

**MINUTES OF A SPECIAL MEETING OF
THE BOARD OF DIRECTORS OF THE
CASCADE METROPOLITAN DISTRICT NO. 1
HELD JANUARY 26, 2021**

A special meeting of the Board of Directors (the "Board") of the Cascade Metropolitan District No. 1 (the "District") was duly held on Tuesday, the 26th day of January 2021 at 5:30 p.m. The special meeting was held via teleconference due to the State of Emergency declared by Governor Polis and Public Health Orders implementing the Executive Orders issued by the Colorado Department of Public Health & Environment and the threat posed by the COVID-19 coronavirus. The special meeting was open to the public.

Directors in Attendance Were:

Mike Whittemore
Jim Borden
Mike Herr
Susan Soloyanis
Troy Eason

Also in Attendance Were:

Heather Hartung, Esq., White Bear Ankele Hartung & Waldron, Attorneys at Law
Kevin Walker, Walker Schooler District Managers
Rebecca Hardekopf, Walker Schooler District Managers
Members of the Public

1. **Call to Order:** Mr. Walker called the meeting to order at 5:39 p.m.
2. **Declaration of Quorum/Director Qualifications/Reaffirmation of Disclosures:** Mr. Walker confirmed a quorum of the Board was present and that each Director had confirmed their qualifications to serve. Director Eason disclosed a conflict of interest since he is interested in purchasing the Triangle building.
3. **Approval of Agenda:** Mr. Walker requested an additional agenda item, an executive session at the end of the meeting to discuss the disposition of property and negotiations as well as to seek advice from the District's attorney relative to a potential legal action on a property on Bluff Road. President Whittemore moved to approve the Agenda as amended; seconded by Director Herr. Motion passed unanimously.
4. **Consent Agenda Items:**
 - a. Acknowledge Manager's Report
 - b. Approval of Board Meeting Minutes from the special meeting on December 15, 2020
 - c. Ratification and Approval of Payables for the period ending September 18, 2020 in the amount of:

General Fund:	\$34,575.25
Capital Projects Fund:	\$
Grant Capital Projects Fund:	\$
Debt Service Fund:	<u>\$21,665.93</u>
Total	\$56,241.18

- d. Acceptance of Unaudited Financial Statements as of December 31, 2020 the schedule of cash position updated as of December 31, 2020 and bank statements
- e. Approval of Resolution No. 2021-01-01 Designating the District's Website for The Online Posting of Meeting Notices And 24-Hour Posting Location

Director Herr noted that he does not have the statements from Key Bank to complete the reconciliation for this month. Director Herr moved to approve the Consent Agenda as presented except for item 4.d.; seconded by Director Eason. Motion passed unanimously.

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

6. Management Matters:

- a. Review of payment status and collections: Mr. Walker presented the review of payment status and collections. There were 42 late reminder letters sent last week and 24 payments remain outstanding currently. Mr. Walker noted late payments are slightly higher than in 2020.
- b. Review and comment on FAQ's: Director Soloyanis suggested sending the FAQs with the billing as well as posted on the website. The Board discussed minor revisions to the FAQs. Mrs. Hartung confirmed she will make the necessary changes and then the FAQs can be posted and distributed.
- c. Discuss status of post-conversion requirements: Mr. Walker reported they are working on getting the invoices prepared to submit to the City. They were due January 15th, and we were granted an extension of 2 weeks. Mr. Walker noted they are trying to justify about \$15,000 worth of extra items on the title work and they are currently over \$30,000 in terms of justified invoices. The submittal should be done by the end of the week.

Mr. Walker discussed the status of disposing of the District's property. He has compiled a list of all property and a file for each one with Assessor's records. He sent a note to the El Paso County Engineer to see if they are interested in the right-of-way pieces that have roads on them to start that process. Mr. Walker requested the Board discuss the Triangle building in Executive Session in consideration of Director Eason's interest in purchasing. Director Soloyanis asked about the status of the pumphouse on Topeka. Mr. Walker will research and get back to the Board. President Whittemore suggested asking the County if the parcel was merged with the Harris property. Mrs. Hartung asked about the Abandonment Resolution for the State Engineer. Mr. Walker confirmed he will send it.

