



## PUEBLO WEST METROPOLITAN DISTRICT

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### MINUTES OF REGULAR MEETING THE BOARD OF DIRECTORS OF PUEBLO WEST METROPOLITAN DISTRICT

**March 23, 2010**

The Board of Directors of the Pueblo West Metropolitan District met in regular session at 109 East Industrial Boulevard, Pueblo West, Colorado, on March 23, 2010 at the hour of 4:00 o'clock p.m.

**ROLL CALL:** On roll call, Chair John Van Auken, Director's Mike French, Chuck Green, and Jerry Martin. Director Corynne Hyatt was excused.

**EXECUTIVE SESSION:** The executive session was for determining positions relative to matters that may be subject to negotiations; developing strategy for negotiations; and instructing negotiators – C.R.S. 24-6-402(4)(e) – Southern Delivery System and the purchase acquisition, lease, transfer sale of any property interest – C.R.S. 24-6-402(4)(a) – Reservoir Site

Director Green made a motion for an executive session, vote unanimous.

**March 23, 2010**

The Board of Directors of the Pueblo West Metropolitan District met in regular session at 109 East Industrial Boulevard, Pueblo West, Colorado, on March 23, 2010 at the hour of 6:30 o'clock p.m.

**ROLL CALL:** On roll call, Chair John Van Auken, Director's Mike French, Chuck Green, and Jerry Martin. Director Corynne Hyatt was excused.

Also present were Larry Howe-Kerr, District Manager; Judy Leonard, Administrative Assistant; Tom Mullans, Attorney for the District; Carol Cosby, Parks and Recreation; Rick Morgan, Public Works Director; Steve Harrison, Utilities Director; Laurie Cozzetto; COA Administrator; and twenty seven citizens.

**MINUTES:** On motion by Director Green, the regular minutes of March 9, 2010, were approved, vote unanimous.

**FINANCIAL REPORT:** Members of the Board had been provided with a check register dated March 23, 2010, listing the bills for payment. On motion by Director Green, Director Martin noting the large payments, the outstanding bills of \$679,691.87 is approved for payment, vote unanimous.

Director Martin updated the board on the most current transfers from the money market to other securities.

**DIRECTOR'S COMMENTS:** Director French informed the board on the road task force meeting and what was discussed. He mentioned the meeting with Commissioner Chostner and a formal letter for request on the distribution of the lottery monies based on the population of Pueblo West to be returned to Pueblo West the portion the County has received. He thanked Mr. Lisi for bringing this to the board's attention. Director French updated the board on the meeting with Mary Gunn and Fran McClave on a strategic plan for the district with community involvement and a viable plan. Director Martin added that funds from GOGO grants is anywhere from \$125,000 to \$130,000 that can be used for these projects.

Director Green also thanked Mr. Lisi for his involvement by alerting the board about the Lottery funds. Director Green gave an update on the Revenue Authority Tax proposal and what is going on with it.

Director Martin mentioned the Community Clean up on Saturday, March 27<sup>th</sup> and saw citizens at the meeting not signed up.

**DISTRICT MANAGER REPORT:** District Manager Howe-Kerr reported on the fountains motor collapsing with a replacement cost of \$560, the aerator not installed as of yet, and the fishing derby April 24<sup>th</sup>. Director Green asked about looking into Mineral Palace Park fountain and how they keep it working. Director Martin inquired about the cost for maintenance and electrical on the fountain. The monthly electric is \$1,668.09 to run the fountain. Direction from the board is keep the fountain going because of the fishing derby.

District Manager Howe-Kerr mentioned the RFP for consulting services in various areas on information available that he attached to his report and was designed so that you can select those for particular tasks when needed. He asked the board for their support and approval.

District Manager Howe-Kerr updated the board on Performance Contracting for auditing purpose for energy savings by contracting and upgrading equipment with guaranteed savings to pay for the complete project. This is pre-approved by the Governor's Energy Office. After further questions from the board, consensus is to have a presentation at a future board meeting.

District Manager Howe-Kerr and Rick Morgan attended the County Sustainability Committee to see how Pueblo West might fit into the planning. He talked about the meeting with Whitney Graves, Mike Zaremba, and Director Hyatt on the Desert Hawk Golf Course water. A future meeting is being set up with Mr. Jim Clark to help understand how the water is charged. Another meeting discussed was with Chad Heberly from the Pueblo West Chamber on promoting Pueblo West with a combined magazine, brochure, welcome center, and the 4<sup>th</sup> of July.

District Manager Howe-Kerr explained the farm lease the district has with Dale Baker to farm 237.33 acres of land owned by the district. Chair Van Auken said this protects the water rights by leasing the water and storage rights in Lake Meridith. Direction is to prepare a Resolution for the next board meeting. Mr. Baker pays the assessments on the water shares.

