

CHEROKEE METROPOLITAN DISTRICT

REGULAR MEETING OF THE BOARD OF DIRECTORS

MINUTES – MAY 20, 2025

The Regular Meeting of the Board of Directors of the Cherokee Metropolitan District was held on Tuesday, May 20, 2025 at 5:30 p.m. at 6250 Palmer Park Blvd., Colorado Springs, Colorado.

Board of Directors Present: Jeff Bandy, Bonnie Hunter, Arthur B. Sintas, Dan Wall and Kim Wilson

CMD Staff Present: Kevin Brown, General Manager, Brandon Zembles, Brian Beaudette, Julie Wells, and Joshua Watkins.

Others Present: Joan Fritsche, Fritsche Law LLC
Michelle Marie Kinney

ITEM 1: Call to Order

The meeting was called to order by Director Wall at 5:32 p.m. Those in attendance were asked to stand and cite the Pledge of Allegiance. A quorum of the Directors was present and there were no changes to Directors' qualifications or disclosures.

ITEM 2: Review and Approval of the Agenda

The agenda was reviewed for any changes.

MOTION: DIRECTOR SINTAS MOVED, SECONDED BY DIRECTOR BANDY, TO APPROVE THE AGENDA AS AMENDED TO AMEND ITEM 6(A) TO "APRIL FINANCIAL REPORT" AND TO ADD RESOLUTION RECOGNIZING MICHELLE MARIE KINNEY AS ITEM NO. 3(B). MOTION UNANIMOUSLY PASSED.

ITEM 3: Director Matters

A. Election of Board Officers

Director Wall proposed the following slate of officers:

Dan Wall – President
Arthur B. Sintas – Vice President
Jeff Bandy – Secretary
Kim Wilson – Treasurer
Bonnie Hunter – Director

Discussion followed. Director Sintas mentioned he will be moving out of state in the next few months. He will remain qualified to be a Board member as a property owner within the District.

MOTION: DIRECTOR WALL MOVED, SECONDED BY DIRECTOR SINTAS, TO APPROVE THE SLATE OF OFFICERS AS PRESENTED. MOTION UNANIMOUSLY PASSED.

B. Resolution Recognizing Michelle Marie Kinney

Director Wall presented Resolution No. 2025-04 Recognizing Michelle Marie Kinney for her outstanding service as a Director and President of the Board of Directors of the Cherokee Metropolitan District, extending the District's sincere appreciation and recognition for Ms. Kinney's service. Director Sintas and Director Wall personally thanked Ms. Kinney. Ms. Kinney addressed the Board.

MOTION: DIRECTOR WALL MOVED, SECONDED BY DIRECTOR HUNTER, TO APPROVE RESOLUTION NO. 2025-04. MOTION UNANIMOUSLY PASSED.

ITEM 4: Public Comment

None.

ITEM 5: Consent Agenda

Items on the Consent Agenda:

- A. April 15, 2025 Regular Board Meeting Minutes
- B. May 1, 2025 Special Board Meeting Minutes

MOTION: DIRECTOR SINTAS MOVED, SECONDED BY DIRECTOR WALL, TO ACCEPT ITEMS A AND B, WITH AMENDMENTS TO THE APRIL 15, 2025 MINUTES AS NOTED BY DIRECTOR SINTAS. ALL IN FAVOR. MOTION PASSED UNANIMOUSLY

ITEM 6: Financial Report

- A. April Financial Report

Ms. Wells asked the Board if they had any questions regarding the April Financial Report. Ms. Wells noted the District's budget is on track for the year and the District is over budget on interest income received.

MOTION: DIRECTOR WALL MOVED, SECONDED BY DIRECTOR BANDY, TO APPROVE THE APRIL FINANCIAL REPORT. MOTION PASSED UNANIMOUSLY.

ITEM 6: Old Business/Follow Up

A. Director Election Update – General Manager

Mr. Brown updated the Board on the May 6th Director Election. The Canvass Board met on May 16, 2025 and certified the results. The Board discussed the use of ballot drop boxes and ballot drop-off rate.

B. Inclusion Election Update – General Counsel

Attorney Fritsche provided an update on the Inclusion Election, noting that 17 ballots were returned out of 189 mailed to the eligible electors within the proposed inclusion area, and all votes were in favor of the inclusion. The Canvass Board met on May 16, 2025 and certified the results. The next step is to file a Motion for Order of Inclusion with the Court.

