

**CHEROKEE METROPOLITAN DISTRICT
REGULAR MEETING OF THE BOARD OF DIRECTORS**

MINUTES

The Board of Directors Regular Meeting was held on Tuesday, February 18, 2025, at 5:30 p.m. at 6250 Palmer Park Boulevard, Colorado Springs, Colorado.

#1. Call to Order

Director Wall called the meeting to order at 5:30 p.m. Directors Wall, Kinney, Bandy, Wilson, and Sintas were present, and there were no Directors' qualifications or disclosures.

#2. Review and Approval of Agenda

The agenda was reviewed for changes. Director Wall requested Wayne Williams' presentation on the upcoming regular Director election to be moved under Item #2. There was a request to add Employee Anniversary Appreciation as an item under #8. New Business, and there was a request to add an agenda item, Directors' Comments, before #10. Executive Session.

Motion: Director Kinney motioned, seconded by Director Sintas, to accept the February 18, 2025 agenda as amended. Motion unanimously passed.

Wayne Williams, DEO for the District's regular Director election on May 6, 2025, provided an update on the deadline for submitting self-nomination forms, forthcoming processes and procedures, and the selection of El Paso County ballot boxes to use for the election.

The Board directed use of two ballot boxes strategically located within the District's boundaries – one near the Claremont Ranch elementary school and one located at the Department of Transportation on Akers Dr., in addition to a new District ballot box to be located near the drive through outside of the District's main office.

Mr. Williams explained the reason for two-year and four-year terms up for election, stating that it is common for resignations and appointments to affect the length of terms open at elections in order to maintain staggered four-year terms of office.

#3. Minutes

The November 19, 2024 Regular Board Meeting Minutes were reviewed.

Motion: Director Kinney motioned, seconded by Director Wilson, to approve the November 19, 2024 Regular Minutes as presented. Motion unanimously passed.

The January 21, 2025, Regular Meeting Minutes were brought before the Board for review.

Motion: Director Kinney motioned, seconded by Director Sintas, to approve the January 21, 2025, Regular Meeting as presented. Motion unanimously passed.

#4. Public Comments

Thomas Brewster, residing at 1905 Fulton Ct, provided the Board with documents related to a watermain break which occurred near his home on January 16. Damage to his residence was estimated to be \$19,196.09 by the District's insurance adjuster. Mr. Brewster was offered a no fault compensation payment in the amount of \$10,000 through the District's insurance carrier. Mr. Brewster stated he had concerns about the District's liability, integrity of the main, and response time and requested consideration to be reimbursed for the full amount of his claim.

Jacob Ruelas, residing at 1925 Fulton Ct. also present at the meeting, and Brandon and Cynthia Whitworth, residing at 1915 Fulton Ct. attending the meeting virtually, addressed similar concerns.

Director Wall stated the Fulton Court water intrusion matter was a meeting agenda item and that the Board would be fully briefed and discuss options and provide direction to staff in Executive Session and the affected customers would be contacted by staff.

#5. Consent Agenda

None.

#6. Financial Report

On February 12th Ashley Voss, CLA, reported to Mr. Brown and Ms. Wells that the 2023 Audit was under final review and she expects a successful Audit Report.

Ms. Wells advised the Conservation Trust Fund's fourth quarterly distribution will be disbursed to the District once the 2023 Audit is filed with the State Auditor's Office. The Finance Department has transitioned from a bimonthly payables cycle to a weekly payables cycle which will facilitate a quicker turnaround in check distribution to vendors. Credit cards have been limited to a small group of employees which will strengthen accountability and accelerate the processing of invoices and payments. The District has received notice from Mountain View Electric Association that there will be an increase in streetlight charges.

#7. Old Business/Follow Up

The Citizens' Park Committee and park staff are carefully reviewing multiple bids and supporting documentation regarding the replacement of the Pinyon Jay Park concrete retaining wall, replacement of wooden bleachers at Eastridge Park, fence replacement on Tee Post Ln, and the installation of a concrete post split rail fence at 1981 Dewhurst Dr.

Mr. Brown reported Peak Fencing will be the contractor to reconstruct the Pinyon Jay Park retaining wall.

Motion: Director Bandy motioned, seconded by Director Kinney (for discussion purposes only), to accept the Parks Committee and park staff's recommendation of Peak Fencing as the contractor to replace the Pinyon Jay Park concrete retaining wall. Discussion ensued. Motion unanimously passed.

Discussion continued regarding the repair and replacement of Tee Post Ln damaged fence. A contractor has not yet been identified. The insurance deductible was minimal and would not be practical to use the District's liability insurance to file a claim. No Board action.

The Parks Committee and parks staff selected a set of two aluminum bleachers to be purchased from Belson Outdoors. The bleachers are 15' in length, can seat up to 30 spectators and will replace the wooden bleachers at Eastridge Park.