District Manager Howe-Kerr informed the board that the Red Creek Reservoir geological study revealed the district cannot build a reservoir for the cost but would like approval from the board to proceed to look for other alternative sites. Director Green said with the discussion in the executive session this is not economical as Legal Counsel also explained. Legal Counsel said a report will be made for the board on all progress of any available sites.

Director Green made a motion authorizing staff to continue pursuing possible sites for Pueblo West water storage, vote unanimous.

District Manager Howe-Kerr said the communication and agreement with Public Sector cost of \$8,500 included benefits but found out that the information was incorrect. Public Sector wants an additional \$5,000 to include benefits in which options and suggestions were made on how to work this out. Director Martin inquired about comparing salaries with other cities with comparable budgets and does not want to spend any more money on this. District Manager Howe-Kerr said that Brian had a list and only the benefit piece is missing. The direction of the board is to find the information from the other cities and compare benefits. The consensus of the board is not to pay Public Sector any more money and staff find the information needed and voiced their concerns on the time line with staff doing most of the work. Director Martin suggested when the current information is done within the \$8,500 already paid then see if there is a need for the additional cost.

Director French stated he wants to get with the District Manager on the RFP for consulting. Chair Van Auken voiced his concerns on some of the listings in the RFP and feels board, staff, and District Manager should put their ideas together. Director Green suggested two board members work with the District Manager. District Manager Howe-Kerr updated the board on the consultant from Gemsbok and Director Green said he liked this company's concept of on a need only basis.

**CITIZEN COMMENTS:** JD Stelle asked about the district putting up pavilions for a farmer market, festivals, art shows and other activities. He is willing to purchase one and help with a stage if District staff would do the work. Consensus of the board thinks it is a good idea but directed him to talk to Parks & Recreation Director Cosby and show her a more concrete written plan. He updated them on Fort Carson and also would like to see two community centers in Pueblo West with one on the south and one on the north side.

**4<sup>th</sup> Of July Fireworks:** Chad Heberly from the Pueblo West Chamber asked the board to take over the parade portion and consider having a wet and dry section and coordinate with other groups. He voiced his concerns on what portion of the money the County gets from vendor fees and would like support from the board, attending the meeting when they go before the County to help lower the fees they charge which is passed on to the vendors. He informed the board there will not be a concert and with the cost of the fees many vendors will not be able to participate. Director Green voiced his concerns as other board members on these fees and will attend the meeting when it takes place with the County Commissioners. He also asked the board for a \$4,000 donation for fireworks. Director Martin voiced his concern using tax payer's money. Director French questioned liability. The poll from the audience determined they were not concerned using tax payer's money to donate to this event. Donating to the fireworks was discussed and how important fireworks are for the community and part of 4<sup>th</sup> of July. After further discussions, donations from the citizens and board, it was decided the District would donate \$3,000 with community donating the other \$1,000 needed.

Director Martin made a motion authorizing the District to donate \$1500 with a one to one match. Legal Counsel will donate \$100 and feels if the community donates \$1500 the District should donate \$3,000, which can be tax deductible. The motion was amended for the District to donate \$3,000.

Director Martin made a motion to authorize the District to donate \$3,000 for fireworks for the 4<sup>th</sup> of July, vote unanimous.

**PUEBLO WEST CHRISTIAN ACADEMY EXPANSION:** Representatives from the Pueblo West Christian Academy presented their case and plans for the property with 8 modular's and a community building for multi-purpose use. Laurie Clark from Clark Engineering presented the issues on Parcel A, 1401 South McCulloch Blvd., concerning the water taps and zoning. She handed out information with articles, maps, and rules and regulations of the District. She feels a 1 ½ tap fee would be sufficient and tolf without water rights the District will not provide any more water. She updated them on a previous meeting and what took place. As stated, it is not an out parcel and is part of the District with taxes paid on this property. AOS fees were discussed and why, along with the plans that were made for this property in 1969 with a lot more development than it already has. They are asking to use the current water and in the future be able to bring in more water lines if needed and willing to pay any tap fees required without the requirement of supplying any water shares. Legal Counsel commented on the article being another location and there is a provision for the board to waive any regulation and he stated one that is related to this issue. The land is not being subdivided but only being leased and because it is going to grow will need additional water lines for drinking fountains and bathrooms. Laurie Clark referred to other buildings and businesses that have been able to get water without water rights. Director Van Auken explained why water rights were required and Legal Counsel continued to explain the District's policy on inclusion property and past history. Director Harrison talked about the letter he wrote and concern of the raw water system and demand. Questions from the board and Director Harrison's concerns on demands on water, splitting lots, shortage of water for built out in the future, getting direction from Legal Counsel on school sites, the board decided water shares are not necessary. Legal Counsel read the current tap fee charges. Ms. Kaspari voiced her confusion on why they would be required to bring in water shares for a 3 inch meter tap. Ms. Clarke pointed out this property has all rights to come in and pay taps as any other piece of property in the District and not require water shares as it is not an out parcel. Director Martin voiced his concerns holding this piece of property hostage for water shares. After determining this lot is not being subdivided and same as other properties no water shares are required. Director Green mentioned precedence is critical and taken serious. Director French inquired about how many modulars with water which is four and four wet, having water and drainage issues. Director Morgan explained what those issues that will be coming up in the near future but does not pertain to this issue. This project has the full support of Mr. Hedley and Regional Building and feels it is a zoning fit.

