

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

February 24, 2009

The Board of Directors of the Pueblo West Metropolitan District met in regular session at 109 East Industrial Boulevard, Pueblo West, Colorado, February 24, 2009 at the hour of 6:30 o'clock p.m.

ROLL CALL: On roll call, Chair Stan Hren, Director's Jeff Sloan, Bill Vickers, Steven Abel and John Van Auken were present.

Also present were Don Saling, District Manager; Judy Leonard, Administrative Assistant; Tom Mullans, Attorney for the District; Steve Harrison, Utilities; Rick Morgan, Public Works; Carol Cosby, Parks and Recreation, John Hurtado, Grant Writer; and 34 citizens.

Director Sloan made a motion to amend the agenda by adding an EPA program on Radon education to the work session, vote unanimous.

FINANCIAL REPORT: Members of the Board had been provided with a check register dated February 24, 2008, listing the bills for payment. Chair Hren inquired about a check for \$1,900.27 check for an accident repair. District Manager Saling informed him it was a repair on one of the trucks that was a hit and run incident and the damage was below our deductible of \$5,000.00 to repair. Director Vickers asked about a check he signed to an engineering firm to Leverington. District Manager Saling explained it was for sewer line work that was crossing on private property that had to be realigned. On motion by Director Vickers, and unanimously carried, noting the large payments, the outstanding bills in the amount of \$176,049.30 will be paid.

DIRECTORS' COMMENTS: Director Sloan commented on his e-mail about following the budget for 2009 found some shortcomings in the process. His recommendations are as follows: First, in July or August before the budget process, hear from each department head within the District and give a report as to the status of that department as for revenues, expenditures, and capital equipment. Secondly, each quarter look at the budget to see where the District is in overall revenue and expenses. Director Sloan commented on the policies of the District and how they affect it and would like to know what they all are. He thinks some are followed and some not and would like to have the Board reassess them as to what policies need to be changed, eliminated, or new ones made. Chair Hren commented on the budget process and a need to look at the budget in total and see where the District is to warrant the budget items. Chair Hren also agrees that the policies be looked at and reassess them. Director Vickers also agrees with the idea of looking at the budget and policies quarterly, as does Director Van Auken. Director Abel also feels this is a good idea and streamline the budget as to not over budget year to year and come up with a more detailed and effective budget. District Manager Saling reminded the Board that the first meeting of every month in their financial statements there is 6 or 7 financial reports from staff which includes one stating what each department has, how much has been budgeted, and how much is spent. He also told them that one of sheets states what is in the General Fund, Enterprise Fund, which includes beginning fund balances, income to date, and if there are any deficits. He explained why there may be deficits and information is provided and if they may need a more detailed report he will get with the Board to find out what they want. Director Sloan acknowledged the financial reports but noted that in their current form, directors are forced to aggregate the information to see where the District stands financially. Director Vickers talked about the reports and finds discrepancies on the sheets as on the Water/Wastewater sheets and should get some format that the figures agree. District Manager Saling explained they are audited figures and will not match until all of 2008 expenditures are backed into the departments. Director Vickers also thinks there are a lot of discrepancies on the investment sheets and feels the figures are not right and need to balance. Director Vickers mentioned Resolution 1557 that the Treasurer is directed to implement the investment policy of the District for public investments and thinks the Treasurer should be involved. He will discuss this with the Finance Director.

DISTRICT MANAGER'S REPORT: District Manager Saling advised the Board and audience that the Fremont County Commissioners approved the SDS Special Use permit. The discussion for the SDS 1041 permit with Pueblo County Commissioners has been postponed until March 18, 2009 and feels there will be some interesting negotiations between the two. Pueblo County's draft for negotiations with Colorado Springs apparently was not acceptable and Pueblo County needed more time to rewrite one. Chair Hren thinks with the approval by Fremont County it will put pressure on Pueblo County to make a decision and mentioned the economic benefits to Fremont County are very substantial and voiced his concerns.

District Manager Saling informed the Board of another public notice published for appointment of COA Board members due March 13, 2009 noon. There were five received from the previous ad. Director Sloan asked if this would be in his next article.

District Manager Saling told the Board the RFPs are out for the audit and due

on March 13, 2009 and where it was posted and sent. The Treasurer is being informed of any RFP correspondence.

District Manager Saling advised the Board that legal services with Mr. Mullans' office expires in June, 2009. Direction is needed from the Board for legal services and if it should include legal services for COA in the RFP. Chair Hren commented that the consensus of the Board was to include both in the RFP. District Manager Saling wanted clarification in a public meeting so no decisions are made outside a public meeting.

