

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

**August 23, 2011**

The board of Directors of the Pueblo West Metropolitan District met in regular session at 109 East Industrial Boulevard, Pueblo West, Colorado, on August 23, 2011, at the hour of 6:00 p.m. for an executive session and 6:30 p.m. regular meeting.

**ROLL CALL:** Chair Jerry Martin, Directors Mike French and Director Lisi were present. Director's McCarthy and Green were excused.

Also present were Jack Johnston, District Manager; Judy Leonard, Administrative Assistant; and Tom Mullans, Attorney for the District; Frank Savage, It; Rusty Ethredge, Utilities; Scott Eilert, Utilities; Laura Savage, Purchasing; and 11 citizens.

**MINUTES:** On motion by Director Lisi, the minutes of the regular meeting August 9th were approved, vote unanimous.

**FINANCIAL REPORTS:** Members of the Board had been provided with a check register dated August 23, 2011, listing the bills for payment. Chair Martin questioned the Platteville road construction payment. On motion by Director French noting the large payments, the outstanding bills of \$\$1,080,739.02 are approved for payment, vote unanimous.

**EMPLOYEE OF THE MONTH:** Frank Savage was the employee of the month for July. He was presented with a certificate and gift card.

**DIRECTOR COMMENTS:** Director French gave an update on a road task meeting he attended where discussions took place on the McCulloch project and change order. He also mentioned the SDS ceremony he and Jerry Martin attended with approximately 150 other people. A time capsule was placed in the construction site to be opened in 40 or 50 years. Chair Martin mentioned some of the names from other agencies who attended the ceremony.

**DISTRICT MANAGER REPORT:** District Manager Johnston informed the board of a possible Utility Director candidate that will be coming to Pueblo West from Arizona for further discussions and onsite visit. He attended a meeting on August 10<sup>th</sup>, the Bureau of Reclamation hearing on storage pricing in Lake Pueblo discussing concerns on the water storage costs. There was a strong collaboration from other communities for a market base structure and more discussions will be forthcoming. District Manager Johnston and Dan Higgins attended the Aurora Water Tour August 11 and 12 and felt it was a worthwhile opportunity for everyone. District Manager Johnston mentioned the valve cut project completion with 24 valves and 2 fire hydrants in preparation for the SDS pipeline installation. District Manager Johnston gave the board an update on the Wild Horse reuse project being in its final design and what will done with this project.

District Manager Johnston said the Civic Center master plan is waiting for GOCO formalization which will take 2 to 3 weeks for signed contracts in the amount of \$44,000. District Manager Johnston stated he sent a letter to Mr. Hamler, Finance Director; for the County requesting 2012 supplemental CTF funding for a north side park in Pueblo West for \$87,000. Chair Martin thinks the District should get more based on population. Director French said the amount should have changed with the new census numbers. Further discussions and meetings with Mr. Hamler are scheduled in the near future.

District Manager Johnston acknowledged Fire Chief Brian Caserta's ten year anniversary as Fire Chief, commended him for his accomplishments, and the annual fire department family pool party celebration. The new Type 3 Interface Truck Engine 4 has arrived on site for final inspection. He explained the truck was acquired through the CSEPT program which part of the commitment is to safety to surrounding communities which are given free equipment, and will respond to the Pueblo Chemical Depot if needed. The replacement of this truck is for our current Brush truck which will be repositioned to another community. There will be an official handover ceremony of this truck August 30 at 1:00 p.m. at Fire Station #3 by the County. The truck will not be repainted as rumored. The new sign has been finished at Fire Station #1 removing volunteer.

Platteville Blvd has been completed as well as Coral and Elbow Drive. There are only minor items remaining completion on these projects. The McCulloch project is proceeding on schedule with an approved change order of \$25,244, with \$17,907 for the Spaulding /McCulloch traffic signal improvement and \$7,337 for asphalt material for this project.

Committee of Architecture approved 2 new homes, 50 accessory structures, 2 signs, 1 temporary business, 2 hearings, and Barra litigation was filed which is the mobile home material on Enterprise, 86 inspections, 70 violation letters; 1 legal correspondence, and 12 closed files for August. Updated figures for the August 25 agenda is 0 new homes, 2 signs, 1 variance, 20 accessory structures, and 4 hearings.

District Manger Johnston informed the board of the budget work session September 7<sup>th</sup> at Fire Station #3 to work on requests for additional capital projects, personnel, vehicles, and O&M. There was a prairie dog mitigation project around Safeway property August 21 through August 23 and District Manager Johnston will look at the outcome in that area then bring a recommendation to the board on this issue. The district has 6 trucks, plugger, Briggs engine, and a 30 KW generator on Purple Wave being bid on. One truck is at \$650 and another at \$350 which is more than what was expected. Financial Edge training is being completed and a straight reimbursement instead of a per diem is being looked at. District Manager Johnston will be working on an internal newsletter to begin sometime in October. Work on the incorporation papers have been completed for the Economic Development of Pueblo West and can now move forward focusing on Pueblo West.

