

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

**May 10, 2011**

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

Also present were Jack Johnston District Manager, Judy Leonard, Administrative Assistant; and Tom Mullans, Attorney for the District; Steve Harrison, Utilities; and 15 citizens.

**ELECTION OF OFFICERS:** Director Green nominated Director Martin for President, Director McCarthy and Director Lisi nominated Chair French for another year which he declined. Vote was unanimous for Director Martin for President. Director Martin nominated Director Lisi for Secretary, vote unanimous. Chair Martin nominated Director McCarthy for treasurer, vote unanimous.

**MINUTES:** On motion by Director Green, the regular minutes for meeting April 26, 2011 were approved, vote unanimous.

**FINANCIAL REPORT:** Members of the Board had been provided with a check register dated April 26, 2011, listing the bills for payment. On motion by Director French, with Director McCarthy noting the large payments, the outstanding bills of \$470,277.19 is approved for payment, vote unanimous.

The investment report showed Certificate of Deposits \$7,480,279.85, CDARS \$7,964,625.86 Money Market \$8,261,697.54, Bond Reserve \$591,046.00 and total cash of \$3,216,995.77.

**DIRECTOR'S COMMENTS:** Director Green mentioned the meter break on Hahns Peak and the fast response from the utility department repairing it. District Manager Johnston explained the pipe was installed on a vertical side against an 8 inch well pipe and how the break was caused. The contractor installed the pipe incorrectly and will give a credit on another project for the repair amount if hired for another job by the district of an estimated amount of \$7,500 for the repair. Director Green also commended Carol Cosby and Sheriff Office for the tremendous job assisting at the fishing derby with 263 children participating. Carol Cosby for setting up the event, SO for traffic control, and Fire Department providing EMS. District Manager Johnston said there was less fish caught than last year and a Tom Sawyer and Becky Thatcher lookalike contest.

Director French commended all the staff involved in the information given to Ft. Carson 2<sup>nd</sup> Brigade which was very informative and just what they needed for their deployment to Afghanistan.

Director Lisi mentioned his attendance of the Apple Festival Parade in Canon City which was spectacular.

Director McCarthy asked about the water at Cattail Crossing and what was being done. She would like to forgo her next two board checks donating them to the firework fund and asked her fellow board members to do the same which they did. Taxes taken out on the checks will be reviewed with the District's auditor as to net amount or full amount can be donated.

**DISTRICT MANAGER REPORT:** District Manager Johnston commended the firefighters for their service. The last few weeks they have had a set of extremely hard calls, are on call 24/7, even during holidays and noted their professionalism under extreme circumstances.

District Manager Johnston updated the board on the ambulance that was going to be sold to Beulah for \$500.00 was sold for \$3,600.00 from Purple Wave auction. Purple Wave does all the work; pictures, web, and they collect 10% of the sale from the buyer so there was no cost to the district.

District Manager Johnston reported that the Wildhorse pipeline FONSI comment period ended April 28th and there were no objections at the Commissioner's May 3rd meeting. There was approval on May 4<sup>th</sup> by area state water commissioner for Hill Ranch recharge use infiltration and on May 9<sup>th</sup> notice to proceed for the SDS valve cut project. Director French inquired on fire rescue responding to incidents with the SDS pipeline project and if trained or has equipment for incidents in SDS work purview. Legal Counsel said Chief Caserta is looking into it and emergency costs had not been discussed with Colorado Springs on this project.

District Manager Johnston informed the board the Sierra Vista Trail construction is underway and should be finished in the next two weeks but in one area needs reinforcement and a change order may be necessary. Director Green asked about connecting the trail Ms. Arline brought up behind the high school for cost effectiveness because the contractor is out here doing a trail. The district is looking into the concept but the funding may not be available. Matrix Design Group is helping with the design and engineering of Soaring Eagle Park. The pool lining has been replaced and the pool will be filled and opened for Memorial weekend.

District Manager Johnston explained the issues at Cattail Crossing with the fountain and cost recommending the fountain be shut down for a year, get Grass Carp for cleaning up the algae and possibly use the fountain for a spray park or other uses in the future. The fountain is not the correct type for the pond.

District Manager Johnston mentioned Coral Drive starting May 9<sup>th</sup> and San Isabel cooperating relocating plant. Platteville project has been delayed due to contractor on another project. Main McCulloch bid has not been released by the County and some of the road crew shifts have been changed to 4 day, 10 hour shifts.

Committee of Architecture approved 10 new homes, and had 88 accessory structures, 207 inspections, 78 violation letters, and 3 hearings in April. Director French questioned the value of new homes and JD Stelle thinks \$150,000 to \$250,000. District Manager Johnston mentioned an appeal process including a board of the COA Chair Bill Vickers, board member Director McCarthy and another individual with knowledge on the issue that is being appealed. This will be the first appeal the committee has needed an appeal board. Director McCarthy asked about the modulars at the Horseman's Arena. Chair Martin asked if tap fees will be required. Director Green voiced his concern on a property in Pueblo West and Mr. Maggard stated it is on the agenda for May 12<sup>th</sup>.

