

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

Thursday, June 23, 2022, at 6:00 PM  
4770 Horizonview Drive  
Colorado Springs, CO 80925

Board Members Present:

|                   |                               |
|-------------------|-------------------------------|
| Jackie McClintock | President, Chairman           |
| Joan Lucia-Treese | Vice President                |
| Cynthia Dixon     | Treasurer                     |
| Norman Wodell     | Secretary                     |
| Amanda Bandfield  | Assistant Secretary/Treasurer |

Also Present: Ken Grant, Liz Stokes, Al Testa, Pedro Velazquez, David Lee, Becky Caddick, Jessie Seibert, Louie Larimer

**I. Preliminary**

A. Call to Order – Director McClintock called the meeting to order at 6:00 PM

B. Roll Call –  
Jackie McClintock-present  
Joan Lucia-Treese-present  
Cynthia Dixon-present  
Norman Wodell-present  
Amanda Bandfield-present

Determination of a Quorum – A Quorum was present

C. Acknowledgment Notice and Consent to Regular Meeting – Entered with the minutes

D. Invocation and Pledge of Allegiance

**II. General Business Items**

A. Presentation of the 2021 Audit of the District by Jessie Seibert with Hoelting & Company

Jessie Seibert presented on the 2021 Audit of the District referencing booklet: “Colorado Centre Metropolitan District Financial Statements and Supplementary Information with Independent Auditor’s Report, Year Ended December 31, 2021,” as well as a 3-pg summary: “Colorado Centre Metropolitan District Board Presentation – 2021 Audit.” Ms. Seibert concluded that revenues and expenses remained relatively unchanged from previous audit to current, with the only

significant changes from previous year's audit being from the gain from sale of sewer capacity, and the payoff of CWRPDA loans.

There were no comments or questions from the Board of Directors (BOD).

**A motion was made by Director Lucia-Treese and seconded by Director Bandfield to approve the 2021 Audit of the District. Upon a voice vote, the motion passed unanimously.**

B. Approval of the Minutes of the Regular Meeting of May 26, 2022

Director McClintock made note of omission from the minutes of the discussion of Meadowworks proposal to build 358 single family residential homes in the area of Marksheffel Rd and Horizonview Dr.

Director Wodell challenged the meeting start time of 4pm. Director Wodell stated the officer election was a secret ballot and the gross results were not announced and were not in the meeting minutes.

Director McClintock corrected the minutes by announcing the following results of the ballot:

President: Jackie McClintock

Vice President: Joan Lucia-Treese

Secretary: Norman Wodell

Treasurer: Cynthia Dixon

Assistant Secretary/Treasurer: Amanda Bandfield

**A motion was made by Director Lucia-Treese and seconded by Director Dixon to approve the minutes of the regular meeting of May 26, 2022. Upon a voice vote, the motion passed unanimously.**

C. Board's Time

Director Wodell gave kudos about the having the link to Eye-On-Water in the newsletter but queried on how many are renters and do not get the newsletter.

Director McClintock made clarification to the meeting held June 8, 2022, which was announced as a regular meeting but was actually a study session between staff members and the BOD to discuss the building layout. Director McClintock thanked Ken Devarney for attending.

D. Changes to the agenda

Director Wodell suggested to move discussion of finances up in the agenda.

Director Lucia-Treese suggested to move discussion of Fire Department up in the agenda.

Director Wodell suggested to add the Meadowworks project to future agendas due to changes in ownership of ditches and easements and the need for BOD approval.

Director Wodell suggested to add the CSFD proposal to future agendas as negotiations are still in discussion.

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

Dixie Wodell commented the following about a public perceived lack of transparency:

