



**MINUTES OF A REGULAR MEETING
OF THE BOARD OF DIRECTORS OF THE
CATHEDRAL PINES METROPOLITAN DISTRICT
HELD FEBRUARY 11, 2019
AT 2:00 P.M.**

Pursuant to posted notice, the regular meeting of the Board of Directors of the Cathedral Pines Metropolitan District was held on Monday, February 11th at 2 p.m., at 13977 Milam Rd., Colorado Springs, CO.

In attendance were Directors:

Gregg Cawfield
Bill Heeter
Ecton Espenlaub

Also, in attendance were:

Jamie Adams, Warren Management
Kevin Walker, Walker Schooler District Managers
Kristina Kulick, Walker Schooler District Managers
John Kelley

1. Call to Order: The meeting was called to order at 2:05 p.m. by President Heeter.

2. Declaration of Quorum/Director Qualifications/Reaffirmation of Disclosures: President Heeter confirmed a quorum. Mr. Walker explained to the Board that homeowners do not have to file conflicts, so the Reaffirmations of Disclosures can be removed from the Agenda moving forward. President Heeter moved to excuse Director Shepherd from the meeting; seconded by Director Cawfield. Motion passed unanimously.

3. Approval of the Agenda: Discussion with Director Espenlaub and Mr. Walker about the possibility of completing and approving minutes so that they are available to the public prior to the next meeting. Mr. Walker said that the minutes of the meeting must be approved at a meeting, not via email. Posting draft minutes is a possibility. Director Espenlaub moved to approve the Agenda; seconded by Director Cawfield. Motion passed unanimously.

4. Approval of the January 14, 2019 Meeting Minutes: President Heeter noted a correction to the January 14, 2019 meeting minutes where he said he asked for an explanation why USPS did not pay for the parcel boxes and they did not offer an explanation. Director Espenlaub moved to approve the January 14, 2019 meeting minutes; seconded by Director Cawfield. Motion passed unanimously.

5. Management Matters

a. Sale of truck: President Heeter said the truck was completed for \$20.

- b. Lodge Rental Agreement and Management Informational Update:
- Recommended changes
 - Set date for next working session
 - Development of short-term solutions and long-term management

The Board decided to postpone this Agenda item for next meeting.

- c. Sale of Equipment in Storage Shed:
- Timing
 - Clean up dates set for February 28
 - Photography, groupings, etc. set for mid-March
 - 10-14 day online auction set for late April
 - Plan for future use of the facility - set up subcommittee to explore

President Heeter explained how MaxSold will handle the auction and that we should be able to start April 1, 2019, and the Board just needs to decide on either a 10 or 14 day auction. The Board discussed taking photos of the outdoor items now in case of snow. President Heeter explained the charge for MaxSold is a \$700 fee and 30% of the proceeds. The Board discussed the future use of the facility. Mr. Walker said he will check into the zoning and development. The Board decided to keep the tractor for trail maintenance and discussed moving the snow plow equipment out of the facility from March 10th through May 10th.

- d. Update on timing of installing Speed Limit signs on side roads: Director Espenlaub updated the Board that they are waiting for the ground to thaw, but we should have enough equipment for it. Director Cawfield suggested signs can be attached to existing signs.
- e. Update on timing of installation of No Uncontrolled Dogs Allowed on Trails signs: Mr. Walker said they rebid and lowered the price for the signs, and they are printed and ready. As soon as the Board signs the contract they can be picked up.
- f. Update on New Parcel Boxes near Mail Station: The Board discussed the quantity of parcel boxes to install. Director Cawfield suggested pouring the slab for 12 boxes to accommodate expansion of the boxes if needed. President Heeter noted that USPS designates who we can buy the boxes from and the contractor to install of the boxes. The Board decided to wait until Summer to install the new parcel boxes. Mr. Kelley asked about ACC requirements and if the new parcel boxes will be installed with a community aesthetic. Director Cawfield explained that having a roof installed would double the cost and there is no requirement from USPS to have décor, but it will be put on the opposite side of the road to conceal it. The parcel boxes will be more for functionality, but the Board could consider allocating funds for a roof in the future.
- g. Tentative Plan to start grooming trail; when do training sessions start, additional materials/equipment needed, etc: The Board discussed having the training in March. Ms. Adams will contact RMFI regarding their training schedule.
- h. Legal Representation for 2019: Mr. Walker discussed seeking proposals from Mr.

