



**MINUTES OF A REGULAR MEETING
OF THE BOARD OF DIRECTORS OF THE
CATHEDRAL PINES METROPOLITAN DISTRICT
HELD JANUARY 8, 2017
AT 2:00 P.M.**

Pursuant to posted notice, the special meeting of the Board of Directors of the Cathedral Pines Metropolitan District was held on Monday, January 8 at 2 p.m., at 13977 Milam Rd., Colorado Springs, CO.

Attendance In attendance were Directors:
Bart Atkinson, President
Dan Potter
Jeff Parker
Jason Lee Courtright
Gregg Cawfield

Also in attendance were:
Kevin Walker, Walker Schooler District
Management (WSDM)
Jacqueline Armendariz, WSDM
Jamie Adams, Warren Management
Peter M. Susemihl, District Counsel

1. Call to Order:

President Atkinson called the meeting to order at 2:03 p.m.

2. Declaration of Quorum/Director Qualifications/Reaffirmation of Disclosures:

President Atkinson confirmed a quorum.

3. Approval of the Agenda:

4. Consent Agenda Items:

a. Approval of Board Meeting minutes from the December 11, 2017

Director Courtright corrected the spelling of his last name and Director Cawfield corrected the spelling of his first name in the Board Meeting minutes from the December 11, 2017.

- b. Acceptance of Unaudited Financial Statements and the schedule of cash position both updated as of December 31, 2017 and bank statements - Mr. Walker reported WSDM was able to present unaudited materials dated through Dec. 31, 2017. Mr. Walker added that the statements give a sense of what happened last year and the District's standing as of Dec. 31, 2017. President Atkinson noted as a positive that the district's cash on hand was improved due to tax payments in December. The Board discussed the audit for 2016 completed by Biggs Kofford and directed Mr. Walker to collect additional quotes for the 2017 audit to consider at its next meeting. Mr. Walker said the next audit is not due until the end of July and will begin in February/March.

President Atkinson made a motion to approve the consent agenda. Director Courtright seconded the motion. The motion passed with Director Potter and Director Parker voting no.

5. Consideration of items removed from Consent Agenda

There were no items removed from the consent agenda.

6. Management Matters:

- a. Transition of management progress - Mr. Walker reported he met several times with President Atkinson, received a tour and received a District workbook with basic data such as operations, contracts, and equipment list. Mr. Walker also reported that WSDM has copies of the District's insurance documents as well as electronic financial records. Mr. Walker said WSDM is in receipt the District's logins for banking, state reporting, etc. Mr. Walker had met with Jamie Adams had met to discuss how they would work together going forward. President Atkinson said he took Ms. Adams on a tour of all the well sites and pump sites to explain operations and street valves and maps as well as how to turn water off and on, all contact information for the wells, irrigation and landscape to facilitate operations.
- b. Review of existing contracts - The Board discussed existing contracts for snow removal, community center management, management of operations agreement with Warren Management and landscape maintenance.

Mr. Walker reported that the contract for snow removal lacks detail including indemnifications, insurance coverages, liabilities among the contractor, District and County, required appropriation, contract renewal and remedies. Mr. Walker added that the invoice to pay the contractor was due the first week of January and the contractor had been made aware of a delay. The Board then discussed the County's permission to plow public streets, the pricing structure for this contract and whether or not to proceed with the contract and, if so, how. President Atkinson said additional plowings were requested by the residents which was taken on by the District. Mr. Walker said that a District does not usually service public streets; Mr. Susemihl added that some HOAs do carry out road maintenance, such as Gold Hill Mesa, under agreement with the jurisdiction. Mr. Walker also said in regard to pricing structure that it is variable, depending on amount of snow fall location of equipment, etc. Mr. Susemihl suggested that the contractor be made aware that there is an issue with multi-year contracts, which must include a clause that it is subject to annual appropriation.

