

**MINUTES OF A REGULAR BOARD MEETING OF
THE BOARD OF DIRECTORS OF THE
CASCADE METROPOLITAN DISTRICT NO. 1
HELD JULY 26, 2022**

A regular 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 July 2022 at 5:30 p.m. The meeting was held via teleconference. The meeting was open to the public.

Directors in Attendance Were:

Susan Soloyanis
Jim Borden
Mike Herr
Erin Sullivan
Karole Campbell

Also in Attendance Were:

Heather Hartung, Esq., White Bear Ankele Hartung & Waldron, Attorneys at Law
Rebecca Hardekopf, Walker Schooler District Managers
Kevin Walker, Walker Schooler District Managers
Braden Hammond, BiggsKofford

1. **Call to Order:** President Soloyanis called the meeting to order at 5:30 PM.
2. **Declaration of Quorum/Director Qualifications/Reaffirmation of Disclosures:** Ms. Hartung confirmed a quorum of the Board was present and that each Director had confirmed their qualifications to serve. Ms. Hartung confirmed the Directors’ conflicts of interest were properly filed.
3. **Election of Officers:** Director Herr moved to keep the Director’s positions the same and appoint Karole Campbell as Assistant Secretary; seconded by Director Sullivan. Motion passed unanimously.
4. **Approval of Agenda:** Director Herr moved to approve the Agenda as written; seconded by Director Campbell. Motion passed unanimously.
5. **Consent Agenda Items:**
 - a. Approval of Board Meeting Minutes from the regular meeting on April 26, 2022
 - b. Ratification and Approval of Payables for the period ending July 26, 2022 in the amount of:

General Fund:	\$ 5,721.94
Debt Service Fund:	\$ 33,254.73
Total	\$ 38,976.67
 - c. Acceptance of Unaudited Financial Statements as of June 30, 2022, the schedule of cash position updated as of June 30, 2022, and bank statements
 - d. Ratification of Resolution Approving the Sale of Real Property

Director Herr moved to approve the Consent Agenda as presented; seconded by Director Campbell. Motion passed unanimously. Director Herr noted he has reconciled the bank statements through June 30, 2022.

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

7. Review and Consider Acceptance of the 2021 Audit: Mr. Hammond with BiggsKofford presented the 2021 Audit. He expects to issue a clean opinion which is the highest level of assurance. Mr. Hammond noted a correction that reflects missed water purchases and operating income from 2020 that was an error by BiggsKofford. After review, Director Borden moved to accept the 2021 Audit; seconded by Director Herr. Motion passed unanimously. Mr. Hammond confirmed the Audit will be submitted by the deadline of July 31, 2022.

8. Management Matters

- a. Discuss status of post-conversion requirements: The Board discussed the status of post-conversion requirements including the easements that were received by Colorado Springs Utilities. Mr. Walker noted they are still working on one more easement due to title issues. Mr. Walker recommended the Board prepare to discuss the possibility of refinancing the bonds after the first of the year.
- b. Review of payment status and collections
 - i. Current billings: Ms. Hardekopf reported on July billings.
 - ii. Collections: 6 accounts have liens and will be filed with the Treasurer in October. 7 accounts are delinquent and will be turned over to legal counsel next month if payment is not received.
- c. Update on disposition of assets
 - i. Pump Station removed: Mr. Walker reported that Mr. Kilik is in the process of removing the pump station.
 - ii. Properties counties may be interested in taking over: Mr. Walker explained the County Engineer was removed from office and replaced, so he is contacting the replacement to catch them up and discuss this item.
 - iii. Water Tank Shed: The water tank shed has been removed.
 - iv. Storage Tank on Pyramid Mountain: There is no activity on the storage tank, but the nearby property owner, Mr. Walstad, is working on platting the land around his house.
 - v. Status of Closing on Triangle Building: Mr. Walker reported the closing was completed and the District received \$66,000 for the sale of the Triangle Building.
- d. Discuss Meeting options for 2023: The Board discussed 2023 meetings and agreed to schedule meetings in January, May for the Election, July for the Audit, and in October for the annual resolutions and budget. Ms. Hartung noted the Board could schedule special meetings if needed.
- e. Discuss Legal Counsel attendance for Meetings: President Soloyanis commented that it is helpful to have legal counsel attend Board meetings to answer questions. She noted it does not cost the District as much as it used to now that meetings are held virtually. Director Borden agreed with President Soloyanis. Director Herr commented that it is essential when legal opinion and advice is needed, but if there is not a need it could be a way to save on

costs. Ms. Hartung explained that she will be providing information on the Election at the January meeting, finalizing the Election at the May meeting, providing comments on the Audit in July, and discussions on refunding and preparing for the next year at the October meeting. She recommends that she attend those four meetings. President Soloyanis moved to continue to have legal counsel attend the four Board meetings a year; seconded by Director Borden. Motion passed unanimously.

- 9. Review CMD Board Action Plan:** President Soloyanis discussed how the Board will move forward. She noted that she hoped the Board could be turned over to a governmental entity such as the County Assessor but that may not be possible. President Soloyanis commented that come next May, she is not interested in serving on the Board to collect debt. Director Campbell reported that she and Mr. Walker will meet with the County Commissioner next week to discuss the Election.

10. Legal Matters

- a. Discuss Notice of Intent to Increase Fees for 2023: Ms. Hartung reported that she has prepared the required notice of intent to increase fees for 2023 to be discussed at the October meeting. District Management will post the notice on the District's website.
- b. Review Status Report for June 2022: Ms. Hartung reported that any accounts that need to be certified to the County will be done later in the year.
- c. Discuss 2022 Legislative Memorandum: Ms. Hartung presented the 2022 Legislative Memorandum.
- d. Discuss Funds to be Received from Sale of Triangle Building Being Earmarked for District's Debt: Ms. Hartung confirmed the funds received from the sale of the Triangle Building can be earmarked for the District's debt. She noted that once the funds are put into the debt service fund, they cannot be moved out of the account. President Soloyanis commented that she feels very strongly about honoring the wishes of the buyer who made a generous offer specifically to help reduce the debt burden. After discussion, Director Borden moved to transfer the funds from the sale of the Triangle building to the bond fund; seconded by President Soloyanis. Motion passed unanimously.

11. Financial Matters: There was no discussion.

12. Public Comment: There was no public comment.

13. Other Business

- a. Next Meeting – Scheduled for October 25, 2022, at 5:30 PM.


14. Adjournment: The Board adjourned the meeting at 6:25 PM.


Respectfully submitted,

By: 
Secretary for the Meeting

THESE MINUTES ARE APPROVED AS THE OFFICIAL JULY 26, 2022 MINUTES OF THE

CASCADE METROPOLITAN DISTRICT NO. 1 BY THE BOARD OF DIRECTORS
SIGNING BELOW:

DocuSigned by:

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Mike Hen

DocuSigned by:

A96AB20A1B843B...
James Borden

DocuSigned by:

BF609F0912F497...
Susan Soloyanis

Erin Sullivan

Karole Campbell