Director Sloan made a motion to direct District Manager Saling to issue an RFP to include legal services for the District and COA, vote unanimous.

District Manager Saling reminded the Board of District 70's Gala Foundation on March 7, 2009 at the Union Depot and would like the Board to let him know if any of the Board members would be attending as well as any attendance to the Pueblo West Chamber annual dinner at 6:00 p.m., Wednesday, March 11, 2009 at the Do Drop Inn. Director Vickers asked what the cost is for these events. District Manager Saling informed him of the costs.

District Manager Saling updated the Board of the water storage of 9,073 acre ft. equivalent to 2+ years of water with 6,794 acre-ft in the Pueblo Reservoir and 2,279 acre-ft in Twin Lakes. He mentioned the snow pack report for February continues to track above average state wide at 117% of average and stated other averages in areas and the water picture still looks good. Director Sloan inquired about the water level in the reservoir.

District Manager Saling mentioned his attendance at the SDA Legislative meeting on Monday, February 23, 2009 and mentioned some of the bills to watch and will get the Board a copy of the information.

CITIZENS COMMENTS: Kim Arline thanked the Board for the first crosswalk. She urged multi transportation in the community be discussed and get a grant to extend the McCulloch trail to Wal-Mart. She mentioned the library and what an asset it is to the community and how a crosswalk to Cattail Crossing across McCulloch is needed. Director Hren feels it would be a wise investment to get a crosswalk in that area due to all the activities in that specific area. Director Vickers inquired as to the impact to the District the crosswalk to Swallows was, which was approximately \$5,000.00.

ENGINEERING AGREEMENT: In August of 2008 the Board approved Resolution 1761 approving a contract M087-001 (16892) for the construction of a pedestrian trail behind Sierra Vista Middle School. With the Boards approval, Requests for Proposals (RFP) were advertised in the Pueblo Chieftain for qualified engineering firms to provide design services for trails. Nine firms responded to the RFP's and the review team of Parks and Recreation Director, Public Works Director, and John Hurtado (Grant Writer) interviewed five firms and recommended that the design contract be awarded to Northstar Engineering. The Colorado Department of Transportation approved our review process and only wanted to ensure that the dollar amount of the RFP was not the determining factor in the selection process which Northstar was the lowest cost responder.

Chair Hren commented on the number of responders to the RFP. Director Sloan questioned why Northstar was chosen and told familiarity of the company. Director Vickers inquired to the location of the trail.

RESOLUTION NO. 1827 - A Resolution Approving An Engineering Agreement Between Northstar Engineering And Surveying And The Pueblo West Metropolitan District For Design Work For The Safe Routes to School Grant M087-001 (16892)

(Director Sloan made a motion to accept Resolution 1827, vote unanimous.)

ENGINEERING AGREEMENT: In November of 2008 the Board approved Resolution 1794 approving a contract M087-001 (163680) for the construction of a pedestrian trail running from the McCulloch main trail westerly down the power easement and south of Palmer Lake to the golf course arroyo and then southerly where it approaches main McCulloch returning easterly south of Kenosha where it ties back in to the McCulloch Trail. With the Boards approval, Requests for Proposals (RFP) were advertised in the Pueblo Chieftain for qualified engineering firms to provide design services for the trail. Ten firms responded to the RFP and a review team of Parks and Recreation Director, Public works Director, and John Hurtado (Grant Writer) interviewed five firms and recommended that the design contract be awarded to Leverington and Associates. The Colorado Department of Transportation approved our review process and only wanted to ensure that the dollar amount of the RFP was not the determining factor in the selection process. Leverington and Associates was the lowest cost.

District Manager Saling mentioned the cost for the grant is \$274,275.00 from federal funds and District match is \$68,568.00.

Donna Wiser asked about the trails if they were paved and for public use and was told what they were made of and where the trails run. She mentioned her road needed chip seal and was told these were grants used for this particular project. She does not believe that a community center should not be built and it should be put to the residents for a vote.

RESOLUTION NO. 1828: A Resolution Approving An Engineering Agreement Between Leverington And Associates And The Pueblo West Metropolitan

District For Design Work For The McCulloch Main Phase II Recreation Trail

(Director Sloan made a motion to accept Resolution 1828, vote unanimous>)

LAGOONED BIOSOLIDS

DRYING AND REMOVAL:

When the wastewater treatment plant was designed the solids (which are anything other than water) handling portion of the plant was designed so that the solids after each process are pumped to one of two aerated lagoons. The solids accumulate over the year and are pumped out annually. In the past the solids have been dewatered by a belt press to a certain percentage and then placed on open ground at the treatment plant to continue drying out until it is dry enough to be transported to an EPA approved landfill site. Under this agreement the solids will be dewatered by a belt press and then transported daily to the landfill site, which will eliminate the outside drying process. The contract is for five years and is subject to annual appropriations as a 30 day notice of termination by the District. Parker Ag Service is responsible for the preparation of all Colorado Health Department and EPA reports regarding the disposal of solids.