The Board directed Mr. Walker to meet with the contractor to discuss a new contract and to renegotiate terms and pricing. The Board also said the contractor's existing invoice should not be paid until the contract is renegotiated.

Mr. Walker reported the contract for tree improvements was signed last month and subject to appropriations. Mr. Walker added that the same contractor was in place to finish the remaining eight houses finished without trees and finishing lots. The Board discussed the importance of matching color, size and shape as well as fees charged for monuments.

Director Potter motioned to ratify the contract with a second from President Atkinson. The motion passed with Director Courtright voting nay.

The Board discussed the community center management agreement. Mr. Walker reported that the operations agreement was signed with Warren Management in December and needs only a minor revision to address an indemnification clause to make clear the District is not waiving its sovereign immunity. Ms. Adams asked the Board to consider dropping or reducing the \$10,000 cost share paid to the District by the HOA due to a tight HOA budget. The Board discussed

changing this cost to the HOA, which is related to shared maintenance around the monuments. Mr. Walker said the Board is able to change its budget and Mr. Susemihl added that the budget may be amended at the end of the year. The Board also discussed the contract for an irrigation system, mowing and fertilizing, which Mr. Walker said was signed last year. Mr. Walker said he recommends Warren review prices instead of authorizing rebidding and that a report on this be presented at the Board's next meeting in February.

Director Potter made a motion to allow the HOA to no longer remit \$10,000 to the District. Director Parker seconded the motion. The motion passed with Director Courtright abstaining.

Director Potter motioned to also ratify the Warren Management contract subject to an additional indemnification as recommended by Mr. Susemihl. Director Parker seconded the motion. The motion passed unanimously.

- c. Update on roles and responsibilities between District and HOA - Mr. Walker reported the District and HOA are working fine together and that there are no specific issues between the two.
- d. District Website - Mr. Walker reported that there is currently no District website and that the state offers a platform which is currently used by several other WSDM district clients for free. Mr. Walker also said the HOA could be linked to District site. Director Potter motioned to authorize the creation of a District website on this platform. Director Cawfield seconded the motion. The motion passed unanimously.
- e. SDA Membership - Mr. Walker reported he confirmed the District does not have a Special District Association membership. Mr. Walker also said most Districts have a SDA membership for the insurance offered through the organization. Mr. Walker added that he would obtain an insurance quote and present that at the next meeting in February.

7. Financial Matters:

- a. Review of adopted budget as approved and draft budget message - Mr. Walker said the budget remained the same as presented at the last meeting. Mr. Walker explained the budget did not include money from FEMA and that if it is counted as revenue there might be a question if it isn't received. President Atkinson said a request to meet with FEMA to reach closure has been made four times, but there has been no response. President Atkinson added he would continue to address the issue.
- b. Approval of Payables for the Period Ending January 5, 2018 - Mr. Walker reported on payables for Fire Tree Corporation, the snow removal contract and WSDM. Mr. Walker noted the payable for the plowing would be held as directed by the Board previously during the meeting. Director Courtright made a motion to approve the payables, which was seconded by President Atkinson. The motion passed with Director Potter abstaining.

8. Legal Matters:

- a. Election Schedule - Mr. Walker informed the Board of the election schedule and explained self-nomination forms should be submitted by March 2. Mr. Susemihl said the call for election would be published later in January.

9. Public Comment:

There were no public comments.

10. Other Business:

a. Next Meeting

February 12, 2018 at 2 p.m.

11. Adjournment:

The meeting was adjourned at 3:57 p.m.

Respectfully Submitted,



By: Kevin Walker, District Manager

THESE MINUTES ARE APPROVED AS THE OFFICIAL NOVEMBER 8, 2017 MINUTES OF THE VENTANA METROPOLITAN DISTRICT BY THE BOARD OF DIRECTORS SIGNING BELOW:



Bart Atkinson, President

Dan Potter, Director

Jeff Parker, Director



Jason Lee Courtright, Director



Gregg Cawlfeld, Director