C. Fredericksburg Slide Construction Contract

Mr. Brown presented the proposed Contract with Miracle Playsystems for replacement of the slide at Fredricksburg Park. The estimate for the replacement is \$7,903.30. Board discussion followed.

MOTION: DIRECTOR SINTAS MOVED, SECONDED BY DIRECTOR HUNTER, TO APPROVE THE CONSTRUCTION CONTRACT WITH CHURCHICH RECREATION, A MIRACLE PLAYSYSTEMS COMPANY. MOTION PASSED UNANIMOUSLY.

ITEM 8: New Business

A. Galley Road Water Main Replacement Construction Contract

Mr. Brown updated the Board on the status of the Galley Road Water Main Replacement project, noting that the main west of Hathaway Road is currently offline. The District sought bids for the project. The County changed the scope of the project and new bids were requested. Miller Pipeline LLC was the only company to submit a proposal for the updated scope of work, with a bid of \$1,084,888.00.

MOTION: DIRECTOR SINTAS MOVED, SECONDED BY DIRECTOR BANDY, TO APPROVE THE CONSTRUCTION CONTACT WITH MILLER PIPELINE, LLC FOR REPLACEMENT OF THE GALLEY ROAD WATER MAIN. MOTION PASSED UNANIMOUSLY.

B. Well 22 Pipeline Construction Contract

Mr. Brown updated the Board on the status of the Well 22 Pipeline Construction project. The current contract is for the first stage of the project, connecting the pipe from the Ellicott Highway connection to the well. The District received seven bids for the project. Staff recommends

accepting Korinek Konstruktion's bid in the amount of \$188,801.00, and awarding the contract.

MOTION: DIRECTOR SINTAS MOVED, SECONDED BY DIRECTOR HUNTER, TO AWARD THE WELL 22 PIPELINE CONSTRUCTION CONTRACT TO KORINEK KONSTRUCTION. MOTION PASSED UNANIMOUSLY.

C. InvoiceCloud Payment Processor Contract

Mr. Brown presented the Payment Processor Contract with InvoiceCloud. InvoiceCloud will provide seamless integration with the District's billing software and payments will post immediately. The cost is competitive with the District's current provider. The new payment system will begin in November.

MOTION: DIRECTOR SINTAS MOVED, SECONDED BY DIRECTOR HUNTER, TO APPROVE THE PAYMENT PROCESSOR CONTRACT WITH INVOICECLOUD. MOTION PASSED UNANIMOUSLY.

D. Conexon Fiber Internet Contract

Mr. Brown and the Board discussed the proposed contract with Conexon Connect for fiber optic communication services. Mr. Brown noted Ms. Fritsche is working with Conexon on final terms, but the changes are expected to be minor.

MOTION: DIRECTOR HUNTER MOVED, SECONDED BY DIRECTOR BANDY, TO APPROVE THE BROADBAND SERVICE ORDER AND AGREEMENT WITH CONEXON CONNECT LLC, SUBJECT TO FINAL REVIEW AND APPROVAL BY LEGAL COUNSEL. MOTION PASSED UNANIMOUSLY.

E. Commercial Meter Backflow Regulation Update

Mr. Brown updated the Board on the federal regulations governing commercial meter backflow regulation for commercial and large capacity meters, and proposed updates to the District's Backflow Prevention and Cross Connection Control Regulation to close loopholes for private hydrant meter regulations. Board discussion followed.

MOTION: DIRECTOR SINTAS MOVED, SECONDED BY DIRECTOR WALL, TO TABLE APPROVAL OF THE REVISED BACKFLOW PREVENTION AND CROSS CONNECTION CONTROL REGULATION UNTIL THE NEXT MEETING. MOTION PASSED UNANIMOUSLY.

F. Employee Handbook Revision – Conference, Training and Travel

Mr. Brown presented proposed revisions to the District's Employee Handbook related to the employee training and travel policy and reimbursement for costs, and updating the title of General Manager to District Manager throughout the Handbook as previously discussed. Board discussion followed.

MOTIONS: DIRECTOR BANDY MOVED, SECONDED BY DIRECTOR HUNTER, TO APPROVE THE REVISIONS TO SECTION 2.08 OF THE EMPLOYEE HANDBOOK – TRAVEL POLICY AND REIMBURSEMENT FOR COSTS. MOTION PASSED UNANIMOUSLY.

