CHEROKEE METROPOLITAN DISTRICT

REGULAR MEETING OF THE BOARD OF DIRECTORS

MINUTES – AUGUST 18, 2026

The Regular Meeting of the Board of Directors of the Cherokee Metropolitan District was held on Tuesday, August 18, 2026 at 5:30 p.m. at 6250 Palmer Park Blvd., Colorado Springs, Colorado.

Board of Directors Present: Dan Wall, Kim Hale, Jeff Bandy, Jeremy Atkinson

Absence Excused: Dolly Letriz

CMD Staff Present: Kevin Brown, General Manager; Juile Wells, Accountant; Joshua Watkins, Wastewater Supervisor/ORC

Others Present: Joan Fritsche, Fritsche Law LLC; members of the public.

ITEM 1: Call to Order

The meeting was called to order by Director Wall at 5:30 p.m. A quorum of the Directors was present and there were no changes to Directors' qualifications or disclosures. Those in attendance were asked to stand and cite the Pledge of Allegiance.

MOTION: DIRECTOR WALL MOVED, SECONDED BY DIRECTOR HALE, TO EXCUSE THE ABSENCE OF DIRECTOR LETRIZ. ALL IN FAVOR. MOTION PASSED UNANIMOUSLY.

ITEM 2: Review and Approval of the Agenda

A. Addendums/Amendments to Agenda

The Board reviewed the agenda.

MOTION: DIRECTOR ATKINSON MOVED, SECONDED BY DIRECTOR BANDY, TO APPROVE THE AGENDA AS PRESENTED. ALL IN FAVOR. MOTION PASSED UNANIMOUSLY.

ITEM 3: Public Comment

A member of the public asked about any restrictions for using outdoor grills at District park locations under current El Paso County fire restrictions.

ITEM 4: Consent Agenda

Items on the Consent Agenda:

A. July 21, 2026 Regular Meeting Minutes
B. Initial Acceptance Villas at Claremont Ranch Infrastructure

MOTION: **FOLLOWING DISCUSSION, THE BOARD APPROVED ITEMS A-B ON THE CONSENT AGENDA, SUBJECT TO VERIFICATION OF FINAL EASEMENTS FOR THE VILLAS AT CLAREMONT RANCH. ALL IN FAVOR.**

ITEM 5: Public Meeting

A. Water Conservation Plan and Drought Response Policy

Mr. Brown reviewed the Amended and Restated Water Conservation Plan and Drought Response Policy, noting that the Policy was last updated in 2007. The new Policy aligns drought-related watering restrictions with Colorado Springs Utilities Water Wise Rules and provides clarification on the District's previous rules. The Policy also includes penalties for private system operators, such as HOAs, that do not fix leaks in a timely manner, which has been an occasional problem in the past. Discussion followed.

MOTION: **DIRECTOR BANDY MOVED, SECONDED BY DIRECTOR HALE, TO APPROVE RESOLUTION NO. 2026-06 ADOPTING THE AMENDED AND RESTATED WATER CONSERVATION PLAN AND DROUGHT RESPONSE POLICY. MOTION PASSED UNANIMOUSLY.**

Mr. Brown reviewed the proposed schedule of fines related to drought and outdoor watering restrictions and stated the statutory notice of the meeting agenda item had been posted on the District's website for more the 30 days.

MOTION: **DIRECTOR WALL MOVED, SECONDED BY DIRECTOR ATKINSON, TO APPROVE RESOLUTION NO. 2026-07 ADOPTING THE SCHEDULE OF FINES RELATED TO DROUGHT AND OUTDOOR WATERING RESTRICTIONS.**

ITEM 6: Financial Report

A. July 2026 Financial Report

Ms. Wells reviewed the July 2026 Financial Report and noted the new schedule of cash position by fund. The Board had no additional questions.

MOTION: **DIRECTOR ATKINSON MOVED, SECONDED BY DIRECTOR HALE, TO ACCEPT THE JULY 2026 FINANCIAL REPORT AS PRESENTED. MOTION PASSED UNANIMOUSLY.**

B. 2027 Budget Process

Ms. Fritsche reviewed the statutory deadlines related to the District's 2027 budget process. A draft budget must be provided to the Board by October 15th. Mr. Brown advised the Board that an initial draft of the 2027 budget should be ready by the end of September.

ITEM 7: Unfinished Business

A. CHFD headquarters Property Purchase and Sale Agreement

Mr. Brown reviewed the terms of the proposed Purchase and Sale Agreement for the three parcels owned by Cimarron Hills Fire Protection District. The parties negotiated the terms of the purchase over several months and finalized the conditions under which the District may terminate the Agreement and retain its earnest money deposit. Discussion followed.

MOTION: DIRECTOR BANDY MOVED, SECONDED BY DIRECTOR ATKINSON, TO APPROVE THE PURCHASE AND SALE AGREEMENT WITH CIMARRON HILLS FIRE PROTECTION DISTRICT. ALL IN FAVOR. MOTION PASSED UNANIMOUSLY.

