



Pueblo West Metropolitan District

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**REGULAR BOARD MEETING
109 E. INDUSTRIAL BOULEVARD
TUESDAY, JANUARY 24, 2017 – 6:00 P.M.**

MINUTES

The Board of Directors of The Pueblo West Metropolitan District met at 109 East Industrial Boulevard, Pueblo West, Colorado, on January 24, 2017; at the hour of 6:00 P.M. President Leonard called the Regular Meeting to order.

A. CALL TO ORDER

B. INVOCATION

MCPHEETERS

RON

C. PLEDGE OF ALLEGIANCE

D. ROLL CALL

President Leonard called the roll: Director Barbara Bernard, Director Mike French, Director Terry Zupan, and President Judy Leonard were present.

Also present was District Manager Darrin Tangeman; Harley Gifford, Legal Counsel; Laura Savage, Administrative Clerk; Jay-Michael Baker, Community Engagement Manager; Tammy Nordyke, Finance Director; Scott Eilert, Utilities Director; Brian Caserta, Fire Chief; Mark Higdon, IT Manager; and 13 residents.

E. APPROVAL OF AGENDA

Director Zupan motioned for the approval of the agenda as presented, seconded by President Leonard. Motion unanimously passed.

Director Carmel arrived at 6:01 p.m.

F. SPECIAL PRESENTATION

BRIAN CASERTA FOR BOONE VOLUNTEER FIRE DEPARTMENT

Chief Caserta presented a certificate of appreciation and read a letter of thanks for the generous donation of the Class A engine which will assist the Town of Boone, especially during mutual aid efforts.

G. SPECIAL RECOGNITION OF NEW EMPLOYEES

Tammy Nordyke introduced new employee Kelly Lytton, who was hired in December as a part-time customer service representative. Carol Cosby introduced Kurt Long, who will offer recreation programs to the community. Brian Caserta introduced new firefighter John Pincher, who will be filling a paramedic spot.

H. CITIZEN'S COMMENTS

Emily Price discussed a 30 MPH speed limit sign that has been missing for over 2 months. The sign in question is located on Calle de Caballos between Spaulding Ave and McCulloch Blvd. Ms. Price requested a replacement in the affected area. Ms. Price also referenced a past discussion on the intersection of McCulloch and Spaulding being deemed a dangerous intersection and requested an update. Lastly, Ms. Price discussed the idea of a PIF and through research, any land owner may institute an improvement fee at any time. Several stores in Pueblo have a PIF, and while she does not think it would be a burden on tax payers, the Board could not have done anything about one anyway in regards to Big R. Ms. Price spoke about public meetings and the ability to watch business occur; it is not to watch dialog between board members and audience. Grandstanding and reprimanding audience members is outside the purview of the statute.

Director French responded that the Public Works department will conduct traffic counts and was directed to have a study. Mr. Tangeman added that cameras have taken footage of traffic flows, and the City of Pueblo will provide an unbiased report. Director Carmel added Dan Centa will provide info.

I. COMMITTEE REPORTS

Director French attended the Rotary meeting last Wednesday to hear Pueblo County Commissioner Garrison Ortiz speak, who is very positive and will bring clarity and transparency to county functions. It was a pleasure to see him, and Director French foresees a great District relationship.

Director Carmel is excited to see that the Commissioner Ortiz will be an asset to the Road Task Force, and is looking forward to discussing the road IGA with a future joint Board of County Commissioners (BOCC) meeting.

Director Bernard, Director French, and representatives met with D70 officials to begin discussions of joint use of future swimming pool. Tony Montoya, Jamie Wagner, and the Financial Director were also in attendance. It appears D70 has a need for an indoor pool for all athletes. Overall, progress was made.

President Leonard attended the COA meeting and provided updates, including how 141 Single Family homes were constructed in 2016, which is up from 2015, and discussed a variance issue on Skyline Drive. President Leonard also stated that she resides on the Board of the Greater Chamber of Pueblo, and discussed the City having a strong mayor elected by the voters, thus being able to elect a police chief, a fire chief, and other positions of that nature. President Leonard then discussed the Planning Commission Board meeting, noting a problem with the Fremont and Paving Ready Mix special use permit 2016-2007, and also saying that the meeting went on for so long it will be continued later at the art center in Pueblo.