Director Martin made a motion that there is no requirement for development of Pueblo West Christian Academy and owner of parcel in question have to bring in outside or additional water shares but follow the rules and regulations of the District and not have to bring any additional water for taps, vote unanimous.

Ms. Clarke asked about the rules and regulations on a written request for a multipurpose building. District Manager Howe-Kerr reminded the board of changing the zoning from A3 to A2 and a meeting should they have any comments.

**RECREATION BUILDING DISCUSSION:** Director Carol Cosby updated the board on various buildings she has inquired on. Chair Van Auken would like costs for renovations on any building and if the District Administration offices included to the building what would be the cost of sale of the building. Legal Counsel explained the District is not in the business to make a profit on buildings. Director Cosby was not aware of any increase of price on the Hewitt building and her concerns on having

classes available during the day. Director Martin asked if she had looked into leasing buildings or churches which she had in the past and will look again for any buildings available to lease. Director Cosby will look into what is now available. Director Green suggested having a work session on the need for facilities. After further discussion this will be done at the end of May.

**RULES AND REGULATIONS FOR HOOKUP ASSESMENT FEES:** Legal Counsel stated the rules and regulations on this and feels the assessment fee as it stands now is paid when a tap fee is paid. He inquired if the board would like to change the rule and how they would like to do so. Director Martin questioned if the property owner would not pay what would happen. Legal Counsel suggested different options that can be changed in the rules and regulations. District Manager Howe-Kerr said that a builder with many lots may not be able to afford the fees until ready to use the property and all the implications. Legal Counsel discussed options and Director Harrison made a suggestion to add the assessment to the cost of any property the district owns. AOS was discussed and why you cannot do that anymore. Direction from the board is to table this for another week but leaning towards a policy that will go up a percentage amount every year.

**PURCHASE OF SECURITIES:** This Resolution will allow the District to purchase securities; approved for public investments, through the use of a broker.

**RESOLUTION NO. 1867:** A Resolution Allowing The Use Of Stifel, Nicolaus & Company, Incorporated For The Use Of Purchasing Securities – **TABLED**

Director Green made a motion to table Resolution 1867 and 1873, vote unanimous.

**AUTHORIZING SIGNERS FOR**

**GREAT WESTERN BANK:** This Resolution adds signers on the newly opened money market with Great Western Bank.

**RESOLUTION NO. 1871** – A Resolution Authorizing The Signers For Great Western Bank All Accounts – **TABLED**

**Director Green made a motion to table Resolution 1871, vote unanimous.**

**CONSTRUCTION CONTRACT:** Bids were opened on Monday, February 22<sup>nd</sup> for the construction of the McCulloch Main Phase II Trail. This will be 2.3 miles of trail – 8' wide asphalt and 4' wide crusher fines material. It will begin at our existing trail between Baldwyn and Palmer Lake running west to the lift station, turn south across Kenosha to the power line, and then run east and tie back into our trail.

**RESOLUTION NO. 1872** - A Resolution Awarding A Construction Contract To Tony J. Beltramo And Sons, Inc. For The McCulloch Main Phase II Trail, Project Number 16368, Project Code STE M087-001

Director Green made a motion to accept Resolution 1872, vote unanimous.

**PURCHASE SECURITIES:** This Resolution will allow the District to purchase securities; approved for public investments, through a use of a broker

**RESOLUTION NO. 1873:** A Resolution Allowing The Use Of Multi-Banks Securities, Incorporated For The Purchase Of Securities – **TABLED**

**Director Green made a motion to table this Resolution with 1867.**

**ADJOURNMENT:** There being no further business to come before the Board, Director Green adjourned the meeting. The next regular meeting is scheduled for April 13, 2010, at the hour of 6:30 p.m., presently set for the meeting room of the Board of Directors, 109 East Industrial Boulevard, Pueblo West, Colorado.