Motion: Director Bandy motioned, seconded by Director Kinney to proceed with the purchase of the aluminum bleachers at Eastridge Park. There was no further discussion. Motion unanimously passed.

Discussion continued regarding the installation of the gated fence at 1981 Dewhirst Dr. The fence's purpose is to deter dirt bikes from speeding between homes. There were questions regarding the width of fence post spacing and if the dimensions would be compatible for strollers and ADA-compliant wheelchairs. Director Sintas offered to work with the Parks Committee to draft a final design to present to the Board.

Motion: Director Bandy motioned, seconded by Director Wilson, authorizing Director Sintas to collaborate with the Parks Committee in finalizing the design of the Dewhirst Drive fence.

#8. New Business

Legal Counsel Joan Fritsche provided an update regarding the District's inclusion election and summarized Resolution 2025-03 for the purpose of calling a special election in order to submit the question of inclusion to the eligible electors in the proposed inclusion area, and appointing Mandi Kirk of Fritsche Law, LLC as the Designated Election Office to conduct the special election.

Motion: Director Kinney motioned, seconded by Director Bandy, to approve Resolution 2025-03, A Resolution Calling a Special Election for the Purpose of Submitting the Question of Inclusion to the Eligible Electors of the Area to be Included, Appointing a Designated Election Official and Approving other Matters in Connection therewith. Motion unanimously passed.

Clark Hill has submitted a proposal outlining a scope of engagement requesting to represent the District in water quality matters, including representation in hearings, rulemakings, and discharge permitting matters. Legal representation by Clark Hill will not replace, but is in addition to, legal services currently provided by the law firm of Vranesh and Raisch, LLP and the same attorneys from Vranesh and Raisch will be representing the District at Clark Hill on water quality matters.

Motion: Director Kinney motioned, seconded by Director Wall, to approve the Clark Hill Engagement Letter. Motion unanimously passed.

Mr. Brown provided the Board with an overview of the Agreement for Services by Team Industrial Services, Inc. to provide specialized services for the eastern water main repair, at an estimate cost of \$94,806.08.

Motion: Director Sintas motioned, seconded by Director Bandy, to approve the Team Industrial Services, Inc., Agreement for Services, in the amount of \$94,806.08. Motion unanimously passed.

A discussion took place concerning acknowledging employee anniversary dates, noting in particular the five year intervals. It was the Board's consensus that certificates and any celebrations would be at the discretion of the General Manager.

#9. Staff Reports

The area of land near Plowers Ct has been a long-standing concern with issues of sediment accumulation and erosion. Although there will be a short-term resolution to correct this, Mr. Brown stated that funds will be appropriated to affect a long-term solution.

Mr. Brown provided a detailed report summarizing the District's five-year financial forecast.

An update on the 2025 operator certification grades was tabled for the next Board meeting.

Director Kinney asked for the percentage of cash normally reserved on bond payments, and Ms. Wells advised that amount was approximately 30%. A question was raised regarding the value of the Golf Course. Director Kinney suggested that, prior to proceeding with any decisions to design and build a water softening plant, that the Board consider an election on that matter to allow voter input.

#10. Executive Session

Director Kinney motioned, seconded by Director Wilson to go into Executive Session at 7:28 p.m. pursuant to Section 24-6-402(4)(b), C.R.S., for a conference with the District's attorney regarding legal advice on specific legal questions; Section 24-6-402(4)(e), C.R.S., determining positions relative to matters that may be subject to negotiations, developing strategy for negotiations, and instructing negotiators; and Section 24-6-402(4)(a), C.R.S., regarding the purchase, acquisition, lease, transfer, or sale of any real, personal, or other property interest concerning the following matters:

1. WHMD Arbitration Update
2. CMD 2024 Well Production

3. January 16, 2025, Fulton Ct Water Intrusion Discussion

There was a short break and the Board went into Executive Session at 7:37 p.m. The Directors, Legal Counsel Joan Fritsche and Interim General Manager Kevin Brown attended the Executive Session. Legal Counsel Pete Johnson joined the Executive Session to address water law matters.

Motion: Director Wall motioned, seconded by Director Sintas to close Executive Session and resume the regular meeting. Motion unanimously passed. The Board came out of Executive Session at 8:52 p.m.

#11. Adjournment

Motion: Director Wall motioned, seconded by Director Wilson, to adjourn the meeting. Motion unanimously passed.

The regular meeting adjourned at 9:00 p.m.



Jeff Bandy, Secretary

Attorney Fritsche certified for the record that the Executive Session was not recorded, as the matters discussed in Executive Session constituted privileged attorney-client communications.



Joan M. Fritsche, Esq.