District Manager Johnston stated the next Economic Development Steering Committee meeting is scheduled for May 11<sup>th</sup>. The board laptops and related software are installed and training will be scheduled. The Vehicle Personal Use and Weapons policies will be on the next agenda May 24<sup>th</sup> as well as John McNally pension plan Letter of Opinion and website design update.

Meetings of importance were mentioned such as the Ft. Carson 2<sup>nd</sup> Brigade Community Governance Practicum held on April 27<sup>th</sup> and 28<sup>th</sup> with a follow up on May 12<sup>th</sup>. District 70 Joint session, City council and Pueblo West panel discussion on the ballot tax initiative have not been set. District Manager Johnston reminded the board of the Pueblo West Chamber Golf Tournament June 17<sup>th</sup>.

**CITIZEN COMMENTS:** None

**GOVERNOR'S BOTTOM-UP ECONOMIC DEVELOPMENT INITIATIVE:** The Pueblo team consisted of Rich Warner, Chad Heberly, Sandy Gutierrez, Jane Rawlings, and Rod Slyhoff. Dan Centa was also introduced. Mr. Warner gave a brief introduction as to how the committee was formed and information broken down into six goals with #1 Increase Primary Jobs with an emphasis on Manufacturing. He gave a brief synopsis on the panel's strategies, actions, outcomes, partners, and resources. Mr. Warner talked briefly on how to keep the workforce in Pueblo. Mr. Slyhoff talked on goal #2 Increase Tourism Spending and strategies as to how to get more tourism to Pueblo and surrounding areas. Mr. Slyhoff stressed the importance of leisure travel, the need for more meeting space, military reunions, step up communications and social media with the military in the area. Mr. Slyhoff found the fastest growing industry is amateur sports. The board members would like to see Pueblo West promoted as well as the city with future development for sports. Mr. Slyhoff mentioned other venues and how they can be developed throughout the area. He asked that Pueblo West work with the city to get Pueblo County to release money generated from taxes collected from lodging facilities for tourism promotion which has not been done. Director Green voiced his concern on importing jobs and using people qualified that are already here, taking advantage of local businesses, and meeting with City Council to discuss issues. Concerns of future venues were discussed and issues for some due to the economic development. Mr. Warner talked briefly on Goal #3 Expanding Existing Industry and Small Business Opportunities by increasing awareness and marketing, make licensing and permits easier, education programs for entrepreneur's, and increase small business capital access. There is a need for education programs in high school, at college level, and using area vocational facilities and other programs available for capital access. Ms. Gutierrez mentioned funding mechanisms in the area and getting the information out to local businesses. She mentioned the Latino Chamber program for students interested in being an entrepreneur and creating a hub to access all information for a business by producing kits with all the information needed at all level of government including loan information. Mr. Warner said that from the survey there is a tremendous opportunity for the health care industry so goal #4 Promote Pueblo as a Regional Health Care destination was developed. Mr. Warner mentioned how people come to the region for health care, needs, quality health care, promoting services, working with providers for less duplication, high quality doctors, providing services to all areas, and job perspective. Mrs. Rawlings discussed goal #5 Develop a Leadership Council to guide and focus projects to enhance the Pueblo County Agriculture economy and how this can be done. Mrs. Rawlings would like to focus on agriculture programs, not move water to other cities, find a way for young people to learn the craft, have good partners, and increase agricultural exports from Pueblo County. Mr. Heberly talked on goal #6 Grow CSU-Pueblo and Pueblo Community College to become regional leaders in higher education, partnering to provide a skill, educated workforce, in alignment with Regional Economic Development Goals, the importance of having graduate level programs, school of engineering, expand programs, broaden the outreach programs for students and military, Hospitality Management programs to support tourism, and develop education needs. Mr. Warner explained the purpose of the summary and where the information goes and use as a plan and guidance for Pueblo and surrounding areas going forward with these goals and strategies. Director Green brought up the point that with partners listed there is not a military partner mentioned and gave Chair Martin kudos for opening a dialogue with Ft. Carson and Pueblo West.

Director McCarthy made a motion to remove item number eight from the agenda, vote unanimous.

**COMPREHENSIVE COMMUNITY PALN - PHASE 1 DRAFT:** Chair Martin would like a special public meeting set up to discuss this and spend time talking about it. The board feels this will take a few hours to discuss and not have enough time for questions and discussions the board would have. A special meeting will be set up on May 18<sup>th</sup> at 3:00 p.m. with the Matrix team. Mr. Perez commented on the work with the district and staff has been outstanding and has provided any information requested.

