

**MINUTES OF A REGULAR MEETING OF
THE BOARD OF DIRECTORS OF THE
CASCADE METROPOLITAN DISTRICT NO. 1
HELD SEPTEMBER 24, 2019**

A regular meeting of the Board of Directors of the Cascade Metropolitan District No. 1 (the "Board") was duly held on Tuesday, the 24th day of September 2019 at 5:30 p.m. at the Cascade Fire Station, 8015 Severy Road, Cascade, Colorado. The meeting was open to the public.

Directors in Attendance Were:

Mike Herr
James Borden
Troy Eason

Also in Attendance Were:

Heather Hartung, Esq., White Bear Ankele Tanaka & Waldron, Attorneys at Law (via telephone)
Jason Meyer, GMS
Andre Kilik, District employee
Kevin Walker, Walker Schooler District Managers
Kristina Kulick, Walker Schooler District Managers
Members of the public (see sign-in sheet attached)

1. **Call to Order:** Director Herr called the meeting to order at 5:36 p.m.
2. **Declaration of Quorum/Director Qualifications/Reaffirmation of Disclosures:** Director Herr 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. Mrs. Hartung 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 Borden moved to excuse President Whittemore and Director Soloyanis from the meeting; seconded by Director Herr. Motion passed unanimously. The Board discussed postponing item 4 on the Agenda. Director Borden moved to approve the Agenda as amended; seconded by Director Eason. Motion passed unanimously.
4. **Resolution of Appreciation for Duane Schormann:** The Board postponed this Agenda item.
5. **Consent Agenda Items:**
 - a. Acknowledge Managers Report
 - b. Approval of Board Meeting Minutes from the Regular meeting held on August 27, 2019 Meeting

- c. Approval of Payables for the period ending September 24, 2019 in the amount of:

General Fund:	\$ 31,456.55
Capital Projects Fund:	\$ 123,566.47
Grant Capital Projects Fund:	\$ 77,786.39
Debt Service Fund:	\$ 31,266.84
Total	\$ 264,076.25

- d. Acceptance of Unaudited Financial Statements as of August 31, 2019, the schedule of cash position updated as of August 31, 2019 and bank statements

Mr. Walker noted there were no changes to the Consent Agenda. Director Herr noted he completed the reconciliation.

6. Consideration of items removed from Consent Agenda: None.

7. Management Matters:

a. Update on Construction Project

- i. Update on lien releases and update on retainage: Mr. Meyer reported that RMS is done, and all items are complete as well as a few warranty items with the County. He discussed that all that is left is retainage which totals \$170,471.23. Mr. Meyer noted they have received all the lien releases so once legal approves them the retainage can be released. Director Borden moved to authorize payment once the lien releases are accepted by the District's attorney; seconded by Director Eason. Motion passed unanimously.

Mr. Meyer discussed GMS Invoice No. 41 and recouping of funds for legal items such as easements and other related items. He suggested including the title company and CSU invoices as far as going back in time and recouping funds. He confirmed this includes the Phase 2 easements that will be submitted to DOLA for reimbursement. Mrs. Hartung noted a property owner that is requesting compensation and noted that he believes his easement is under his barn. Mr. Walker explained the property owner built the barn 3 – 5 feet away from the water line after the line was located. Mr. Walker noted there may be a prescriptive right. The Board discussed the options and the location of the valve and that they will need to get the easement.

Mr. Meyer presented the budget analysis and went over areas where the District has saved money. The District may be under budget in remaining easements. Overall, on construction dollars there is \$3,600 remaining. CDOT and El Paso County has approved the work in their right-away which is one of the last remaining items. The striping is complete as well. Mr. Meyer discussed the as-builts and who will be provided hard copies. He went over the water cards, and that they will GPS all locations of curb stops so they just need to be put in GIS and

given to CSU. The Board noted that Director Soloyanis made a wonderful list of curb stops as well so CSU will have everything they need on this.