District Manager Johnston mentioned the meeting with Matrix on Soaring Eagle August 24, City Council joint session August 29<sup>th</sup>, and Legacy bank all employee appreciation lunch 11:00 a.m. to 2:00 p.m. September 1, 2011. District Manager Johnston would also like to have a special meeting to discuss the personnel policy and in a regular meeting discuss a few contracts August 30, 2011. He also talked about Ft. Carson Fallen Heroes Recognition Ceremony he and Chair Martin attended for those killed in action and described the ceremony as a very moving event and tribute to those soldiers and families.

**CITIZENS' COMMENTS:** Larry Pottorft came to see if anything was being done with the prairie dogs and still wants the district to do something.

Tom Purfield informed the staff and board the PW View office on Purcell is closing but the product will remain the same. They will be locating at the Chieftain which this information will be in the new View addition Thursday, August 25, 2011. Chair Martin commented on how the View has grown through the years. Mr. Purfield said the function; staff, and reps, editorial reps are still intact and will not be going anywhere.

**ENERGY AUDIT - JOHNSON CONTROLS:** Johnson Control did an assessment of the district and the power point presentation will show how savings can be implemented. Mr. John Canfield from the Energy Government office will attend the next board meeting, September 13, 2011. Johnson Control group presented a power point talking about a mechanism for PWMD that offers the opportunity to invest for efficiency now so that more of the budget can be used for critical projects in the future. Johnson Control feels with their feasibility study and assessment done the district can save \$250,000 - \$350,000 annually. Funding was discussed and how to obtain it through grants and other funding sources. They mentioned other entities they have worked with and savings with similar challenges. Johnson Controls recapped where opportunity savings for facilities and solutions reducing water losses, covert to natural gas, lighting, raw water pumping, solar pool heater, and weatherization improvements. The most energy used is at the Water Treatment Plant, Waste Water Treatment Plant, and Reservoir Pump Station, and savings for those as to what can be done was discussed. Graphs were presented showing Pueblo West energy usage and funding sources for a fifteen year project. Johnson Controls explained Performance Contracting is using operational savings by avoiding capital expenditure to fund repayment of capital for building/infrastructure improvements through a mechanism for procuring and implementing capital improvements today that are self funded over time through guaranteed savings. They explained that they will do all the work for any energy savings needed in the facilities by working with qualified people that can do the work. Also, by reduced risk the contractor takes on the risk of not achieving savings; the performance contractor provides all required services; the business or institution needs less internal expertise; project financing can be off balance sheet and not affect debt load; state-of-the-art products and services are used; savings are normally much higher than if the business or institution carries the work itself; additional improvements to environmental performance can be paid for out of the savings. From the feasibility study the items can be prioritized from the district team for improvements and from the energy savings would know what the savings are every year to pay the loan payment. Chair Martin mentioned the chart and questioned the total savings verses the payment and putting money into the district's funds and if rebates have a timeline. Johnson Control explained how the savings is done by performance contract by doing the work that would be done by the district for improvements and costing the district more. After further questions and discussion the board will take this under advisement and will get back to Johnson Controls with their decision.

**AGREEMENT – JOE MARTINEZ AND PURCELL BLVD** - District Manager Johnston gave a brief synopsis of the project on what can be done to make it better. Rusty Ethredge mentioned Zone 4 being maxed out and by reducing the size of the pipe it will help with the load on the pipe now. Currently pressure Zone 4 includes an area that is larger than intended in our master plan. Pressure Zone 4 is serviced by a booster pump station that was sized for the Master Plan service area. This pump station is approaching design capacity of 900 gallons per minute. The Zone 4 service area has been expanded because the pipelines on Joe Martinez and Purcell Blvd were never put in. It is too big now, the district needs to redirect the amount of services from zone 4 to zone 3 to help with the capability of the existing pumps. This would reduce zone 4 by 400 plus taps, plus it would be able to service 40 plus commercial lots along Purcell, which has no water at this time. This also gets rid of 4 dead ends so there will be better looping and continuous water flow which helps with water quality. This project was included in the budget and for completion a contractor will be hired to get the project done. The cost for this project would be \$83,563.00. Mr. Ethredge explained the map questioned by Director French and no roads will be closed for this project. The agreement is under advisement by Legal Counsel and will be presented again at a special meeting next Tuesday should the board members agree for a special meeting.

**ADJOURNMENT:** There being no further business to come before the Board, Director French adjourned the meeting. The next regular meeting is scheduled for September 13, 2011, at the hour of 6:30 p.m. for a regular board meeting 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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