

**MINUTES OF A BOARD MEETING OF
THE BOARD OF DIRECTORS OF THE
CASCADE METROPOLITAN DISTRICT NO. 1
HELD JUNE 22, 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 22nd day of June 2021 at 5:30 p.m. The special meeting was held via teleconference due to the threat posed by the COVID-19 coronavirus. The special meeting was open to the public.

Directors in Attendance Were:

Jim Borden
Susan Soloyanis
Troy Eason
Mike Herr, Absence Excused
Mike Whittemore, Absence Excused

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
Jeff Mandarich, BiggsKofford
Patricia Spencer, BiggsKofford

1. **Call to Order:** Mr. Walker called the meeting to order at 5:33 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. Ms. Hartung confirmed the Director's conflicts of interest were properly filed.
3. **Approval of Agenda:** Mr. Walker requested the Board discuss item 7.b. Review Draft Audit before item 4. Director Soloyanis moved to approve the Agenda as amended; seconded by Director Borden. Motion passed unanimously. Director Soloyanis moved to excuse Directors Whittemore and Herr; seconded by Director Borden. Motion passed unanimously.
4. **Consent Agenda Items:**
 - a. Acknowledge Manager's Report
 - b. Approval of Board Meeting Minutes from the special meeting on April 27, 2021
 - c. Ratification and Approval of Payables for the period ending May 31, 2021 in the amount of:

General Fund:	\$8,437.13
Debt Service Fund:	\$ 33,537.83
Total	\$ 41,974.96

- d. Acceptance of Unaudited Financial Statements as of May 31, 2021 the schedule of cash position updated as of May 31, 2021 and bank statements

Mr. Walker noted there was a new payable received today for the bond payment that is roughly \$32,000, so the Debt Service Fund needs to be amended. Mr. Walker reported that Director Herr reconciled the accounts, and everything was good. Director Eason moved to approve the Consent Agenda Items with the Debt Service Fund to be amended; seconded by Director Soloyanis. Motion passed unanimously.

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

6. Management Matters

- a. Review of payment status and collections
 - i. Current billings: Mr. Walker discussed the current billings and payment status and noted less than 5% are late payments.
 - ii. Collections: Ms. Hartung reported they have collected over \$2,400 in the last few weeks, so they are making progress.
- b. Discuss status of post-conversion requirements: Mr. Walker discussed the May report from the City of Colorado Springs and noted they are still working through final valuations. Director Soloyanis reported they finished the new fire hydrants project.
- c. Plan and progress on Disposition of assets: Mr. Walker reported the truck was sold for \$5,050, and the smaller scrap metal was sold for \$1,450 and the costs associated with removal was \$1,600. He is waiting on a price to remove the larger pieces of scrap metal including the pipes and hydrants. Director Soloyanis noted the hydrant has value and is a collectible, but the attached pipe would need to be removed and is difficult. Mr. Walker is working on getting a special container for the water meters and they will be put on the market for auction. Mr. Walker discussed the sale of the Triangle Building and noted the District needs a title commitment and title research to prove ownership which would cost \$500 and could be 30 days delay.

7. Financial Matters

- a. 2022 budget planning – projected increase in fee: Mr. Walker discussed the 2022 budget planning and noted the projected increase in fee of 4% that would take the fee to \$94. He is still working on analyzing the District's expenses and will keep the Board updated. Director Borden requested this item remain on the Agenda as a recurring item for discussion.
- b. Review draft audit: Mr. Mandarich presented the draft audit to the Board and noted they anticipate issuing a clean audit opinion. He discussed that the District conveyed a majority of their assets to Colorado Springs Utilities during the year which had a significant impact on the financial statements. He noted the negative net position is a common occurrence for metro districts due to the building of infrastructure and conveying of assets but still holding the debt. He confirmed it should not affect the District's ability to refinance debt because it is

based on pledged revenues. Mr. Mandarich noted the District still has some assets, but they determined the value of the assets were not materially significant. Director Soloyanis moved to accept the draft audit subject to legal review; seconded by Director Borden. Motion passed unanimously.

8. Legal Matters Consider for Adoption Resolution 2021-06-01, First Amendment to the Resolution Concerning the Imposition of Various Fees, Rates, Penalties and Charges – Adoption of New Fee Schedule: Ms. Hartung presented the Resolution 2021-06-01. She noted information was added to address and clarify the fee was imposed on each residential unit, commercial unit, and each developable lot. Ms. Hartung confirmed proper notice of intent was posted by Mr. Walker. Director Borden moved to adopt Resolution 2021-06-01, First Amendment to the Resolution Concerning the Imposition of Various Fees, Rates, Penalties and Charges – Adoption of New Fee Schedule; seconded by Director Eason. Motion passed unanimously.

9. Public Comment: There was no public comment.

10. Other Business: Next Meeting Scheduled for July 27, 2021 at 5:30 p.m. Director Soloyanis moved to cancel the July 27, 2021 meeting and move future meetings to every 2 months; seconded by Director Borden. Motion passed unanimously.

11. Adjournment: The Board adjourned the meeting at 6:05 p.m.

Respectfully submitted,

By:

DocuSigned by:

Kevin Walker

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Secretary for the Meeting

THESE MINUTES ARE APPROVED AS THE OFFICIAL JUNE 22, 2021 MINUTES OF THE CASCADE METROPOLITAN DISTRICT NO. 1 BY THE BOARD OF DIRECTORS SIGNING BELOW:

DocuSigned by:

Michael S. Herr

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Mike Herr

DocuSigned by:

Troy Eason

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Troy Eason

DocuSigned by:

Jim Borden

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James Borden

DocuSigned by:

Susan Soloyanis

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Susan Soloyanis