An Economic Development meeting also established member information and Mr. Gifford will draft bylaws, scheduled future meetings, and noted a webpage is being developed.

J. DIRECTOR'S COMMENTS

Director French will be out of town Monday, Tuesday, and Wednesday, and will be unable to attend a tour in Woodland Park to visit their aquatic facility. Director French requested Director Bernard to sign checks in his place. A suggestion was made to schedule a Road Task Force with the BOCC. Requested meeting with Department Heads, discuss board goals, and requested a timeline with the incorporation study.

Director Carmel noted reports in the Pueblo West View authored by the Metro District, and requested authors be identified as the information has been strongly advocating for tax increases and PIFs. He feels the articles are championing major policy decisions which may appear to some as tax increases. The matters should be brought to the Board for staff direction and recommends for the Board President be informed of the articles prior to publishing. Director Carmel also agreed with Director French in regards to a strategic planning meeting. Director French clarified the Board should set 2017 goals, not strategic planning. Director Carmel requested prompt attention to Director French's request. Also, he commended Darrin Tangeman's accomplishments.

Director Zupan responded to articles published in the Pueblo West View, regards them as transparency to the public, and noted that Mr. Tangeman and staff are providing the articles.

Director Bernard added to Director French's comments on incorporation, and noted that she attended the Pueblo West Chamber luncheon where she answered questions regarding the aforementioned topic. There are questions in the community that need answers.

K. APPROVAL OF CONSENT AGENDA

Director Zupan motioned for the approval of the consent agenda as presented. Motion passed 5-0.

- 1. FINANCIAL REPORTS AS PRESENTED**
- 2. DISTRICT MANAGER REPORT AS PRESENTED**
- 3. MINUTES OF JANUARY 10, 2017 AS PRESENTED**

L. OLD BUSINESS:

1. BOARD OF DIRECTORS DONATION POLICY

Mr. Gifford requested the Board engage in discussion regarding a donation policy and have it put in writing to remain transparent. Going forward, important policies shall also be placed in writing. Director Bernard noted donations may be addressed in the purchasing policy. Director Carmel stated donations approved in the budget should be supported, although spontaneous donations should be considered and brought to the board; supports a formal policy. Director Leonard is against donating water, but feels differently about monetary donations for community events. Director Zupan added that water donations should be reconsidered as water rates were recently increased for residents. The District should work with the Pueblo West Chamber in the community. The previous water donation discussion was unclear. Mr. Gifford was directed to draft a policy to include sponsorship with monetary cash, community events, and traffic control.

2. MUDD VOLLEYBALL DONATION REQUEST

Director French motioned to table the above item, seconded by Director Leonard Ayes: Leonard, Bernard, Zupan, French. Nays: Carmel. Abstained: None. Motion carried 4-1.

3. WATER TAP DISCUSSION

The current water tap policy has not been codified, but has become current practice. To allow property owners the ability to purchase a tap prior to improving the property was discussed. The tap would be tied to one property and would be assessed a Readiness To Serve fee. The Plant Investment Fee is to be utilized for Capital Improvement projects, which helps offset Capital. Based upon practice of utilizing current revenue for expenses, the funds are being set aside. A discussion was held on the Readiness To Serve fee and the incentive to purchase a tap fee now. Potential issues would include degrading meters and infrastructure. Ms. Nordyke discussed the need to create policy to enforce water accounts where water is shut off due to non-pay and discussed creating a reserve account to keep funds separate from current funds. There may be a possibility to charge customers for an additional tap fee in the event a customer does not pay their Readiness To Serve fee and the initial tap was pulled. Director French directed staff to draft policy proposal that says taps can be purchased at any time at the going rate, that they will pay the plan investment fee and the tap fee, that the RTS will commence as soon as the tap is in, and that the tap cannot be removed. Having all of this information

on an application will promote clarity, and Director French also stated that if for any reason the applicant quits paying the RTS, a lean will be put on the property.