- No stated reason to change the May 26, 2022, Regular Meeting to 4pm and noted the meeting did not start until almost 4:30pm.  
Director Lucia Treese replied that the time change was due to the election rules, Oath of Office needed to be faxed to the County by the end of business day- 5pm.
- Disappointed in Election of Officers process, votes declared with nominations not stated and no Board discussion
- Financial reports not printed or on screen for public to review  
Liz Stokes (addressed later in the meeting): financial statements cannot be made available to the public until the BOD accepts them. The now approved audit report will be posted to the website and available to the public, and Ms. Stokes is available for any questions.
- Board Special Meeting announced without motion to approve date/time  
Director McClintock: the purpose of the June 8<sup>th</sup> Study Session was to allow staff Q&A time regarding the admin building plans and was scheduled to accommodate the staff member's schedules.
- New admin building placed on hold without informing the public  
Director McClintock: temporarily placed on hold for BOD to hear staff feedback at June 8 Study Session. The admin building is still in design planning stages and not yet approved by the County.  
Director Lucia-Treese: Planning and Community Development positions are in transition with an interim manager and new employees, which means additional delays
- Current meeting site in Fire Department Bay is inadequate due to traffic noise, lack of temperature control, and uncomfortable seating, the new Admin building would alleviate these problems
- Discussed CCMD Liability- could be discussed at SDA workshops  
Director McClintock: CCMD is protected by different insurance policies for different liabilities
- Mosquito problem  
Director McClintock: Pedro to address CCMD role in mosquito control

Mike Cantin: Discussed actual cause of CCMD house fire vs neighborhood rumors regarding electrical problems; concerned homes will be devalued due to perceived electrical problems within the district. Requested CCMD to put something in the newsletter to correct this misinformation.

Ken Devarney: Asked for clarification regarding homeowner's liability to District's 1989 bankruptcy

Director Lucia-Treese discussed initial District financing through A Bond and B Bonds. She cited work from then District Manager Dr. Testa helped financially recover CCMD. CCMD will operate under the bankruptcy plan until the orders expire in 2042.

Director McClintock: Buying within a bankruptcy district with additional tax liabilities are typically disclosed at the time of purchase.

Dr. Testa: (commented later in meeting) The bankruptcy plan provides 20 mils per house needed to operate the Fire Department (which will instead be paid to bondholders when CCMD exceeds 1500 homes). Also, an additional 3 mils for Fire Protection and 2 mils for parks which cannot be touched. The Bonds funded roads, streetlights on Marksheffel (since removed), water and sewer lines, pump houses, and the water tank.

Mr. Devarney asked if funding of the new admin building would be passed to residents through raising the rates

Director McClintock: CCMD has funding (savings) for the new admin building

Andy Tuthill: gave kudos to Mr. Cantin, Dr. Testa, and various BOD members on how they have managed the district finances throughout the years

Director Lucia-Treese: the BOD members are vested in the residents' interests as they too are District residents

F. Clarification on naming of the Regular Meeting held June 8<sup>th</sup>, 2022 (Mr. Grant)

Director McClintock addressed during Board's Time.

G. District Manager Updates- Mr. Grant:

Introduction and welcoming of new legal counsel Louie Larimer

Mr. Larimer expressed thanks and honor to serve

Reported staff member Roseanne Romero out on medical leave; card to be passed around for anyone who would like to sign it.

Special District Association (SDA) Regional Workshop was attended June 20, 2022, by CCMD staff and BOD members and was very informative regarding the new laws and how things should be run.

Lower Fountain Metropolitan Sewer Disposal District (LFMSDD) Regular Board Meeting attended June 9, 2022

Dr. Testa and Mr. Grant met with Meadoworks

CCMD Study Session June 8, 2022

Upcoming meeting with CSFD Monday June 27, 2022, to further discuss the IGA (Intergovernmental Agreement)

Need BOD information for business cards, give info to admin staff

Consumer Confidence Report (CCR) certificate was filed with Colorado Water Quality Control Division Department of Health and Environment

No update on the new streetlight near Mosko Park at this time

#### H. District Operations

- Parks, Water and Sewer Systems – Mr. Velazquez:

Water use is still in high demand, even with Bradley Heights construction water slowing at the moment. All systems are running well.

The City (of Colorado Springs) has started working on the street Foreign Trade Zone, water lines in that area are closed due to repair of the storm sewers and needing to move the water lines during repair

Bradley Heights loop of water lines will soon be removed by the City (of Colorado Springs), so the water lines have been closed and the fire hydrants South of Bradley do not have supply.

Parks: Irrigations systems are running, grass is fertilized, weed killer has been sprayed, watering 2x/day to recover the grass from the dry winter. Sprinkler heads along Horizonview have been adjusted away from the pavement.