ITEM 8: New Business

A. Live Edge Consulting Professional Services Agreement (Commercial Inspection)

Mr. Brown reviewed the Professional Services Agreement with Live Edge Consulting for commercial building inspection services for the Cimarron Hills Headquarters Building. The fee for a full, nondestructive inspection is $1,750 and will be performed by Tyler Patterson of TLP Construction.

MOTION: DIRECTOR WALL MOVED, SECONDED BY DIRECTOR ATKINSON, TO APPROVE THE PROFESSIONAL SERVICES AGREEMENT BETWEEN THE DISTRICT AND LIVE EDGE CONSULTING, LLC. ALL IN FAVOR. MOTION PASSED UNANIMOUSLY.

B. Colorado Community Research Professional Services Agreement

Mr. Brown reviewed the Professional Services Agreement with Colorado Community Research, LLC related to the community survey on District parks projects. Discussion followed.

MOTION: DIRECTOR WALL MOVED, SECONDED BY DIRECTOR BANDY, TO TABLE THIS MATTER UNTIL THE SEPTEMBER BOARD MEETING. ALL IN FAVOR. MOTION PASSED UNANIMOUSLY.

C. Carollo Engineers MSA (Rate Study)

Mr. Brown reviewed the Master Agreement for Services with Carollo Engineers for preparation of the District's water and wastewater cost of service and rate study. Discussion followed.

MOTION: **DIRECTOR WALL MOVED, SECONDED BY DIRECTOR HALE, TO APPROVE THE MASTER AGREEMENT FOR SERVICES BETWEEN THE DISTRICT AND CAROLLO ENGINEERS, INC. MOTION PASSED 3 TO 1.**

D. Bioreactor Covers Change Order 2 – Building Dept Variance

Mr. Brown reviewed Change Order No. 2 from Moltz Construction. The Change Order reduces the amount of the contract by $247,939 because the ventilation system designed to comply with Building Department requirements is no longer necessary. The contractor explored options to reinforce equipment under the cover and the Building Department approved this variance in place of standard ventilation for an unoccupied structure.

MOTION: **DIRECTOR WALL MOVED, SECONDED BY DIRECTOR HALE, TO APPROVE CHANGE ORDER NO. 2 WITH MOLTZ CONSTRUCTION IN THE AMOUNT OF $-247,939.00. ALL IN FAVOR. MOTION PASSED UNANIMOUSLY.**

E. Tank 5 Change Order 1 – Winter Work

Mr. Brown reviewed Change Order No. 1 from DN Tanks Incorporated, as a result of delays in City approvals and site access. The contractor only added a 2% labor escalation for work proposed to be done in 2027, but additional mobilization and winter concrete pouring added significant cost to the project. Mr. Brown noted this represents a 3% cost increase for the project

MOTION: **DIRECTOR HALE MOVED, SECONDED BY DIRECTOR BANDY, TO APPROVE CHANGE ORDER NO. 1 WITH DN TANKS INCORPORATED IN THE AMOUNT OF $192,517.00. ALL IN FAVOR. MOTION PASSED UNANIMOUSLY.**

F. Tank 5 Change Order 2 – Access Road Improvement

Mr. Brown reviewed Change Order No. 1 from Glacier Construction Company. The current access road encroaches on an adjacent gas line easement. The construction contractor provided an estimate to relocate the Tamlin Road access point and realign the dirt road to fit within the access easement. This will allow the District to access the site without approval from the gas company.

MOTION: **DIRECTOR BANDY MOVED, SECONDED BY DIRECTOR HALE, TO APPROVE CHANGE ORDER NO. 1 WITH GLACIER CONSTRUCTION COMPANY IN THE AMOUNT OF $16,634.00. ALL IN FAVOR. MOTION PASSED UNANIMOUSLY.**

*A short break was taken from 7:00 p.m. to 7:10 p.m.

G. Tamlin Storage Access Easement Agreement

Mr. Brown reviewed the proposed Access Easement Deed and Agreement between the District, Tamlin Storage, LLC and Woodmen Hills Metropolitan District negotiated by Mr. Brown and Ms. Fritsche.

MOTION: **DIRECTOR WALL MOVED, SECONDED BY DIRECTOR HALE, TO APPROVE THE ACCESS EASEMENT DEED AND AGREEMENT BETWEEN THE DISTRICT, TAMLIN STORAGE, LLC AND WOODMEN HILLS METROPOLITAN DISTRICT ALL IN FAVOR. MOTION PASSED UNANIMOUSLY.**

Mr. Brown reviewed the Agreement to compensate Tamlin Storage LLC for the Access Easement. Mr. Brown negotiated a price of $10,000 as compensation for the easement, including legal, bank and consultant review fees incurred by Tamlin Storage.