Susemihl and other attorneys since the Board may need additional representation with discussions surrounding the Service Plan for the District. Mr. Walker said he could present proposals at the next meeting.

- i. Financial Assistance to HOA: The Board discussed the possibility of the District taking over the chipping program. The Board agreed they should look into the provisions of the covenants further. Director Cawlfieid asked about a reimbursement of last year's expense. Mr. Walker said he is wary of reimbursement when last year's previous Board did not agree to do the reimbursement. Director Cawlfieid moved to reimburse the HOA for the 2018 chipping and assume the expense for 2019 and moving forward. Director Espenlaub asked for clarification on the HOA's responsibility moving forward. The Board agreed that the HOA will no longer be responsible for chipping. The motion passed unanimously.
- j. Status of A/V upgrades to Lodge facility: The Board toured the Lodge and President Heeter went over the potential AV upgrades with a possibility of putting them on a cart for flexibility. President Heeter will report back at the next meeting.
- k. Status of draft of GOCO request for 2020: Mr. Walker updated the Board that proposals are due in October.
- l. Update of collection of FEMA Funds: Mr. Walker said he received an email from Mr. Atkinson last week and he is working on updating the banking information for the funds, but still waiting on more details about when the funds will be received. \$750,000 is the original amount of FEMA funds, some has been paid out and the District is still waiting on \$115,000.
- m. Update on snow plowing in area and John Frerichs departure/develop back-up plans: The Board discussed the snow plow contract with Mr. Frerichs. Director Cawlfieid discussed the plowing of the cul-de-sacs and how it is creating problems for the County snow plows. Mr. Walker said he will discuss the cul-de-sac plowing issue with Mr. Frerichs and coordinating with the County. The Board agreed to plan ahead and get a bid from A Cut Above and others to do the snow removal for next year.
- n. Upkeep of ponds - 2019 Plan: Ms. Adams presented the Solitude Lake Management contract for the pond maintenance to the Board. She said they also made recommendations on fish and what would be helpful and healthy for the pond. The Board discussed looking at fish based strictly on pond health and not the fishing aspect. Director Cawlfieid moved to approve the contract with Solitude Lake Management starting May 1st; and moved to approve restocking the pond with warm water fish they recommended, not including the fish feeder; seconded by Director Espenlaub. Motion passed unanimously.

The Board discussed the medians and Ms. Adams said she will contact A Cut Above to find out what is involved. Ms. Adams updated the Board on the status of the furnaces and vent for the roof. She said they are working on the asbestos certificate so they can move forward with the mold mitigation in March.

- o. Update on HOA: There were no additional updates.

- p. FYI: PResidnet Heeter reported that there had been no response to request for a flag raiser at central monument.

Mr. Walker said he heard the County received a complaint about the monument light, but he is still waiting to hear back if it is just an old issue. Mr. Walker updated the Board on the indoor cameras for the Lodge and that they will be installed soon. Mr. Walker discussed the trail along Milam and that there is probably not enough room because of the drainage. He explained it would require engineering for the improvement and would be very expensive. The Board decided it would not be worth it due to the very high costs involved. The Board discussed asking the County to transfer the Milam extension to the District. President Heeter moved to approach the County to transfer the Milam extension to the District; seconded by Director Espenlaub. Motion passed unanimously.

