



**MINUTES OF REGULAR MEETING
THE BOARD OF DIRECTOR'S OF
PUEBLO WEST METROPOLITAN DISTRICT**

February 22, 2011

The Board of Director's of the Pueblo West Metropolitan District met in regular session at 109 East Industrial Boulevard, Pueblo West, Colorado, on February 22, 2011 at the hour of 5:30 o'clock p.m. for an executive session and 6:30 p.m. for the regular session.

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

Also present were Jack Johnston, District Manager; Judy Leonard, Administrative Assistant; Tom Mullans, Attorney for the District; Carol Cosby, Parks and Recreation; and 24 citizens.

MINUTES: On motion by Director Green, the special minutes of February 2, 2011 and regular meeting February 8, 2011 were approved, vote unanimous.

FINANCIAL REPORT: Members of the Board had been provided with a check register dated February 22, 2011, listing the bills for payment. On motion by Director Green, Director Martin noting the large payments, the outstanding bills of \$318,047.10, is approved for payment, vote unanimous.

DIRECTOR'S COMMENTS: Director Lisi commented on a web site for medical marijuana and quoted some of the reviews from it. He voiced his concerns and would like to see the community to step up and reach out to our County Commissioners and legislative constituents to help with this issue. Director Green stated the District could not do anything having no authority in County zoning.

DISTRICT MANAGER REPORT: District Manager Johnston updated the board on the departmental review and individual employee meetings 2/10/11 and additional water right leads being pursued.

District Manager Johnston mentioned the CDOT Enhancement Grants and looking at what the best strategy for the money would be. It was discussed not to apply for two but the option to apply for a CDOT grant for the Main McCulloch Trail, have the County pursue one, or wait until the 2012 cycle. The Main McCulloch extension to Highway 50 will wait until 2012. The community clean up will be held April 2, 2011 and if interested to contact the Parks and Recreation Department. This clean up is for easements, parcels, and roadways to help pick up trash. Director Martin explained the collection boxes, matching money, and participation that was part of the clean up in 2010 for trails.

District Manager Johnston said the kickoff meeting with Matrix Design Group on February 17, 2011 with Streets and Roads took place with an internal assessment and individual employee meetings February 18, 2011. Director Green would like to be notified when the assessments take place and given the opportunity to attend. Coral Drive and Platteville road projects are out to bid.

District Manager Johnston mentioned the Committee of Architecture approved in one house and 10 accessory structures approved in the month of February. Applications for COA board members were advertised and deadline for the applications is February 25, 2011. A correction will be made that there is no more Triark Board as stated in the paper ad. Interviews will take place on March 8, 2011 and letters were sent to all current committee members requesting interest for reappointment.

District Manager Johnston informed the board of an economic development summit participant list completed and will set up a date and time for this to take place. Director Green mentioned the article in the paper that at a meeting there was a proposal by the Pueblo West Metro Board of a ½ cent sales tax for economic development but was brought up by the County Commissioners not the Pueblo West Metro Board.

District Manager Johnston talked about Action 22 Legislative Day and a brief synopsis of how lobbyists groups work with the Governor and Legislatures and how important those groups are and doing for districts. Director French also attended and said sometimes it was over whelming and mentioned the state pulling out of Lake Pueblo which should be monitored and the importance of staying on top of that. They both feel it is important to stay in touch with our local representatives on issues. District Manager Johnston will be meeting with Mr. Garcia to set up a joint meeting with Pueblo West Metro Board and City Council Board which will be a first the two boards have ever done this. He would also like to set up a first quarterly Chieftain Editorial Board meeting with the Pueblo West Metro Board. Completion of meetings with the County Commissioners that District Manager Johnston and Chair French took part in and were very productive.

District Manager Johnston announced the first employee of the month going to Christina Siggins who has worked for the district for 13 years and the importance of acknowledging employees monthly not just at the end of the year. He read a letter received from the Government Finance Officers Association that the district will be receiving the Certificate of Achievement for Excellence in Financial Reporting to the Finance Department.

District Manager Johnston received a letter from a resident that had no water due to frozen pipes and on how effective the water department responded to her needs and thanking them in the letter.

CITIZEN COMMENTS: Ben Summers questioned the last minutes cost of water for the golf course at \$1.39 a gallon which is \$1.39 a thousand gallon. He thinks the golf course should be supported as a whole and why. He also stated he is an applicant for the Desert Hawk Board.

GIRL SCOUT PROCLAMATION: Special recognition for Girl Scout Week March 6-12, 2011 was read by Chair French and given to Ashton representing her Girl Scout Troop. Debbie Fortune introduced herself and mentioned there are not enough troop leaders for all the girls and there is a waiting list in the Pueblo/Pueblo West area.

INTERGOVERNMENTAL AGREEMENT WITH SCHOOL DISTRICT 70: This agreement is needed because School Districts are not eligible to apply for mini grants from GOCO but Municipalities, Counties, and Parks and Recreation Districts are eligible. School District 70 will handle all the finance obligations and match. Mrs. Nogare said the total amount with matching funds is \$552,000 for the track and asking for the full

amount from GOCO and for this segment of the grant, a total of \$200,000 for an all weather track and an Eagle System trail connecting to the existing trails all open to the community for use. The District can sponsor this grant and the school district assumes all financial responsibility.

RESOLUTION 1905: - A Resolution Approving An Intergovernmental Agreement For Improvements To Athletic Facilities At Pueblo West High School Between School District No. 70 And The Pueblo West Metropolitan District.

