

**MINUTES OF A SPECIAL MEETING OF  
THE BOARD OF DIRECTORS OF THE  
CASCADE METROPOLITAN DISTRICT NO. 1  
HELD DECEMBER 3, 2019**

A special meeting of the Board of Directors of the Cascade Metropolitan District No. 1 (the "Board") was duly held on Tuesday, the 3<sup>rd</sup> day of December 2019 at 5:30 p.m. at Back Room Pizza, 8020 West Highway 24 Cascade, Colorado. The meeting was open to the public.

**Directors in Attendance Were:**

Mike Whitemore  
Susan Soloyanis  
James Borden  
Mike Herr  
Troy Eason

**Also in Attendance Were:**

Andre Kilik, District employee  
Kevin Walker, Walker Schooler District Managers  
Riley Walker, Walker Schooler District Managers  
Kristina Kulick, Walker Schooler District Managers  
Members of the public (see sign-in sheet attached)

1. **Call to Order:** President Whitemore called the meeting to order at 5:30 p.m.
2. **Declaration of Quorum/Director Qualifications/Reaffirmation of Disclosures:** President Whitemore confirmed a quorum. The Board discussed the requirements pursuant to Colorado law to disclose any potential or existing conflicts of interest to the Board of Directors and to the Secretary of State. Mr. Walker reported that disclosures for those directors with potential or existing conflicts of interest were filed with the Secretary of State's Office and the Board at least 72 hours prior to the meeting, in accordance with Colorado law, and those disclosures were acknowledged by the Board. No additional disclosures were noted.
3. **Approval of Agenda:** Director Eason moved to approve the Agenda; seconded by Director Soloyanis. Motion passed unanimously.
4. **Consent Agenda Items:**
  - a. Acknowledge Manager's Report
  - b. Approval of Board Meeting Minutes from the Regular meeting held on October 22, 2019 Meeting
  - c. Ratification and Approval of Payables for the period ending November 18, 2019 in the amount of:

General Fund:	\$38,528.71
Capital Projects Fund:	\$ 1,451.91

Grant Capital Projects Fund:	\$
Debt Service Fund:	\$21,505.16
Total	\$61,485.78

- d. Acceptance of Unaudited Financial Statements as of October 31, 2019, the schedule of cash position updated as of October 31, 2019 and bank statements
- e. Adoption of Resolution No. 2019-12-01: Annual Administrative Resolution
- f. Adoption of the Amended and Restated Resolution No. 20-19-12-02 Establishing Guidelines for the processing and Collection of Delinquent Fees and Charges
- g. Adoption of Resolution No. 2019-12-05: Calling for an election in 2020
- h. Approval and Renewal of Consultant Agreements for 2020 Services (copies of all agreements available upon request; no changes in scope or fees unless otherwise noted):
  - i. WHITE BEAR ANKELE TANAKA & WALDRON, Attorneys at Law, for General Counsel Services
  - ii. WSDM, LLC for Management, Accounting and Billing Services
  - iii. Meyer & Sams, Inc., d/b/a GMS, Inc., Consulting Engineers for Engineering Services

Director Herr moved to approve the Consent Agenda; seconded by Director Borden. Motion passed unanimously.

**5. Consideration of items removed from Consent Agenda: None.**

**6. Management Matters:**

**a. Update on Construction Project**

- i. CSU Discussion and Project close-out update: Mr. Walker reported they are working on the close-out, but they have not received the schedule from CSU yet. Director Soloyanis noted they are CSU contracts to provide a schedule that should include the service agreements that need to be signed by all the customers and the plans to do the stop-box install, valves, and the redundant line on Chipita Park. There is no fixed schedule on meter installation. They were originally aiming for the end of year for service agreements, but it looks like it will be January. The Board discussed needing a plan to get them signed such as mailing them out, delivering them door to door, etc. CSU does not want to put meters in houses until the agreements are signed and it would be the District's responsibility to get the signatures. President Whittemore suggested a newsletter first, then public meetings, then door to door.

The Board discussed operating funds in order to pay for legal and management of the District after the turnover and the ongoing costs even though they will not be operating the water company.

The Board noted that CSU and the County has been very fair for not charging the District for certain things and it has been a smooth transition and takeover.

Director Borden explained there was a water main break on the 5-inch line and a 40-foot trench to dig possibly caused by earth shifting since it was a clean circumference break. It cost \$7,000 but everything has been repaired. The Board discussed that water loss went up slightly – 13% water loss but it is still very good percentages.

- b. **Easements:** Mr. Walker reported there were no changes on easements. Director Borden offered to speak with residents on their easements, but he would like more information about what he needs to discuss with them. Mr. Walker suggested speaking with GMS. CSU will not move forward without these easements, so if the Board can help get them signed it would be very helpful. Director Herr said he does not know any of them personally, but he is happy to speak with them.
- c. **ATT lease agreement update:** Mr. Walker reported he has a meeting with ATT on Thursday to discuss updates on their status with the County and to go over the lease agreement. They are still working on getting information on who owns the road and title, but they are moving forward. President Whittemore confirmed the revenue from the lease can be put towards the bond or operations.
- d. **Other management matters:** Mr. Walker went over annual backflow testing and the need to hire someone to do the certifications in prep for the turn-over. He discussed that several backflows may be incorrect and since they will need to be certified to CSU, we need to confirm they are installed correctly. The Board discussed their concerns with plumbers possibly signing off on non-compliant systems. Mr. Walker explained that plumbers are licensed with DORA. Mr. Walker is going to research this issue further but wanted to bring it to the Board's attention to make sure it is certified correctly before the transition. The Board discussed that they have been relying on these plumbers to install them correctly. Mr. Kilik noted it is a specialized certification for backflow. The Board discussed that the District would not be responsible for repairing the issue but is responsible for having it certified.

