

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

November 22, 2011

6:00 p.m.

EXECUTIVE SESSION: Conferences with an attorney for the district for the purpose of receiving legal advice on specific legal questions – C.R.S. 24-6-402(4)(b) – Personnel Policies

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

**Regular Meeting
6:30 p.m.**

The Board of Directors of the Pueblo West Metropolitan District met in regular session at 109 Industrial Blvd, Pueblo West, Colorado, on November 22, 2011, at the hour of 6:30 p.m. for a regular board meeting.

ROLL CALL: Acting Chair John Lisi, Directors Christine McCarthy, Mike French, and Bill Vickers were present. Chair Jerry Martin will be joining the board by a phone conference during discussion of the 2012 budget.

Also present were Jack Johnston, District Manager; Judy Leonard, Administrative Assistant; and Tom Mullans, Attorney for the District; David Cosby, Fleet; Scott Eilert, Utilities; Fire Chief Brian Caserta; Bill Martucci, Fleet; Danny James, Facilities; Mike Healey, Public Works; Firefighters; and 12 citizens.

EMPLOYEE OF THE MONTH: Bill Martucci was presented with a certificate and gift card for being employee of the month for October. Manuel Trevino received employee of the month for November. Manuel Trevino was not present.

MINUTES: On motion by Director Lisi, the minutes of regular meeting November 8, 2011 were approved, vote unanimous.

FINANCIAL REPORTS: Members of the Board had been provided with a check register dated November 22, 2011, listing the bills for payment. Director McCarthy noting the large payments, made a motion to pay the bills, the outstanding bills of \$307,690.20 is approved for payment, vote unanimous. Director French inquired if the payment for the Coral Drive project was the last, which is less the 10% retention.

DIRECTOR'S COMMENTS: Director French mentioned the road task meeting he attended discussing the IGA. The next road task meeting has been changed to January 11, 2012 at the County Commissioners Chambers. The county will research questions about how the money is allocated, 2011 allocation of 6.2 million dollars, and mile comparison. Questions were also asked about the 3.5 million from the Tabor time out money. Director French told the audience about collecting items for the troops and to have the items to the district by December 14, 2011 and encouraged everyone to contribute.

DISTRICT MANAGER REPORT: District Manager Johnston informed the board that Scott Eilert will assume Interim Water Utilities Director effective 1/1/12. The Water Quality Control Commission is now requiring a Water Conservation Plan as part of the requirement of the bond. There will be a 60 day delay for public hearing on the biosolids handling project for any objections. Preliminary discussions have begun on the Wildhorse pipeline easements in the city and county. There is also a tour of the SDS pipeline planned for December 8, 2011 from 1:00 p.m. to 3:00 p.m. with district water team attending. He also mentioned the work taking place for the SDS pipeline in Pueblo West.

District Manager Johnston mentioned the Fire Department command staff reorganization in January with volunteers residing in stations during assigned shifts. This will reduce response time and be more effective with better quality service to the community. All firefighters will sign a letter of expectation by the New Year for their commitment to the community and service including all full-time and volunteers.

On Main McCulloch the water main replacement and storm sewer pipes are in progress with traffic still flowing. There is another \$20,588 change order number four for tunneling with \$5,800 over the 4.3 million dollars with 5 million dollars budgeted. Spaulding extension to Pueblo Blvd is still under

negotiation with Colorado Springs Utilities and City of Pueblo if the road was going to be paved along with other issues. The asphalt patching project has been completed. If there is a major pot hole or complaint the Streets and Road Department will be fix those.

Committee of Architecture approved 1 new home, 3 commercial signs, and 19 accessories. For November ending, 3 new homes, and in 2010, 23 accessories, 21 violation letters, 2 hearings and 21 violations resolved.

In support of the 2nd Brigade, job descriptions were sent to use in an Afghan District community development as part of commitment to their support. All employee meetings have been conducted on November 14 and 15 to review new personnel policy changes.

District Manager Johnston mentioned the delivery of Thanksgiving baskets on November 21, and Christmas present and baskets to be delivered on December 19. Director French inquired on the rotation of the 2nd Brigade set up for helping them with training. Director Vickers asked about the Spaulding extension and if the County was involved which is not.

The 2012 Budget item under new business will be moved up to item #2 so a conference call with Chair Martin participating can be completed.

CITIZENS COMMENTS: None

SAN ISABEL REBATE: Debbie Rose and Robin O'Day introduced everyone representing San Isabel. Robin O'Day presented a check to the district for the hard work of Danny James changing out T12 to T8 lighting project. Debbie Rose explained how San Isabel was started and improving things for the members and honored to present a check of \$4,212.00.