MOTION: **DIRECTOR ATKINSON MOVED, SECONDED BY DIRECTOR BANDY, TO APPROVE THE AGREEMENT TO COMPENSATE GRANTOR BETWEEN THE DISTRICT AND TAMLIN STORAGE, LLC FOR THE SUM OF $10,000. ALL IN FAVOR. MOTION PASSED UNANIMOUSLY.**

H. Buffalo Builders Board Room Renovation Contract

Mr. Brown noted Buffalo Builders is scheduled to complete the Board Room renovations between the September and October meetings. Buffalo Builders' bid was about a third of the bid provided by the other responsive bidder and the renovation will consist of adding more floor power outlets, replacing the flooring with carpet, and restoring the baseboards.

MOTION: **DIRECTOR BANDY MOVED, SECONDED BY DIRECTOR WALL, TO APPROVE THE CONSTRUCTION SERVICES AGREEMENT WITH BUFFALO BUILDERS FOR A NOT TO EXCEED PRICE OF $11,954.25. ALL IN FAVOR. MOTION PASSED UNANIMOUSLY.**

I. Resolution No. 2026-08 Regarding Electronic Records Retention Policy

Mr. Brown and Ms. Fritsche reviewed Resolution No. 2026-08 Regarding Electronic Records Retention. The District does not currently have a records retention policy, and the proposed policy will allow the District to store most of its records electronically in line with State and Federal law. Mr. Brown indicated he does not believe District files and records have been reviewed, organized or purged in many years, if ever.

MOTION: **DIRECTOR BANDY MOVED, SECONDED BY DIRECTOR HALE, TO APPROVE RESOLUTION NO. 2026-08 REGARDING THE DISTRICT'S ELECTRONIC RECORDS RETENTION POLICY. ALL IN FAVOR. MOTION PASSED UNANIMOUSLY.**

J. Records Management Manual Approval

Ms. Fritsche reviewed Resolution No. 2026-09. The Resolution adopts the Colorado Special District Records Retention Schedule provided by the Colorado State Archives. The retention policy specifies how long various document types must be kept and whether they can be kept on paper or electronically. This will allow staff to sort, digitize and purge District records onsite and offsite.

MOTION: **DIRECTOR WALL MOVED, SECONDED BY DIRECTOR ATKINSON, TO APPROVE RESOLUTION NO. 2026-09 ADOPTING THE STATE OF COLORADO RETENTION MANUAL FOR SPECIAL DISTRICTS AND APPROVING SUBMITTAL OF THE REQUEST FORM TO THE COLORADO STATE ARCHIVES. ALL IN FAVOR. MOTION PASSED UNANIMOUSLY.**

K. 2026 Legislative Update

Ms. Fritsche provided a brief overview of 2026 legislation affecting special districts.

ITEM 9: Staff Reports

Mr. Brown presented his Manager's Report. He updated the Board on public cybersecurity matters, noting District staff is aware of hacks on water systems nationwide but the District has not detected any intrusions on its system. Staff has been in contact with several federal agencies and Schriever Space Force Base and believe the District's system is not vulnerable to the hacks documented in the media over the last month. Staff has access to federal and state agency resources to target cybersecurity upgrades.

Mr. Brown provided an update on Parks projects. The Springside entrance irrigation piping is broken underground just past the meter. The water team has scheduled an excavation for the last week of August that will repair that section and allow the sprinklers to be turned back on, barring any other breaks in the system.

Mr. Brown updated the Board on July water use. July water use was higher than average and June use, but did not break the 10-year record for the month. He anticipates the District will have sufficient water through the end of the year without imposing further outdoor watering restrictions. The water team has done an excellent job of balancing very high production across the wellfield. The exportable UBS wells, which supply most of the District's needs still have 55% of their annual allocation remaining with 2 high- flow months remaining in the year.

Mr. Brown noted potential changes to the District's "Sweep" account with Wells Fargo. The changes will allow the District to earn a higher interest rate and will improve the collateralization of the account.

Mr. Brown updated the Board on capital projects. There has been steady progress on all projects except for the Tank 5 project. The City delayed approval of the Tank 5 construction until September. Staff expects to receive a 30% cost estimate for the PFAS treatment facility from PCL Construction by the end of August.

There were no additional questions from the Board.

ITEM 10. Executive Session

MOTION: **DIRECTOR WALL MOVED, SECONDED BY DIRECTOR BANDY, TO GO INTO EXECUTIVE SESSION 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. NO FORMAL ACTION OR VOTING WILL TAKE PLACE IN THE EXECUTIVE SESSION.**

A. Service Area Expansion Criteria Evaluation Update
B. Ellicott Pipeline Easement Acquisition Update

The Executive Session convened at 7:40 p.m. The Directors, Mr. Brown and Ms. Fritsche attended the Executive Session.

MOTION: **DIRECTOR WALL MOVED, SECONDED BY DIRECTOR HALE, TO COME OUT OF EXECUTIVE SESSION AT 7:56 P.M. MOTION UNANIMOUSLY PASSED.**

ITEM 11. Adjournment

There being no further business to come before the Board, the meeting adjourned at 7:56 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.