7. Financial Matters: Mr. Walker discussed the cash position and noted it was \$209,000 with

payables of \$3,000, so they are in a better position than projected. Director Herr asked if they are able to keep the funds in reserves. Mr. Walker explained they will have to spend a portion of it for the City, but they should be able to keep one year's worth of reserve. He noted they should know a lot more in 6 months about how many people are making payments.

8. Legal Matters:

- a. Review and consider for adoption Resolution No. 2021-01-02 Amending and Restating the District's Collection Resolution: Mrs. Hartung explained the Resolution takes out all the references in the prior Collection Resolution about shutting off water and costs to turn water back on. It also adds a reference to the Action Fee that was discussed in December. She noted the Board can discuss the new Fee Resolution at the February Board meeting and notices were published. Director Herr moved to adopt Resolution No. 2021-01-02 Amending and Restating the District's Collection Resolution; seconded by Director Eason. Motion passed unanimously.
- b. Discuss notice to increase fees: The required 30-day notice was posted and the Board will consider a new fee resolution at the February Board meeting.

9. Public Comment: There was no public comment.

10. Other Business:

- a. Next Meeting — Scheduled for February 23, 2021 at 5:30 PM

11. Executive Session: Mrs. Hartung confirmed that Director Eason will be present for the litigation executive session, and he will excuse himself from the executive session when the Board discusses the sale of the property.

Upon motion of Director Herr, seconded by Director Soloyanis, and upon an affirmative vote of at least two-thirds of the quorum present, the Board convened in executive session at 6:07 P.M. for the purpose of: discussing or considering the purchase, acquisition, lease, transfer or sale of any real, personal, or other property interest §24-6-402(4)(a), C.R.S. and receiving legal advice pursuant to §24-6-402(4)(b), C.R.S. related to the sale of assets and a potential claim against the District. Pursuant to § 24-6-402(2)(d.5)(II)(B), C.R.S., no record will be kept of the portion of this executive session that, in the opinion of the District's attorney, constitutes privileged attorney-client communication pursuant to § 24-6-402(4)(b), C.R.S. Also pursuant to § 24-6-402(4), C.R.S., the Board did not adopt any proposed policy, position, resolution, rule, regulation or take formal action during execution session. The Board reconvened in regular session at 6:49 P.M.

**ATTORNEY STATEMENT
REGARDING PRIVILEGED ATTORNEY-CLIENT COMMUNICATION**

Pursuant to Section 24-6-402(2)(d.5)(II)(B), C.R.S., I attest that, in my capacity as the attorney representing Cascade Metropolitan District No. 1, I attended the executive session meeting Cascade Metropolitan District No. 1 convened at 6:07 PM on January 26, 2021 for the sole purpose of discussing the potential sale of the certain District's assets and a potential legal claim against the District as authorized by 24-6-402(4)(a) and 24-6-402(4)(b), C.R.S. I further attest it is my opinion that a portion of the executive session discussion constituted a privileged attorney-client communication as provided by Section 24-6-402(4)(b), C.R.S. and, based on that opinion, no further record, written or electronic, was kept or required to be kept pursuant to Section 24-6-402(2)(b), C.R.S. or Section 24-6-402(2)(d.5)(II)(B), C.R.S.

Heather L. Hartung, Esq.

12.Adjournment: The Board adjourned the meeting at 6:50 p.m.

Respectfully submitted,

By: _____
Secretary for the Meeting

THESE MINUTES ARE APPROVED AS THE OFFICIAL JANUARY 26, 2021 MINUTES OF
THE CASCADE METROPOLITAN DISTRICT NO. 1 BY THE BOARD OF DIRECTORS
SIGNING BELOW:

Mike Whittemore

Mike Herr

Troy Eason

James Borden

Susan Soloyanis