CW&PA BOND ISSURANCE UPDATE: Mr. Peltz explained the District is allowed to get bonds because the water/wastewater is an enterprise funds. He had hand outs for the board and audience. The Governmental Agency Bond is for \$5,232,582 payable to the Colorado Water Resources and Power Development Authority with a bearing interest rate of 2.23%. Mr. Peltz mentioned the net revenues generated by both were \$3,557,173 and the District is great shape and the reason a bond was available. Mr. Peltz explained other additional borrowings and covenants. Mr. Peltz mentioned Davis Bacon wage requirements and Legal Council explained why.

2012 BUDGET: District Manager Johnston gave a brief synopsis of the discussion on the budget and meetings held. The four items that have not been agreed on is the Contingency Fund, Salt Sand building, 2.5% employee increase, and four new fire fighters. The Contingency Fund is for anything that comes up, and at the end of year would cover this. Director French said it has not been in the budget previous and not put it in. Director McCarthy does not have a problem with one which would be discussed by the board for any expenses that it would take care of. Legal Council explained there had been a contingency fund until three years ago and what it was used for. After further discussion it was agreed to leave out. The Salt Sand building was next and why it is needed because the mixing of both does have some leaching effect in the ground and why it should be stored on a cement pad and covered. The process was explained and if it should be needed. The discussion ended in the salt storage building left in the budget but not include the salt/sand building. The recommendation for a 2.5% salary increase was discussed and how that would affect the budget. Each board member gave their opinion on why there should not be any increase due to economy and why the employees should get one. Acting Chair Lisi, Chair Martin and Director Vickers is opposed for any increases. Director McCarthy is opposed for a 2.5% across the board increase but is in agreement for a onetime adjustment due to increases in health insurances and pension. Director French supports a onetime payment but not based on a 2.5% divided amount all but an equal payment of 2.5% to all employees. District Manager Johnston will run an analysis of an increase for the district share of cost for insurance at a higher rate. Total increase for each employee would be a \$97.00 per employee with benefits costs now, with board members requesting other information to increase the district contributions to benefits. The 2.5% will be taken out. District Manager Johnston also gave reasons as to why additional fire fighters are needed as there is not enough coverage during the day. The additional full- time three fire fighters was discussed and after the board members giving reasons why they agree to add them and why they felt not to add them voted. The vote was Acting Chair Lisi, Chair Martin, and Director French in agreement to hire the three additional with Director McCarthy and Director Vickers were opposed.

LED RETROFIT PROPOSAL: District Manager Johnston explained the savings for T8 Led lighting fixture change from T12 lighting fixture and how it was determined. Mr. Perez talked about the proposal and importance of the changing to LED lighting. Chad Coker also reiterated the importance of changing the light fixtures to LED lighting and new mandates eventually phasing out light bulbs by 2016. Mr. Coker mentioned Black Hills is one of the top three companies for energy efficiencies. Mr. Coker mentioned the companies that are participating in pilot programs. Mr. Coker went through his print out explaining the replacement bulbs, ballast elimination, LED lights and lasting power, estimated 26,500

kilowatts used and savings with LED by \$10,000 monthly for a huge savings with LED bulbs lasting fifteen years. Mr. Coker mentioned rebate programs, \$3200 in grants rebate incentive, tax deduction by reducing to the LED lighting, air conditioning and maintenance savings, and how a performance contract works. Questions were also asked on the disposal of the bulbs and what was required. The board members will take this into consideration for 2012.

TRANSPORTATION CAPITAL IMPROVEMENT PLAN UDATE: Mr. Ray Perez explained how Matrix assessed the roads in Pueblo West by driving each road and classifying them as good, poor or needing immediate work. He presented the board with a Strategic Transportation Investment Plan. He talked about having a GIS system that would locate in the GIS database and Google Earth files developed for this project providing the District with a dynamic and long-term roadway infrastructure planning tool. By updating this information on a regular basis, the District will have the ability to quickly determine and prioritize current Capital Improvement project needs as well as track recently completed projects and projects under construction. Information included in a report would include instructions for updating the data as new projects are identified and slated for construction. Information on storm drainage projects from Northstar Engineering would also be included to identify those areas. Mr. Perez mentioned the 403 miles of roadways the District is responsible for, more than 500 complaints yearly, and having a better maintenance program, and dust control program. The maintenance program will be based on gravel roads and paved. Costs were discussed with the board taking the information under advisement for a later discussion.

Resolution 1947 is for a pedestrian access improvement to the school by the construction of a paved pedestrian/bike path and 50 foot pedestrian bridge which a Safe Routes To School Grant will be submitted by Matrix Design Group. District 70 will also be a partner in this project.

RESOLUTION 1947 – A Resolution Authorizing The Submittal Of A Colorado Safe Routes To School Infrastructure Grant

Acting Chair Lisi made a motion to accept Resolution 1947, vote unanimous.

ADJOURNMENT: There being no further business to come before the Board, Director Vickers inquired about a future special meeting; which one will be set up; and adjourned the meeting. The next regular meeting is scheduled for December 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.

Secretary