Director Lisi made a motion to accept Resolution 1905, vote unanimous.

GOCO PLANNING GRANT: This Resolution is for a 30% match of \$13,200.00 from the District requesting \$44,000.00 from Great Outdoors Colorado to develop a master plan for a Civic Center Park.

RESOLUTION 1908: A Resolution Authorizing The Submittal Of A Great Outdoors Colorado Planning Grant

Director Green made a motion to accept Resolution 1908, vote unanimous.

IGA OPERATIONAL CLARIFICATION LETTER: Legal Counsel updated the board on the 1041 lawsuit in regards to an agreement with the participants in the IGA Flow Management Program and this gives clarification in the letter on the Arkansas River Flow Management Program and Pueblo West. Legal Counsel has not heard from all participants and there may be changes stating what Pueblo West will be subject to as a participant to meet the Year Round Flow of 100 c.f.s. and not being in the Recreation Flow requirement. He explained the limitation requirements and changes that could be made not in the contact with all participants. This is for information only and will be brought up again in the future after all participants agree and sign.

DESERT HAWK BOARD APPOINTMENT: District Manager explained the process and in the Commissioners meeting voted on Whitney Graves and it is now up to the Pueblo West Board to vote on one applicant. Director Green also reiterated on the process and who is now on the Desert Hawk Board with a recommendation of four applicants from a prior Desert Hawk Board meeting. Director Lisi questioned the procedure on how to vote. Chair French asked that all the applicants introduce themselves and why they want to be on the board. Whitney Graves said he would like to do one more term of 3 years to finish what has already been started and has new ideas he would like try and continue being on the board. Director Martin asked if the golf course should operate through its revenue and expenses to break even. Mr. Graves thinks it is close to that right now and why. Mr. Whitney will do a business plan to show the board how he plans to achieve his goals. Bob Miller is an applicant and lives on the golf course. Mr. Miller thinks a different direction is needed and why, compares the golf course to other golf courses, research and market with a new view point. Jim Pioreschi thinks marketing is needed more in the community, opening the club house to the community, discount for seniors or organization, and make the golf course stand on its own. Mr. Pioreschi suggested lower fees and other suggestions that could help. Director Green had statistics on other golf courses in the area and how they compared with Desert Hawk showing it down less than the other comparisons and doing better than the other golf courses. Ben Summers agreed that Desert Hawk is doing better than others from what he has heard about others. Mr. Summers think that it should be looked at like an asset and to lose it would hurt the community and why. Mr. Clemens is against how the course is being run and talked about the finances and what the amounts were and how much it is in debt. Mr. Clemens thinks no one has been paying attention. Corynne Hyatt would like to see a different course from the past and the board not getting the golf course where it is supposed to be and change a lot of things with a more hands on board.

Director Green mentioned the RFP for the management component and receiving two bids. One for all components of the management of the golf course and one for the restaurant only. Director Green mentioned the success of past management and what has been accomplished. Director Martin thinks fee increases, water conservation, and marketing needs to be done with a business plan with benchmarks. He thinks the Desert Hawk board needs to be more proactive and let the community know what is going on. Director Martin thinks the financial statement should be more readable and easier to understand. Director McCarthy thinks the golf course is a great asset to the community and the Desert Hawk board needs to be more proactive and take over more responsibility with accounting taken away from the County and having an outside party handle the accounting. Chair French voiced his concerns on not having interviews and why it was not done. Director Martin said he did his own interview on four of the applicants on his own. After further discussion on the pros and cons of the golf course, mentioning Corynne Hyatt will be working directly with the finance director of the County, Director Green made a motion to appoint Whitney Graves.

Director Green made a motion to appoint Whitney Graves. Director Green, Director Martin, Director McCarthy voted aye. Director Lisi voted no, and Chair French abstained.

PENSION PLAN REVIEW CONTRACT: District Manager Johnston explained the changes and issues with the pension plan and determined the parameters are beyond the scope of expertise for the staff and hire someone with expertise to go over the plan. Legal Counsel has recommended in the past to hire an insurance lawyer with the expertise needed to make sure our pension plan is in compliance for special districts. Mr. John McNally works with pension law and for special districts and has sent an engagement letter for hire which Legal Counsel recommends hiring him. Concerns of the board is for more information on how long it will take for the assessment, list of hours, and District Manager being held accountable to monitor his hours and costs and update the board with an e-mail every two weeks on the hours. Legal Counsel informed the board on Mr. McNally's expertise with governmental pensions and recommended by Mr. Gregory who has done business with the district for years with a 457 Deferred Compensation Plan and specializes in special districts.

Director Martin made a motion to accept the engagement letter from Mr. John McNally and authorizing the District Manager to sign, vote unanimous.

BUREAU OF RECLAMATION LONG TERM STORAGE CONTRACT: Legal Counsel updated the board that the Bureau will be putting out contracts for all the SDS participants with a 60 day notice for comments then copies will be sent for review and approval. Legal Counsel stated negotiations are close and he has been in contact with David Robbins, Attorney on the negotiations. A resolution will be needed when accepted and approved. Legal Counsel talked about the conveyance process, costs, and to contact him with any questions. Legal Counsel said that all the water will be in a long term contract and why and explained the schedule terms.

JD Stelle talked about what he has been doing and who he is working with to get a handle on the marijuana situation in Colorado Springs. Director Green announced the board retreat on February 25, 2011 at Fire Station #3.

ADJOURNMENT: There being no further business to come before the Board, Chair French adjourned the meeting. The next regular meeting is scheduled for March 8, 2011, 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.