



PUEBLO WEST METROPOLITAN DISTRICT

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MINUTES OF SPECIAL MEETING OF THE BOARD OF DIRECTORS OF PUEBLO WEST METROPOLITAN DISTRICT

December 1, 2010

The Board of Directors of the Pueblo West Metropolitan District met in special session at 109 East Industrial Boulevard, Pueblo West, Colorado, on December 1, 2010, at the hour of 9:00 o'clock a.m.

ROLL CALL: On roll call Board Members Chair Mike French, Director's Chuck Green, Jerry Martin, John Lisi and Christine McCarthy were present.

Also present were Jack Johnston, District Manager, Tom Mullans, Attorney for the District; Judy Leonard, Administrative Assistant; Tammy Jameson, Finance; Steve Harrison, Utilities and 5 citizens.

EXECUTIVE SESSION: This special meeting was called to have an executive session for "Personnel Matters" – C.R.S. 24-6-402(4)(f) – Investigation Review and Salary Review.

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

PUBLIC MEETING

Director McCarthy was excused from the public meeting.

FINAL 2011 BUDGET REVIEW: District Manager Johnston updated on Capital Projects that needs to be discussed including a master plan. Director Martin mentioned the road escrow fund. Legal Counsel explained the escrow fund was for improvements. District Manager Johnston gave his recommendations on Streets and Roads staffing and decision was made that if it is in the budget to stay with the hiring of two new employees. Discussion was made in relation to the Fire Department's replacing breathing apparatus and bottles and consensus is to replace nine of the eighteen instead of the six in the budget and amend the budget to reflect this. District Manager Johnston informed the board of the fire at The Children's Palace and evacuation. He was pleased at how it was handled by the District's firefighters and how Snap Fitness pitched in to help.

District Manager Johnston did due diligence on researching the need to purchase a one ton truck for Parks and Recreation and why. He also mentioned the need for additional equipment and uses. Questions from the board were asked if using outside services was looked at for projects or a used vehicle was considered. After further discussion the board is not in agreement with purchasing a snow plow and questioned purchasing the same brand or looking at others. The truck will be put in the budget but other concerns discussed will be looked into. District Manager Johnston feels the money in the Conservation Trust fund should be used for a park on the north side and there is ongoing discussions with the SDS pipeline project of possible money for a park.

District Manager Johnston mentioned the RFQ's and consulting firms that were included to help the district with a master plan. After looking at all the qualifications, criteria, and their expertise the firm recommendation is to use Matrix Design group which the district has previously worked with. Consensus is to adjust the budget of \$150,000 for this project. Chair French suggested a portion of the money come from Conservation Trust and Legal Counsel explained the statutes as to what that money can be used for and will research it further.

Director Martin asked about the 1.5 million 1A money for main McCulloch and if there would be any assistance from Pueblo County to match it and this amount will not cover the project as planned. A road task force meeting will be scheduled. The 1A money has to be committed by June of 2011. The lottery money the county gets based on the district's population needs to be discussed and returned to the district. Director Green questioned the Driveway Inspector job and his concerns.

Staffing for Committee of Architecture was discussed and District Manager Johnston's recommendation is to keep the staff in the budget and look into this further until he can consider all aspects of the department. Build out in certain tracts was discussed and how they will not be under COA covenants and what the district can do to still have enforcement and being outside the covenants.

Water rates were discussed and Director Martin talked about the users rates and feels there should be a water conservancy program and explained how that could be done. Director Martin does not think the rates should be raised for the first 5,000 gallons because the user's fees cover the O&M of the department. Director Lisi questioned the cost of Southern Delivery pipeline portion the district will have to pay which is not determined due to additional costs with the funds for this project coming from district reserves. Director Martin would like to know the total cost of future infrastructure and other costs to determine if raising fees is warranted. Legal Counsel explained how the numbers for the water needs was determined based on the Red Oak Consulting study. Director Green commented on the effect of tap fees and builders concerns. Water line extensions were discussed and why they were needed for higher pressure, fire flow, and discoloration of the water at end of the pipe. Director Martin feels this does not service any customers where this is being done and said hydrants are flushed every year. The increase for wastewater increases was agreed upon.

District Manager Johnston commented there would not be any pool fee increases. Board inquires were for comparison to Pueblo and if the pool is being utilized. Carol Cosby did compare amenities with pools in Pueblo and areas and could compare with Mitchell Park being the same.

Chair French mentioned road projects and Coral Drive should be ready to go right after the first of the year. District Manager Johnston mentioned the salary study with his recommendations and other considerations and comparisons. There were twenty nine identified positions for increases which were scaled back to twelve for increases, how they were identified and how evaluations in the future would be done.

The board had questions for Mr. Harrison on the water line extensions. Director Martin voiced his concerns that none of these water line extensions service customers. Mr. Harrison explained his concerns on service pressure, fire flow, and state health department realigning of the sewer line requirements for the permit process. Mr. Harrison explained why water line extensions are needed in areas of demand for higher pressure. Mr. Harrison said a hydraulic study is needed and why with approximately 87,600 water lines are needed for build out.

District Manager Johnston asked for direction on the three budget items that were agreed on. It was decided to put them in the budget for the board to see how it affects the budget on an overall picture. Chair French inquired if there was money in the budget for realignment projects which was taken out. Mr. Harrison explained how the realignment is done and permits requirement. Mr. Harrison discussed the clay pipes stating there are seventy two miles left to replace and 3.2 miles have been replaced. Mr. Harrison talked about realignment costs and why it is needed. He mentioned the sewer discharge permit and is working with the state and the change to discharge wastewater to Wild Horse and where it is being discharged now and why this needed changing. All the adjustments will be made in the 2011 budget for the final presentation December 14, 2010 board meeting.

Director Green mentioned his concerns on published articles in the Chieftain on Pueblo West and would like District Manager Johnston to look into this as the board or district was never contacted for facts. District Manager Johnston mentioned his appearance on camera about the settlement with the County for News Channel 5 and did not see anything on it.

ADJOURNMENT: There being no further business to come before the Board, on motion by Director Lisi, the meeting was adjourned. The next regular meeting is scheduled for December 14, 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.