

**MINUTES OF A SPECIAL BOARD MEETING OF
THE BOARD OF DIRECTORS OF THE
CASCADE METROPOLITAN DISTRICT NO. 1
HELD AUGUST 24, 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 24th day of August 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

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

1. **Call to Order:** Mr. Walker called the meeting to order at 5:32 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 Herr has been excused from this meeting. Ms. Hartung confirmed the Directors' conflicts of interest were properly filed.
3. **Approval of Agenda:** The Board accepted the Agenda as presented.
4. **Acceptance of Resignation from Director Whittemore Effective August 20, 2021 and Discussion of Vacant Director Position:** Director Soloyanis moved to accept the resignation from Mr. Whittemore effective August 20, 2021; seconded by Director Borden. Motion passed unanimously. The Board discussed reducing the number of directors to three. Ms. Hartung explained the State Statute does not allow the Board to decrease from five to three. She noted the Service Plan, and the original voting record mentions five directors as well. The vacant position can be filled by appointment, but there is no requirement to publish the vacant position in the newspaper. An email blast can be sent to the community and posted on the website.. If there is nobody to fill the position, they can continue on with the current Board with the position being up for election in May 2022. The Board discussed the time commitment will be limited with only a bond refinance anticipated in 2023. Ms. Hartung suggested the Board hold two to three regular meetings next year with special meetings scheduled as needed.
5. **Election of Officers:** Ms. Hartung explained the Board will need to elect a Director to the President position. After discussion, Director Borden nominated Director Soloyanis to be

President; seconded by Director Eason. Motion passed unanimously.

6. Consent Agenda Items:

- a. Acknowledge Manager's Report
- b. Approval of Board Meeting Minutes from the special meeting on June 22, 2021
- c. Ratification and Approval of Payables for the period ending July 31, 2021 in the amount of:

General Fund:	\$13,711.79
<u>Debt Service Fund:</u>	<u>\$33,537.83</u>
Total	\$47,249.62

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

Mr. Walker presented a revised version of the June 22, 2021 minutes.

7. Consideration of items removed from Consent Agenda:

Director Borden asked about two \$55 invoices for the fire department for backflow preventers, and an invoice to Waste Management. Mr. Walker explained the Waste Management invoice is for the roll-off dumpster. The two \$55 invoices are an error and should be billed to the fire department and fire protection district. Director Borden asked about legal fees for collection. Ms. Hartung explained the District pays monthly for legal work that is occurring, but legal is collecting the fees back from the customer and they are reimbursed to the District. Ms. Hardekopf explained the accounts that are listed as closed are pending payment by September 1st before being sent to legal counsel for collection. Director Borden moved to accept the Consent Agenda items with the exception of the \$55 invoices that were in error; seconded by Director Borden. Motion passed unanimously.

8. Management Matters

- a. Review of payment status and collections: Mr. Walker reported they are doing well on collections and the decision to have legal file liens has helped clean up delinquent accounts. Mr. Walker noted difficulties with the post office and returned payments by mail, but they are working individually with those customers.
 - i. Current billings
 - ii. Collections
- b. Discuss status of post-conversion requirements: Mr. Walker reported he is still waiting on the estimate for the fire hydrant project. CSU is still working through the negotiations on easements.
- c. Plan and progress on Disposition of assets: Mr. Walker reported on the progress of disposition of assets. The meters were sold for \$1,850, the truck was sold for \$5,050, and scrap metal was sold for \$1,432.52. Expenses totaled \$1,669.46 for a net revenue of \$6,663.06. Remaining items to be sold are the pipe which needs to be brought down the hill, the small parcels adjacent to private property and the County's parcels, and the Triangle building which needs a title commitment that is still pending. Director Eason noted he may know someone interested in the pipe. The estimated total net revenue after everything is sold is \$20,000. Mr. Walker noted that does not include costs associated with the tank site or Topeka

pump house.

9. Financial Matters

- a. 2022 budget planning – projected increase in fee: Mr. Walker discussed 2022 budget planning and preliminary budgets will be done in September. The District will be increasing the fee so advertising will be done for that. Debt Service Fee will be increased 4%, so an estimated increase from \$81 to \$84. The Admin Fee will likely stay the same and is not projected to increase.
- b. 8126 Chipita Park Rd – Property owner request to waive fees: Ms. Hardekopf explained a property owner has requested to waive fees. This property has two houses on one lot with a tenant occupying one of them. The owner claims they were not aware the tenant was not paying their bills. There is record that the owner was sent notification of non-payment by tenant. The owner is requesting legal fees be waived. WSDM has denied the request and instructed the owner to make a formal request to the Board, but they have not done so and are not in attendance at the meeting. President Soloyanis supports and concurs with WSDM and their approach to this matter and their decisions to date. Director Eason agreed. Director Borden commented that he would not support waiving any fees. Ms. Hardekopf explained that WSDM will move forward with a payment arrangement with the owner and if they default it will be sent back to legal for collection.

10. Legal Matters

- a. Adopt Resolution 2021-08-01 – Designating the Location of Regular Meetings of the Board of Directors: Ms. Hartung explained the new legislation allows the Board to meet either in person or electronically. Director Eason moved to adopt Resolution 2021-08-01 – Designating the Location of Regular Meetings of the Board of Directors; seconded by Director Borden. Motion passed unanimously.
- b. Overview of 2021 Legislation and Recent Case Law Affecting Special Districts, Municipalities, and Community Associations: Ms. Hartung noted the new 2021 legislation that affects Special Districts and changes in elections and disclosures.

11. Public Comment: There was no public comment.

12. Other Business

- a. Next Meeting— Scheduled for October 26, 2021 at 5:30 PM. The Board agreed to hold the Budget Hearing at the October 26, 2021 meeting. Ms. Hartung noted the certification of delinquent accounts with proper 30-day notice can be done at the meeting as well.

13. Adjournment: The Board adjourned the meeting at 6:28 PM.

Respectfully submitted,

By:

DocuSigned by:

Kevin Walker

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Secretary for the Meeting

THESE MINUTES ARE APPROVED AS THE OFFICIAL AUGUST 24, 2021 MINUTES OF
THE CASCADE METROPOLITAN DISTRICT NO. 1 BY THE BOARD OF DIRECTORS
SIGNING BELOW:

Mike Herr

DocuSigned by:



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Troy Eason

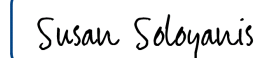
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James Borden

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Susan Soloyanis