DIRECTOR WALL MOVED, SECONDED BY DIRECTOR BANDY, TO RETAIN THE TITLE OF GENERAL MANAGER. MOTION PASSED UNANIMOUSLY.

G. Peterson Road Sewer Backup Update

Mr. Brown provided an update on the Peterson Road sewer backup. The District’s collections team recovered a foreign object, a 15’ section of sewer lateral line liner, that was identified as the cause of the backup. The District is investigating where the liner came from, and whether the installer or manufacturer of the liner may have liability for the backup and damages. Mr. Brown will keep the Board updated as additional information is received.

ITEM 9: Staff Report

Mr. Brown presented his Manager’s Report. He recognized the District’s Golf Course team. The *Colorado Springs Gazette* awarded the golf course “Bronze” in the Best of Colorado Springs golf courses category, which is a major achievement for the District as a public cause. Staff is doing an incredible job maintaining the golf course and providing outstanding customer service.

Mr. Brown provided an update on new EPA PFAS regulations. The District will continue an aggressive timeline to remove PFAS, including PFOAS, from the water. The compliance deadline was extended from 2029 until 2031; however, Mr. Brown believes the District’s project schedule is sufficient to achieve compliance by 2029.

Mr. Brown discussed fleet purchases and midyear appropriations, and price increases on new vehicles. Mr. Brown also discussed 2025 legislation that may impact the District, including changes to lottery funding and tap fee assessments.

Mr. Brown updated the Board on the status of the Rate Study and Water Supply Report. He anticipates bringing in a consultant to begin the work this summer.

Status of parks projects was also discussed.

There were no additional questions from the Board.

ITEM 10. Executive Session

MOTION: DIRECTOR SINTAS MOVED, SECONDED BY DIRECTOR HUNTER, TO GO INTO EXECUTIVE SESSION PURSUANT TO SECTION 24-6-402(4)(B), C.R.S., FOR A CONFERENCE WITH THE DISTRICT’S ATTORNEYS REGARDING LEGAL ADVICE ON

SPECIFIC LEGAL QUESTIONS; AND SECTION 24-6-402(4)(E), C.R.S., TO DETERMINE POSITIONS RELATIVE TO MATTERS THAT MAY BE SUBJECT TO NEGOTIATIONS, DEVELOPING STRATEGY FOR NEGOTIATIONS, AND INSTRUCTING NEGOTIATORS, ON THE FOLLOWING TOPICS:

1. Peterson Road Sewer Backup
2. CMD Sewer Backup Policy
3. 2024 Water Production Overage

There was a short break from 7:04-7:15 p.m. before the Executive Session convened. The Directors, Mr. Brown and Ms. Fritsche attended the Executive Session.

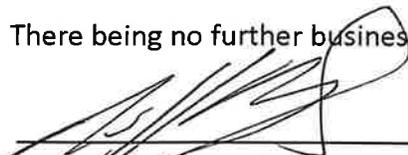
MOTION: DIRECTOR SINTAS MOVED, SECONDED BY DIRECTOR HUNTER, TO COME OUT OF EXECUTIVE SESSION AT 8:44. MOTION UNANIMOUSLY PASSED.

ITEM 11. Board Action on Executive Session Matters

MOTION: DIRECTOR SINTAS MOVED, SECONDED BY DIRECTOR HUNER, TO APPROVE A COMPREHENSIVE SEWER BACK UP POLICY OF THE CHEROKEE METROPOLITAN DISTRICT TO INCLUDE INSTANCES WHEN SEWAGE BACKS UP FROM THE MAINS INTO A CUSTOMER'S PROPERTY. IN THIS EVENT, THE DISTRICT WILL USE ITS CHOSEN STABILIZATION CONTRACTOR TO STABILIZE THE AFFECTED HOMES; ANY COSTS BEYOND THAT WILL BE SUBJECT TO THE DISTRICT'S AND THE PROPERTY OWNER'S INSURANCE POLICIES; THE DISTRICT WILL WAIVE THE WATER AND SEWER BILL FOR THE MONTH OF THE EVENT; ANY ISSUES IN THE SERVICE LINE RUNNING FROM THE MAIN TO THE PROPERTY ARE THE RESPONSIBILITY OF THE PROPERTY OWNER. A WRITTEN VERSION OF THE POLICY WILL BE PROVIDED AT THE NEXT MEETING. MOTION PASSED UNANIMOUSLY.

ITEM 12. Adjournment

There being no further business to come before the Board, the meeting adjourned at 8:46 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.