

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

Thursday, March 16, 2017 at 5:30 PM
4770 Horizonview Drive
Colorado Springs, CO 80925

Board Members Present:

Michael Cantin	President, Chairman
Shawn Eccles	Vice-President
Joan Lucia-Treese	Treasurer
Floyd Edwards	Secretary
Jackie McClintock	Assistant Secretary/Treasurer

Also Present: Cindy Monroe, Al Testa, Josh Winter, Pedro Velazquez and Fran Shawcroft.

I. Preliminary

- A. Call to Order
Director Cantin called the meeting to order at approximately 5:32 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 February 16, 2017.

A motion was made and seconded to approve the Minutes of the Regular Meeting of February 16, 2017. Upon a voice vote, the motion passed unanimously.

- B. Board's Time

Director Lucia-Treese commented that the Community Development Advisory Board met and the Federal Grant for Colorado Centre was discussed. This Federal Grant is for Colorado Centre only. Through this proposed Grant the County will be removing curbs and sidewalks that are not ADA compliant, fixing tripping or wheelchair hazards on existing sidewalks, and installing pedestrian ramps at intersections to ensure that the community can safely traverse. The Grant is for \$200,000 but is renewable every year. The County engineer, Ms. Irvine, is

researching this project also and will determine what monies will be needed for the project. Commissioner Gonzalez will be joining the Board and staff tomorrow for the tour of Colorado Centre.

C. Changes to the Agenda

No Changes.

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

Resident of Colorado Centre, Mr. Murphy, was in attendance and commented that he has concerns about the quality of the water and the fact that they purchase \$50 worth of drinking water a month because they cannot drink the water. They feel that with the extreme cost of Colorado Centre water, they should be able to drink it. The Board emphasized that Colorado Centre water is drinkable and meets all State requirements for safe drinking water. It is drinkable but many residents make the personal choice not to drink it and buy outside drinking water. The Board commented that many residents have purchased water softeners and filtration systems. The new water plant that was built was to filter out the manganese but does nothing for the hardness of the well water. The District has researched water softening systems but the economics of constructing a water softening system is not feasible/cost effective for the Colorado Centre Metropolitan District.

The Murphy's also commented on the fees for First Responder Services and that these fees are also exorbitant. He commented that there is a rumor that our Fire Department is not a "real" Fire Station. The Board suggested that residents go to our web page and read about our Fire Station. Chief Winter commented that Colorado Centre Firefighters are not volunteers and each Firefighter is a paid professional Firefighter that works full time for another Fire Department. They are all highly trained contractors at no expense to Colorado Centre for their excellent training and certifications. The Board and Staff encouraged Mr. Murphy to come to more meetings, read the website, and become more informed about Colorado Centre Metropolitan District. Also, please encourage his neighbors to do the same.

E. Presentation by Kevin Kinnear – Water Counsel

At this time Dr. Testa introduced Mr. Kevin Kinnear. His firm (Porzak, Browning & Bushong) has represented Colorado Centre Metropolitan District with respect to its water rights matters for more than 30 years, including the adjudication of Colorado Centre Metropolitan District's original and supplemental plans for augmentation.

Mr. Kinnear furnished the Board and Staff with his personal resume and firm's resume. Mr. Kinnear stated that his firm's practice has been dedicated to water rights matters as a near exclusive specialty and the firm together has nearly 150 years of experience practicing water law. There have been trials in over 200 cases and over 30 cases argued before the Colorado Supreme Court. The Firm's work for Colorado Centre includes CCMD's Augmentation Plan, Monthly Water Resume, Widefield and Water Resource Development, Opposition to Security Water District, Interim Pumping, CSU Well Rights, Etc.

Their Firm is far reaching in the State of Colorado with Water Rights clients in Arrowhead, Beaver Creek, Copper Mountain, Breckenridge, Durango, Heavenly Valley, Keystone, Vail, Winter Park, Golden, Steamboat Springs, etc.

F. Review of District Finances (Cindy)

- Bank Balances

Ms. Monroe gave the report on bank balances at this time. As of March 10, 2017 the District has \$2,072,395.22 in funds. The District's expendable funds are \$1,761,051.29.

- February 2017 Budget Review

Ms. Monroe reported on the February 2017 Budget Review.

- Bank Transfers and Other Financial Activities

Transfer letters were signed to transfer from Farmers State Bank to our Wells Fargo Bank for payment of the Lower Fountain invoice (\$125,000) for the phosphorous plant; and \$30,000 of availability of service charges were transferred into the restricted wastewater fund.

Regarding the Bradley Heights/Case escrow account, Dr. Testa and the Board provided the directive to discontinue charging legal expenses relating to CSU's interim pumping as of March 1, 2017.