6. Legal Matters

- a. Executive Session – Discussion of Board Candidate Interviews/Selection of new Board Member: The Board agreed to postpone this item until next meeting.
- b. Discussion of Mill Levy/Gallagher Adjustment/Property Taxes Issues: Mr. Walker explained the mill levy is set at maximum of 40 in the service plan adopted in 2006. Prior to that year's mill levy setting, There was a request to the County to exceed the O&M mill levy but not the total. There was not a response from the County and the Board set the mill levy at 10 mills, above the Service Plan cap of 5. Subsequently, the levy went to 11.5... the fixes are:
- either to ignore it since it has been going on a long time and County didn't say we need to change the Service Plan, or
 - go back to 5 mills and Gallagherize from there which would lose 50% of the revenue in that category, or
 - to ask the County to revise the Service Plan.

Mr. Walker said he has heard from the new County Planner and she said she was going to get back to him. He said there are all sorts of legal questions around it. Mr. Walker recommends having more conversations with Mr. Kelley so everyone understands and then ask the County to see what they recommend us doing. Mr. Walker noted it is usually a \$500 charge to start, \$5,000 to \$10,000 for legal expenses, and \$4,500 to \$5,000 payment to the County if we do a material modification. Mr. Walker said he has not spoken to Mr. Susemihl and needs to do more research. Mr. Kelley said he thinks there are some important issues here; that the Service Plan treats the debt service mill levy separately then O&M. Mr. Walker noted Mr. Susemihl does not think this is an issue and takes a broader interpretation. Mr. Walker suggested that the best course is to amend the Service Plan. Mr. Kelley said as a tax payer, he would like his money back. Mr. Walker said he does not think he would get his money back unless he wanted to file a lawsuit. Mr. Walker suggested sitting down with Mr. Kelley. Mr. Kelley said every year the Board has certified the mill levy and they have been certifying a false mill levy. He discussed that the issue is with the O&M mill levy not the debt service mill levy and the disconnect is from back in 2007 and that we need to get it fixed with the Board of County Commissioners. Director Cawlfild said he thinks we should go back to Mr.

Susemihl since he is the one who is familiar. Mr. Walker will get an organized set of questions together to see how we can get this issue fixed.

7. New Business

- a. Creation of Standing Committees - Lodge, Trails, Landscaping, Metro District Financing, and others: The Board discussed having Director Shepherd be the Committee Chair for the Lodge and oversee and make recommendations to the Board on the Lodge. Director Cawfield volunteered for the landscaping, irrigation and ponds. Director Espenlaub volunteered to take over the trails. President Heeter said he will have them update the Board at the next meeting and have it designated on the Agenda.

8. Financial Matters

- a. Acceptance of Unaudited Financial Statements as of December 31, 2018, the schedule of cash position updated as of December 31, 2018 and bank statements: Mr. Walker presented the Financials to the Board. He noted the P&L report that was missed last month.
- b. Approval of Payables for the Period Ending February 8, 2019: Director Espenlaub moved to approve the Payables; seconded by President Heeter. Motion passed unanimously.

9. Public Comment: There was no public comment.

10. Other Business

- a. Next Meeting: March 11, 2019
- b. Next combined HOA/Metro newsletter to be released approx. February 20, 2019: The Board discussed topics to include in the newsletter.

11. Adjournment: Director Espenlaub moved to adjourn at 4:32 p.m.; seconded by Director Cawfield. Motion passed unanimously.

Respectfully Submitted,

By: Kevin Walker, District Manager

THESE MINUTES ARE APPROVED AS THE OFFICIAL FEBRUARY 11, 2019 MINUTES OF THE CATHEDRAL PINES METROPOLITAN DISTRICT BY THE BOARD OF DIRECTORS SIGNING BELOW:

Bill Heeter, President

Lynn Shepherd, Vice President

Ecton Espenlaub, Treasurer

Gregg Cawfield, Assistant Secretary

Vacant, Director