Mosquitos: CCMD does not provide District-wide mosquito control (spray), however mosquito dunks are placed in any visible standing water in the common areas

Director McClintock: add to next newsletter homeowner responsibility for omitting standing water around properties

#### Progress of Well 211 Project

Waiting on the state for final approval. Backhoe is still on property near well-211 due to a possible future demolition project of the old booster pump house, and future project to protect pipes near creek bed

- Augmentation and Usage Reports – Dr. Testa

Augmentation Plan determines the amount of water consumed which needs to be paid back downstream. Discussed CCMD having junior water rights needing to be 100% paid back to Fountain Creek which has senior water rights, hence participation in Fountain Mutual Irrigation Company where CCMD owns shares and ownership of the #13 Water Right on Fountain Creek (excess water gets sold to CWPDA). Revenue goes to the water capital fund

Reported on referenced Augmentation and Usage report, included in CCMD BOD packet

- Progress of Administration Building – Mr. Grant / Dr. Testa

On hold at this time

- I. Legal Report – Dr. Testa (next time Mr. Larimer)

Water Case: everything has been submitted, needs to be published for a length of time before a ruling can be made

- J. Colorado Centre Fire Department Report – Chief Lee

Call volume up: 40-50% already this year from last. Jan-June 2021: 85 calls, Jan-June 2022 120 calls. Response load predicted to increase significantly this year.

Brush Truck sent, along with Ellicott Fire, to the National Cemetery for Memorial Day Ceremony, 1,000+ people in attendance. Staff worked well to ensure CCFD had an egress.

July 4<sup>th</sup>: dry year, hoping for rain. Firefighters are not qualified to police fireworks, as they are not Marshals, but hopes CCFD presence will cut back on fireworks being lit.

Captain Mascarenes has done a great job in recruiting good people- very few days where CCFD is struggling to find staff.

Damage was occurring to new air packs due to truck harnesses' hardware not fitting the new tanks properly. The harnesses have been fixed to fit properly, air tanks have been sent out for repair and CCFD has loaner tanks from CSFD. Kudos to the Captains for their attention to equipment maintenance.

Chief Lee opened the floor to questions:

Ms. Wodell asked if CCFD would be doing a Fire Safety Day

Chief Lee: cancelled last year due to the pandemic. Director McClintock: BOD gives blessing for CCFD to decide on scheduling a Fire Safety Day if pandemic conditions are acceptable for public safety.

Dr. Testa asked if increase of calls is due to road accidents

Chief Lee: There is a significant increase of calls due to traffic volume increase on Marksheffel with the addition of new housing. Chief Lee states the numbers are up already but will be able to better determine the difference in numbers at the end of the year as calls vary month to month.

K. Fountain Mutual Irrigation Company- Dr Testa

FMIC completed the first irrigation season with everyone getting their share of water. He states that with the 2250 Water Obligation needing to be paid back to the state, the reservoir does not have enough water for the second irrigation season coming up unless it can be run with a bypass.

Weed maintenance is currently being performed in the ditch.

There is a new Manager as Engineer Gary Steen has retired (although still assisting when needed).

Dr Testa mentioned he has been on the BOD representing CCMD for 28 years and is up for re-election next year.

Due to recent laws being passed, in the event of wildland fire emergency, water taken from the reservoir to fight fires is non-recompensated. (Reported on earlier in the meeting)

L. Lower Fountain Metropolitan Sewage Disposal District- Director McClintock

The CSU Letter of Clarification was brought up at the meeting but was not on the agenda; will likely be an agenda item at the next meeting for further discussion. There are no other significant updates. (LFMSDD June 9, 2022, BOD packet included in CCMD BOD packet for further reference.)

Director Wodell queried about how determination of CCMD representation for LFMSDD is decided.

Director Lucia-Treese: no policy exists, per se; the representative is a volunteer position (not appointed). Historically when a vacancy occurs, the current alternate has been moved to the representative position, who then requests a new alternate. Director McClintock announced Director Lucia-Treese has taken the alternate position.

M. CSU Letter of Clarification of IGA Sewer Capacity Purchase Contract – Dr. Testa

(Reported on earlier in the meeting) Referenced Letter in BOD Packet- clarifies contract language issue LFMSDD had re CCMD sale of sewer capacity to CSU; service agreement will be rewritten with more concise engineering language regarding capacity volumes.