**PROCUREMENT/FINANCIAL INTERNAL CONTROL POLCIES:** District Manager Johnston said through research there has not been an adoption for these policies and current changes have been made for any suggestion or recommendations. Director McCarthy commented on the Supply Chain Policy purchasing limit amount allowance, and questioned the Colorado State Local Cooperative Purchasing and Technical Program. District Manager Johnston explained the state bid process which is used a lot with vehicle purchases but not limited to just that or always buy from them. Director McCarthy suggested adding auctions to the number 13 Disposal of Surplus or Obsolete Property Procedure. She would also add as a safe guard to look periodically at the auditing firm and put out RFQ as well as with insurance companies. Director Lisi asked how much money is kept on hand and informed on what has been done to alleviate amount of cash in the office. After other discussion, suggestions, and questions, the policies will be revised and at the next regular meeting can be approved and adopted by the board.

**ACCESS AGREEMENT TO PARKDALE RESERVOIR:** Legal Counsel explained why this access agreement is needed because one of the property owners hired a lawyer and the lawyer would like documentation.

Director Green made a motion to approve the access agreement and authorizes the District Manager sign, vote unanimous.

**MEMORANDUM OF AGREEMENT:** This is an agreement between Southeastern Colorado Water Conservancy District and Pueblo West Metropolitan District for participation in the environmental analysis for the proposed excess capacity master contract. The cost to the district is estimated at \$172,207.00. Legal Counsel said with a restriction to what Southeastern Colorado Water Conservancy District will accept in the agreement, he added conditional language in the Resolution to pass on to Southeast dealing with reference to the clarification letter and district's desire to limit any further actions with water running down the river and cost are subject to annual appropriations. Director French questioned the estimated cost which Legal Counsel explained the costs and analysis. Board members voiced their concerns on costs in the future and other issues.

**RESOLUTION 1925** - A Resolution Approving Memorandum Of Agreement Between Southeastern Colorado Water Conservancy District And Pueblo West Metropolitan District For Participation By Pueblo West Metropolitan District In The Environmental Analysis For The Proposed Excess Capacity Master Contract

Director Green made a motion to accept Resolution 1925, vote unanimous.

**WATER EXCHANGE INTERGOVERNMENT AGREEMENT:** Negotiations between the District and Aurora culminated in a proposal that they would trade approximately 5,000 acre feet of water that Aurora has in the reservoir for District's Twin Lakes water for a term of approximately twenty (20) years ending December 31, 2031, Aurora will cover the cost of the transit loss of the water to the district with an additional ten percent (10%) pay the assessment on the shares in Twin Lake, and an additional 1,000 acre feet of water. An agreement with the Board of Water Works with Aurora since in 1992 was discussed expiring in 2012.

**RESOLUTION 1926** - A Resolution Approving The Water Exchange Intergovernmental Agreement Between Pueblo West Metropolitan District And The City Of Aurora

Director French made a motion to accept Resolution 1926, vote unanimous.

**RESOLUTION 1927** - Tabled

**AREEMENT FOR PROFESSIONAL ENGINEERING DESIGN SERVICES:** CH2M Hill Engineers, Inc. made a proposal for engineering design services for the design of the connecting pipe and manifold between the SDS pipeline and District pump station not to exceed \$206,466.00. Legal Counsel stated the engineering of project will start right away. Chair Martin asked about the completion should SDS back off on the project and Legal Counsel explained concerns so modifications to the IGA are being done. After questions from the board on who gets the money that goes in the escrow account, which is the County. Timeline dates were discussed on project completion.

**RESOLUTION 1928** - A Resolution Approving An Agreement For Professional Engineering Design Services Between Pueblo West Metropolitan District And CH2M Hill Engineers, Inc.

Director French made a motion to accept Resolution 1928, vote unanimous.

**RESOLUTION 1929 - A Resolution Approving The Adoption Of The Ft Carson 2<sup>nd</sup> "Warhorse" Brigade, 4<sup>th</sup> Infantry division By The Pueblo West Metropolitan District**

District Manager Johnston explained the reason for this Resolution, when this relation started, how it started, and how initiated, and two day informational training from District's staff on finance, streets and roads, water/sewer, drainage, parks and recreation, fire/EMS, and zoning, easements, land usage, etc. Director French's purpose for initiating this as a mechanism to provide for their needs while deployed to Afghanistan. Director Green voiced his support to the brigade. JD Stelle talked about his relationship with Ft. Carson and support. Director French would like a sign put up as the adopted home of the 2<sup>nd</sup> Brigade in Pueblo West. District Manager Johnston mentioned the plaque received from the brigade.

Director French made a motion to accept Resolution 1929, vote unanimous.

Director Green commended Director French for all his dedication, long hours, and professionalism, expertise, knowledge and experience and recognized him for all the hours he has dedicated as President and on the board.

District Manager Johnston introduced Jeff Tucker and thanked him. He will be assigned to Pueblo West to cover meetings, news, and community.

Director McCarthy inquired about the Road Task Force meeting regarding the IGA and informed it was cancelled for lack of agenda items and wait for a meeting until bids were in for the Main McCulloch project.

**ADJOURNMENT:** There being no further business to come before the Board, Director Green adjourned the meeting. The next regular meeting is scheduled for May 24, 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.

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Secretary

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