Mr. Meyer reported on the meeting with CSU. He noted there will probably be a delay due to CSU's internal review process. Mr. Walker said he has a meeting with Mr. Wayne Williams to help speed up the process and will have the meetings done in the next week or so. Mr. Meyer confirmed the execution of agreement goes to 2021 but we are waiting for approval of the Utility Board which may be months due to processing at CSU. Per the Agreement, CSU will do leak detection in lines that were not replaced and may charge us for that service at their cost. Mr. Meyer noted easements need to be finished and they are working on them. Mr. Meyer discussed that CSU is requiring that every user on the system will need to sign a service agreement with CSU that the District will be responsible for obtaining. They want to make it clear where the demarcation point is. He suggested sending a letter out explaining CSU's requirement and their service agreement. The Board discussed the options if people don't sign the service agreement. Ms. Hartung asked Mr. Meyer if we have anything in writing about this service agreement requirement because it seems out of place. Mr. Meyer confirmed this was stated by CSU at the last meeting with them. The Board discussed that legally they cannot do anything if they don't sign the service agreement. Mr. Meyer argued that as long as they are paying their bills, it would be CSU's responsibility once they take over. CSU will provide their timeline once it is determined on their end.

- ii. Outpost Rd service lines: Mr. Walker explained needing to get permission from a property owner to tunnel under the property. It is unoccupied and they are just requesting a letter. Mr. Kilik reported he is meeting with the contractor to get a price.
- iii. Berms on Chipita Park Rd.: Mr. Walker explained the berm removal and said he is currently working on getting an agreement from the property owner and is hoping to have this done by the next Board meeting.

b. Easements:

- i. Update on Phase two easement: Ms. Hartung confirmed they received the documents today so are working on sending out the remaining portion of Phase 2 easements. She noted one property owner is requesting reimbursement and another just needing a question answered about the location of the easement and the line. Director Borden noted that he thinks Mrs. Sanjay will sign her easement.
- ii. Ratify acceptance of easement – 4330 Heizer St.: Director Eason moved to ratify the acceptance of easement 4330 Heizer St.; seconded by Director Herr. Motion passed unanimously.

- c. Approve Project Contractor Pay Request for August:
 - i. GMS Bond Payable - \$ 26,620.85
 - ii. GMS Grant Payable - \$ 3,179.40
 - iii. RMS Bond Payable - \$ 95,864.24
 - iv. RMS Grant Payable - \$ 74,606.99
- d. Report on request by AT&T to lease water tank site – WSDM: Mr. Walker reported that AT&T has not decided if they will be moving forward due to the County's process times and fees. Mr. Walker said he offered to speak with his connections at the County to help move the project along as well as offering to pay half the fees by reducing the rent for the first 6 months. The Board should know more after their meeting on Thursday.
- e. Request for reimbursement for Pikes Peak Gourmet Popcorn: Pikes Peak Gourmet Popcorn is requesting reimbursement of \$460.22 due to flooding in their facility. Director Borden stated he would vote no because the backflow preventer did exactly what it was supposed to, and he was there and there was no flood. Director Eason moved to approve the reimbursement. The motion failed due to lack of a second. The Board moved to table this discussion until next meeting. Director Eason left the meeting at 6:30 p.m.

8. Operations Matters: There was no discussion.

9. Financial Matters: There was no discussion.

10. Legal Matters: There was no discussion.

11. Public Comment: There was no public comment.

12. Other Business:

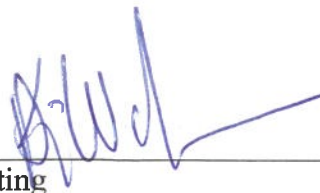
- a. Next Meeting— Scheduled for October 22, 2019 at 5:30 PM: The Board discussed the next meeting and noted they will need to hold a Budget Hearing in early November.

13. Adjournment: The meeting was adjourned at 6:30 p.m.

Respectfully submitted,

By: _____

Secretary for the Meeting



THESE MINUTES ARE APPROVED AS THE OFFICIAL SEPTEMBER 24, 2019 MINUTES OF THE CASCADE METROPOLITAN DISTRICT NO. 1 BY THE BOARD OF DIRECTORS SIGNING BELOW:



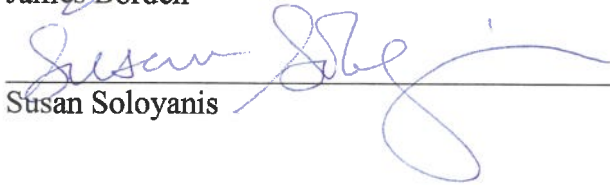
Mike Whittlemore

Mike Herr

Troy Eason



James Borden



Susan Soloyanis