas line. This was quickly taken care of by CCMD and the City of Colorado Springs.

Chief Winter would like to establish a date for the Fire Safety day in October. He will look into October 9th and 15th and get back to the Board. The date depends on when the Fire Safety Trailer will be available.

L. Fountain Mutual Irrigation Company (Info Only)

The minutes of the April 19, 2016 Board Meeting were included with the Board packets.

Repair of the outlet structure is an on-going priority. The cost of the repair is approaching \$4 million dollars. CCMD is the largest shareholder of FMIC.

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

The minutes of the May 12, 2016 Regular Board meeting minutes and the June 9, 2016 Agenda were included with the Board packets.

Director Edwards attended the meeting in Director Cantin's place because Director Cantin was unable to attend because of work commitments. Issues discussed were algae in the holding tanks, copper, the mixers and the repair of the manholes compromised by the Marksheffel road construction. Director Edwards will cover the meeting again next month.

Director McClintock asked Dr. Testa if he had found out any additional information about insurance for repairs to service lines. A representative from SWIP (Sewer & Water Insurance Plans) will contact the District to give an evaluation regarding costs, types of policies, etc.

N. 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,



Michael Cantin, President


Floyd Edwards, Secretary