G. Approval of Payables (Board)

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

At this time, Ms. Monroe commented that a resident issued a complaint/claim because when she washed her car with her hose, the District water left "permanent" stains that wouldn't wash off. She said she had to take it to the Dealer to remove the stains at a cost of \$150.00. She wanted the District to

reimburse her for the \$150 that cost her to remove the stains. The Board made a decision to reject her claim. Ms. Monroe will inform her of the Board's decision.

H. District Operations

- Parks, Water and Sewer Systems (Pedro)

Mr. Velazquez reported all systems are running efficiently (water and wastewater). They have been working on drainage issues in the parks and park areas.

- Augmentation and Usage Reports (AI)

Dr. Testa reported that for the month of February we produced approximately 4.8 million gallons of water and sold approximately 4.5 million gallons. There is a slight water loss which we are tracking. The wastewater to water ratio is 98.9% which means that all meters are working efficiently.

Dr. Testa gave the augmentation report for water paid in period November, 2016-October, 2017 for augmentation period November, 2014-October, 2015. The augmentation report form was included in the board packets. FMIC wants to finalize the agreement so that we can begin leasing augmentation water for the Big Johnson Reservoir repair project.

- Bradley Heights Update – (AI)

Nothing new to report on Bradley Heights.

At this time, Ms. Monroe commented that she, Director Treese and Dr. Testa met with the Widefield School District superintendent Scott Campbell and WSD Operations manager Dennis Neal regarding the two WSD parcels in Colorado Centre. Dr. Testa and Ms. Monroe suggested that Colorado Centre could facilitate development of the two parcels and they were receptive to the idea. They will schedule another meeting to further discuss any possibilities for these two sites.

I. Legal Report (Paul)

Mr. Anderson was unable to attend tonight's meeting but did submit a legal matters update. The legal matters update included information on the District Service Plan Amendment; Legislative update, etc.

Mr. Anderson has done some research on the easement encroachment. People's Natural Gas installed a gas service line within an easement the District obtained in 1986 through a condemnation action filed against Agnes Singer in the El Paso District Court and Black Hills Energy is the successor in interest to PNG. Colorado Centre Metropolitan District paid the Singer Family \$25,740.00 for the

easement. The Board directed Dr. Testa to write a letter to Black Hills Energy to explain how, why and when the encroachment occurred. The Board would like Dr. Testa to explain the history behind the easement encroachment and perhaps there could be a monetary repayment for the costs incurred by Colorado Centre.

J. Fire Department Report (Josh Winter)

Chief Winter commented that the Fire Engine was repaired and is running well. To date there have been several alarms including medicals, a natural gas leak, and two grass fires. Our Firefighters were able to attack the fires from in between the flame front and the homes. This stopped the forward progress for the fires and held them until resources from CSFD arrived on scene to help fully extinguish the fires.

The Board and Staff discussed the problem of high weeds and the fire danger this creates. Fire Chief Winter will talk with the County Fire Marshall to see if their department can enforce cutting of these weeds to alleviate the fire danger.

After talking with Colorado Springs Fire Department, Chief Winter feels that it would be good to negotiate a Contract with Colorado Springs right now. The cost of buying a Fire Engine now would be cost effective compared to buying one two years from now. The City is in need of purchasing six new fire engines at a cost of approximately \$450,000 for each engine. The Board would like Ms. Monroe, Dr. Testa and Fire Chief Winter to further research this situation and get back to them.

K. Fountain Mutual Irrigation Company (AI)

The minutes of the February 16, 2017 Board Meeting were included with the Board packets.

Dr. Testa reported that Big Johnson is now dry and the outlet works will be worked on soon. The by-pass pipeline is under construction and hopefully will be finished before irrigation season begins the first of April.

Discussion is ongoing regarding the proposed Water Carriage Agreement with the City of Fountain & No. 4 Water Rights.

L. Lower Fountain Metropolitan Sewage Disposal District

The minutes of the February 9, 2017 Regular Board meeting minutes and the March 9, 2017 Agenda were included with the Board packets.

Director Edwards and Dr. Testa met and reviewed the packets of pre-qualified contractors for the phosphorous plant contract. Their evaluations were submitted and the pre-screening will take place at the end of this week. The intention is to have a list of pre-qualified contractors for Board consideration at the April meeting.

Director Edwards commented that the covers for the clarifiers will be installed by Glacier Construction at a price not to exceed \$85,000. Wildcat Construction is close to finishing the manhole covers.

M. 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 7:17 p.m. Upon a voice vote, the motion passed unanimously.

Respectfully Submitted,


Michael Cantin, President


Floyd Edwards, Secretary