N. Review District Finances (Liz Stokes)

Ms. Stokes reported on the District Finances for YTD as of the end of May, referencing the Budget Comparison spreadsheet included in the CCMD BOD packet. CCMD is on track with most numbers within budget at the target 42% for YTD. Significant deviations from the budget in revenue are due to the timing in which the funds come in (i.e., property tax, Conservation Trust money etc.). Ms. Stokes explained the reason behind having 8 different funds is due to regulations set by the Government Accounting Standard Board, who also participate in the yearly audits. Liz reports that water revenue is at 82% due to the sale of construction water (use for Bradley Heights subdivision).

Ms. Stokes opened the floor to questions:

Director Wodell asked how the Fire Fund (sub-fund to the General Fund) is going to get to \$1.1 million by the end of the year.

Ms. Stokes: this fund is cumulative. The year-end balance includes what is rolled over from the previous year. The Current Budget number and the Ending Balance will differ due to this cumulative amount.

Director Wodell asked for the purpose of the Reserve Fund, and why CCMD is not using this fund for expenses.

Ms. Stokes: The reserve fund is set up for emergencies. Currently there are no budgeted expenses for this fund, but future BOD approved appropriations can be added to the next year's budget if needed.

Dr Testa: Part of the Bankruptcy Plan, it is a bank of money that can be used for expenses, but must be repaid to maintain this reserve as protection to the District.

Director Wodell asked where in the budget is in the money from the sale of land

Dr. Testa: this was not in the budget as the sale was not anticipated. but will go to the Water Capital Fund because this is the fund that holds the land on its books.

Director Wodell stated B Bonds earned interest will also go back to the Water Capital fund, predicted at \$35,000 annually, and more after the A Bonds are paid off. He expressed concern that with the addition of new houses expected to exceed the limit of 1500, and therefore loss of the 20 mil tax/home that pays into the General Fund, CCMD is going to need to find money to replace the lost tax revenue.



Dr Testa commented that the 20 mil/house are exclusive to the General Fund and do not fund the Capital accounts.

Ms. Stokes opened the floor to questions about the bank accounts, referencing the Bank Balances sheet included in the CCMD BOD packet.

Director Wodell asked what the returns are from CSAFE and the Money Markets accounts.

Ms. Stokes: reported they are both close at 1.1%, 1.7%.

Director Wodell inquired if the interest we get from investments go back to each individual fund it comes from or if it is re-invested

Ms. Stokes: the interest we earn each month gets disbursed back to the funds they came from; The CSAFE belongs to the two capital funds and gets distributed 50/50. It might be possible for the BOD to re-invest instead, if desired by the Board. There may be a min dollar amount needed to re-invest, or fees involved.

Director Wodell: What is CCMD's policy on signers for these accounts?

Ms. Stokes: Primary signers are the Treasurer and Assistant Treasurer positions, however, all BOD members should be signers on all accounts in case the primary signers are not available. Ms. Stokes is working on getting all BOD members as signers on all accounts.

Director McClintock: Do the CSAFE funds have a term?

Ms. Stokes- funds can be made available within 2 days; unknown if there is a cost to liquidate the funds.

O. Approval of Payments (Liz)

The Accounts Payable ledger was included in the CCMD BOD for review. No questions or comments were made by the BOD.

**A motion was made by Director Lucia-Treese and seconded by Director Dixon to approve the payables. Upon a voice vote, the motion passed unanimously**

Approval of the interest only payment on the Series A Bonds by July 1, 2022

**A motion was made by Director Lucia-Treese and seconded by Director Dixon to approve the interest only payment of \$132,475.14 on the Series A Bonds. Upon a voice vote, the motion passed unanimously**

P. Rules and Regulations Discussion (Board)

No discussion needed at this time.

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

**A motion was made by Director Wodell and seconded by Director McClintock to enter executive session at 8:10pm to receive legal advice from Attorney Louie Larimer regarding the CSFD proposed IGA and that the session not be recorded pursuant to §24-6-402(4)(b), C.R.S. Upon a voice vote, the motion passed unanimously**

### **III. Adjournment**

**A motion was made and seconded to adjourn the regular meeting at 9:16 pm. Upon a voice vote, the motion passed unanimously.**

Respectfully Submitted,

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Jackie McClintock, President

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Norman Wodell, Secretary