Mr. Walker noted there was a reporting violation, a report was submitted by email instead of through the portal, but it is now being remedied and WSDM has access to the portal. Mr. Kilik explained the monitoring and that it was a paperwork issue but assured the Board he is getting on top of it now. He noted the test results were good.

Mr. Walker discussed that they have been working to identify the homeowner with the berm on Fountain, and they are calling and documenting with them.

- 7. Operations Matters:** Mr. Kilik reported that there is not enough water flow on Novitiate to keep chlorine levels without having to constantly flush. Director Soloyanis stated she would like another sample to confirm and noted they owe CSU another sample as well. CSU will probably want the District to install a chlorination unit. The Board discussed that they do not chlorinate anywhere, and it's a problem with the pipe on Novitiate. They discussed that they need to provide a water quality report to CSU and let them decide how they want to deal with it and the District will have to pay for it. Mr. Kilik added he thinks we will consistently have this problem with it being a dead-end. Mr. Riley Walker will coordinate with Mr. Kilik for the additional testing. GMS is aware of the issue and test results and they would like a second reading as well.

Mr. Kilik said a few ERTs have expired and this creates a need to read the meter manually. Since we can't buy them and we will be done reading in the next year, we will simply keep working without upgrades. The Board discussed revisiting this issue when they get the schedule from CSU. Mr. Kilik said the Itron seems to be okay other than minor issues with downloads. He said they are manually reading 50 or 60 old badger meters, and if they stay under 12 reads, they may not need to fix. Mr. Kilik reported that there was a service line leak discovered and the District is working with the owner and renter to find the leak. Mr. Kilik reported that he has not done the Bac-T testing yet this month, and lead and copper is done and THM is done for the year. The Board suggested notifying the residents with a high water read and offering to shut off their water if they wanted.

**8. Financial Matters:**

a. Public Hearing on the 2019 Budget Amendment and Adoption of Resolution No. 2019-12-04: Mr. Walker explained the 2019 Budget Amendment is for the capital budgets and the transfer of funds. The District spent more than what the budget said but it is not a problem and the Board just needs to amend the budget. It was caused by the way GMS moved money around, but it is not a busted budget. President Whittemore opened the public hearing at 6:18 pm. After no public comment, President Whittemore closed the public hearing at 6:19 pm. Director Soloyanis moved to approve the 2019 Budget Amendment and adopt Resolution No. 2019-12-04; seconded by Director Borden. Motion passed unanimously.

b. Public Hearing on the 2020 Budget and Adoption of Resolution No. 2019-12-03: Mr. Walker went over the 2020 Budget that was discussed in detail at October's meeting. He noted the District is expected to spend less on labor and water purchase in 2020. There is \$62,000 carryover, so slightly less in cash from last year. He noted it is almost the same budget line items everywhere else. Director Herr moved to approve the 2020 Budget and adopt Resolution No. 2019-12-03; seconded by Director Borden. Motion passed unanimously.

**9. Legal Matters:** There was no discussion.

- 10. Public Comment:** Mr. Steven Majesky asked about the timing of the CSU turnover. The Board said they are planning for the end of 2020. Mr. Majesky asked if the \$25 in extra fees will they drop down after the turnover. The Board explained it will be 2 bills, one from CSU

for water and another bill for revenue debt repayment from the District, but they cannot control CSU's O&M costs. Regular charges are published but they are changed every year. Mr. Majesky thanked the Board for the flushings and lack of brown water. The Board said the feedback is great to hear. Mr. Majesky asked who is doing the asphalt repair on Marriot and said it had a dip and was rough. The Board explained it is the same contractor who initially did it and the work is warrantied and is reviewed by the County. The County has plans to review again in the Spring. Mr. Majesky expressed his frustrations with it being done badly 2 times and that he has to drive on it every day. He added that there is no drainage on the road and the Board should not be accepting this work even if it is warranty work. The Board explained they will not be paying anyone else and will have them repair it to the County standards. The County has inspected the work because they own the roads, and the District will bring them back in on warranty. The Board recommended he contact the County to file a complaint because their inspector approved the repairs to the road. The Board explained that they have been through a lot during this project and they have been working hard for the District to get this project to completion. Mr. Majesky clarified that he wanted to be able to explain his complaint without the Board feeling attacked, and his frustrations are with the road and not the Board. The Board thanked Mr. Majesky for his feedback.

**11. Other Business:**

- a. Next Meeting— Scheduled for December 26, 2019 at 5:30 PM. Consider cancelling or rescheduling: The Board cancelled the December meeting.

**12. Adjournment:** Director Borden moved to adjourn at 6:37 p.m.; seconded by Director Soloyanis. Motion passed unanimously.

Respectfully submitted,

By:

\_\_\_\_\_  
Secretary for the Meeting

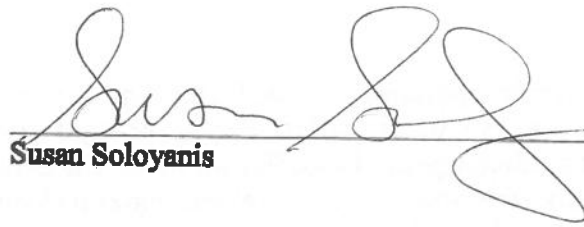
THESE MINUTES ARE APPROVED AS THE OFFICIAL DECEMBER 3, 2019 MINUTES  
OF THE CASCADE METROPOLITAN DISTRICT NO. 1 BY THE BOARD OF DIRECTORS  
SIGNING BELOW:

  
\_\_\_\_\_  
Mike Whitemore

  
\_\_\_\_\_  
Mike Herr

\_\_\_\_\_  
Troy Eason

\_\_\_\_\_  
James Borden



**Susan Soloyanis**