Director Sloan asked if the cost is higher by doing this daily, which it is.

Director Abel wanted to know how many tons are trucked out daily and why, which is approximately 300 tons. Steve Harrison, Utilities explained the process and why this needs to be done daily. It helps with the odor by not having the waste sit on the ground. He also thinks money needs to be spent on the facility to help with the sludge solution by improving the digesters and aerators at a cost of approximately 4 million dollars. Director Vickers asked if a pipe with holes in it could be used to aerate the sludge. Mr. Harrison explained why this would not work. After further questions from Board members on cost, mechanics of the operation, and what is needed for a better process, the Resolution was voted on.

RESOLUTION NO. 1830:

A Resolution Approving A Letter Agreement Between Parker Ag Services And The Pueblo West Metropolitan District For Lagooned Biosolids Drying And Removal

(Director Sloan made a motion to accept Resolution 1830, vote unanimous.)

The meeting was recessed and convened as the Triark Board of Directors for the purpose of appointment of COA Board Directors.

Director Sloan made a motion to recess and convene as Board of Directors for the appointment of COA Board Directors. Vote unanimous.

Chair Hren talked about the discussion of officially appointing the District Manager as the Executive Director of COA but with further discussions with Director Van Auken that in the Quality Assurance plan it does not delineate that. Director Van Auken explained the adoption of the Quality of Assurance plan and what it specifies as to the District Managers role in authority over COA and why he should be Executive Director over COA. Director Van Auken said that at one time the Board was going to make the District Manager Executive over COA but there was some opposition and it was never carried out so this needs to be done officially in a public meeting. Legal Counsel stated Director Van Auken is correct on the Quality Assurance Plan and directed the Board that District Manager Saling should be Executive over the operations of COA. Legal Counsel reminded the Board that no legal action recently has officially made the District Manger Executive Director over COA. District Vickers thought this was the direction taken and asked if money could be given to a non profit private cooperation from the District as to COA. Legal Counsel explained the Statute and Declaration language as to how the District being the Declarant could act on this and spend the money for plan approval under certain conditions. After further discussion on the Board position and District Managers position over COA, the Board agreed that it should be acted on.

Chair Hren made a motion to appoint District Manager Saling as Executive Director of Committee of Architecture in respect to operations and procedures not to interfere with their decision making process, vote unanimous.

Legal Counsel stated that this is an action of Triark as the Declarant and at another meeting the Board needs to confirm that as part of the District Managers duties separate the actions from the Triark Board and Metro Board. Director Vickers asked Legal Counsel as the Triark Board if they could direct him to work on the service plan or reconvene as the Metro Board. Legal Counsel advised him that is a Metro Board procedure. District Manager Saling explained the intent of this meeting was to appoint COA Board members and only 5 applications were submitted and due to scheduling could not have interviews. The applications have been extended to March 13, 2009 at noon and 4 of the COA Board members now serving on the Board have agreed to serve until new appointments are made. He informed the Board this should be done by a motion.

Director Van Auken made a motion to appoint Gene Montoya, Brenda Blickenstaff, Rob Mock, and Kent Shelman to continue on COA until completion of interviews and selections, vote unanimous.

Director Vickers made a motion to adjourn as the Triark Board, vote unanimous.

Chair Hren reconvened to the regular meeting of the Pueblo West Metropolitan Board of Directors.

Director Vickers asked direction from Legal Counsel as to what is the next step regarding COA and was informed a modification procedure of the service plan can be presented to the County adding services through a statutory provision from a Special District Act by given notice of forty five days notification to the public and if there are no objections, it can be done. The publication also has to go to Pueblo County. Director Vickers would like this done. Chair Hren asked what would be the most cost effective procedure, which is the forty five day notice. Legal Counsel will give District Manager Saling the language for this notice.

Director Vickers made a motion giving Mr. Mullans direction to prepare a forty five day notice for the District Manager to notify the public to expand the service of the District to add covenant enforcement to the District's service plan, vote unanimous.

ADJOURNMENT: There being no further business to come before the Board, on motion by Director Sloan, the meeting was adjourned. The next regular meeting is scheduled for March 10, 2009 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.

Following the regular Board meeting there will be a work session on Pop Warner Football League presented by John Lisi and a grant writing update presented by John Hurtado and Carol Cosby.

Secretary