4. JVA MASTERPLAN UPDATE

Josh McGibbon provided a presentation on the Water and Wastewater Master Plan which included the purpose of goals, planning conditions, existing facilities evaluation, Capital Improvements Plan, and excluded properties. Mr. McGibbon also provided interesting water stats for the District, stating that 85% of all water used comes from residential customers, with 11.5% being used from commercial areas. Residents also use an average of 165 gallons a day in the winter, and the figure jumps to 555 gallons per day, per tap, in residential areas in the summer. In 2012, average production at the water plant was 7.3 million gallons per day. The peak day had over 10 million gallons. The numbers tapered in 2015, as water production averaged around 5 million gallons per day. 2012 was a historic drought period, while 2015 had a wet summer. Mr. McGibbon also noted deficiencies in storage and raw-water pump stations. Existing facilities were also examined for limiting conditions, condition assessments, source water, and water quality. Mr. McGibbon then stated that a full report would be provided to the Board in order to explicate the finer details of the presentation.

Mr. McGibbon fielded questions from the Board regarding Regulation 85, wastewater treatment plant expansion, and capacity issues.

M. NEW BUSINESS:

1. RETURN OF YIELD (ROY) REPORT

Mr. Eilert provided information on the Pueblo Flow Management Plan and stated that water needs to be captured below the City of Pueblo in order to exercise the right for water exchanges. RJH Engineering has provided studies to find storages areas that could be placed, provide a concept level, relative changes such as floodplains, permit issues such as wetlands, provide data for ROY group to assess moving forward, and high level cost projection. Four potential sites have been selected, and the benefits were highlighted of each. The next step is performing due diligence per property regarding costs. The purchase price of the lease is \$150,000 per year for the next five years. Mr. Eilert then discussed the purpose of the ROY group and responded to questions.

2. RESOLUTION NO. 2017-__ RESOLUTION APPROVING AGREEMENT BETWEEN THE PUEBLO WEST METROPOLITAN DISTRICT AND THE U.S. BUREAU OF RECLAMATION FOR TEMPORARY PERMISSION TO ENTER PROPERTY

Director Carmel motioned for the approval of the above resolution, seconded by Director Zupan, Ayes: Leonard, Bernard, Zupan, French, Carmel. Nays: None. Abstained: None. Motion carried 5-0.

3. BANKING RFP DISCUSSION

After discussion, it was not the consensus of the Board to bid a new RFP for banking services. Director Zupan recused herself from the agenda item. Ms. Nordyke will return with a service agreement after review with Mr. Gifford.

4. RESIDENTIAL ASSESSMENT RATE CHANGES

Tammy Nordyke discussed the Gallagher amendment put in place in 1985, detailing the percentages as entailed in the amendment itself. With current changes in the market as values increase, the residential current assessment rate of 7.96% is to be lowered to 6.56%. Mrs. Nordyke then discussed the potential for increased property values in particular areas Pueblo West, although noted a lower overall revenue as a result of the assessment rate decrease, though it be insignificant in the long-term. Mr. Tangeman then stated that the proposed assessment rate may change by April 15th as the state continues to act, and also noted the District may be unable to take any TABOR timeout funds in lieu of a lower assessment rate.

5. EMERGENCY OPERATIONS TRAINING

Chief Caserta highlighted the training session and Director French highly recommended Board members participate. It was the consensus of the Board to schedule training with the Board members and other emergency personnel, then work with other Pueblo County and City entities. Chief Caserta was directed to work with the State of Colorado to see if there is a minimum and include department directors.

N. ANNOUNCEMENTS:

See agenda for list.

O. ADJOURN

There being no further business to come before the Board, President Leonard adjourned the meeting at 9:52 P.M. The next regular meeting is scheduled for February 14, 2017, at the hour of 6:00 P.M., presently set for the meeting room of the Board of Directors, 109 East Industrial Boulevard, Pueblo West, Colorado.

Secretary

Approved 2/14/2017