



CHEROKEE METROPOLITAN DISTRICT

6250 Palmer Park Blvd., Colorado Springs, CO 80915-2842

Telephone: (719) 597-5080 Fax: (719) 597-5145

Our mission is to exceed our customer's needs by providing safe and uninterrupted water and sewer services, high quality water supply, well-maintained parks and open spaces, and well-lit streets. We are committed in continually striving to attain the highest quality services at the lowest reasonable costs and to prepare for the anticipated needs and requirements of current and future customers through the allocation of technical, financial, operational, planning, and managerial resources necessary to ensure our service goals and expectations are met in a safe, responsible, and professional manner.

SPECIAL MEETING OF THE BOARD OF DIRECTORS

AGENDA

Board of Directors

Term Expires

Steve Hasbrouck, President	May 2022
Walter Herrley, Vice President	May 2023
Dennis Daniels, Secretary	May 2023
Larry Keleher, Treasurer	May 2022
Rene Sintas, Director	May 2022

DATE: February 9, 2022

TIME: 1:00 pm

LOCATION: Cherokee Metropolitan District – Board Room
6250 Palmer Park Blvd., Colorado Springs, Colorado 80915

1. Call to Order

- A. Roll Call of the Board of Directors/Declaration of a Quorum
- B. Director Qualifications and Disclosures
- C. Pledge of Allegiance

2. Review and Approval of the Agenda

- A. Addendums
- B. Amendments
- C. Approval Motion

3. **Directors' Items/Comments**

4. **Public Comments on items NOT on the agenda**

The Board and District staff value the public's input. Please respect the following when making formal comments to the Board of Directors:

- You must sign in when you arrive prior to making public comment or at the time of making your comments.
 - Your name, address and whether you reside within Cherokee Metropolitan District will be required to be disclosed before addressing the Board.
- **Please keep comments restricted to the topics of the District and its business, and limit time to a maximum of three (3) minutes. A timer will be provided for your convenience.**
- Please keep comments respectful of others and organized for understanding. It is further requested that civility is maintained when addressing the Board, District staff, news media, law enforcement, and the public.
- **For the respect of all attendees, interrupting and/or interjecting comments without first adhering to the above rules AND being recognized by the President is not allowed.**

5. **Executive Session**

- A. In accordance with the Colorado Open Meetings Act, the Board, in Open Session, is to determine whether it will hold an Executive Session pursuant to §24-6-402(4)(b), C.R.S., Conferences with the District's attorney regarding legal advice on specific legal questions. The Chair shall poll the Board members, and upon affirmative vote of two-thirds of the members present, may hold a Closed Executive Session. If a two-thirds affirmative vote for the Executive Session is not received, the item may be discussed in Open Session or withdrawn from consideration. No formal action or voting will take place in Executive Session.
- a. Modification of Agreements Related to Cherokee Water LLC, and Transfer of Water Rights from Cherokee Water LLC to Cherokee Metropolitan District.

6. **Discussion and Action Item**

Cherokee Water LLC – Modification of Agreements and Transfer of Water Rights to Cherokee Metropolitan District.

- a. Termination of 2006 Water Service Agreement between Powers and Galley Water LLC and CMD
- i. **Documents:**
1. Termination of 2006 Water and Sewer Service Agreement
 2. CMD-Resolution 2022-05: Termination of Powers & Galley Agreement
- b. Transfer from Cherokee Water, LLC to CMD of Water Rights associated with the Cherokee Water LLC Member Interests of a) Morley Companies Family Development

LLLP and b) Sand Creek Investments North LLC pursuant to the Operating Agreement of Cherokee Water, LLC.

i. **Documents:**

1. CMD Resolution 2022-06: Transfer of Title Morley and SCIN per Para 7.1 of Operating Agreement
2. Special Warranty Deed – Cherokee Water LLC to CMD (98.68 AF Tipton)

c. Amendment of Cherokee Water LLC Operating Agreement

i. Document:

1. Resolution Approving Operating Agreement Amendments
2. Exhibit A to Resolution – Amended Operating Agreement

7. **Executive Session**

B. In accordance with the Colorado Open Meetings Act, the Board, in Open Session, is to determine whether it will hold an Executive Session pursuant to §24-6-402(4)(a), C.R.S. Purchase, acquisition, lease, transfer, or sale of any property interest. The Chair shall poll the Board members, and upon affirmative vote of two-thirds of the members present, may hold a Closed Executive Session. If a two-thirds affirmative vote for the Executive Session is not received, the item may be discussed in Open Session or withdrawn from consideration. No formal action or voting will take place in Executive Session.

a. Booker Water Rights

8. **Adjournment**

CHEROKEE METROPOLITAN DISTRICT
SPECIAL MEETING OF THE BOARD OF DIRECTORS

February 9, 2022

MINUTES

The Special Meeting of the Board of Directors of the Cherokee Metropolitan District was held on Wednesday, February 9, 2022 at 1 p.m. at 6250 Palmer Park Blvd., Colorado Springs, Colorado.

Board of Directors Present: Steve Hasbrouck, Dennis Daniels, Larry Keleher
CMD Staff Present: Amy Lathen, Kevin Brown, Joshua Watkins, Sara Howard, Jeff
Munger (Virtual)
Others Present: Grant Langdon, Jason Kvols, Paul Rufien (Virtual), Pete Johnson
(Virtual)

ITEM 1: Call to Order

The meeting was called to order by President Steve Hasbrouck at 1 p.m. Directors Herrley and Sintas were absent from the meeting.

MOTION: MR. DANIELS MOVED, SECONDED BY MR. KELEHER, TO EXCUSE DIRECTORS HERRLEY AND SINTAS FROM THE MEETING. ALL IN FAVOR. MOTION PASSED BY GENERAL CONSENT.

There were no Directors' qualifications and disclosures. All were asked to stand and recite the Pledge of Allegiance.

ITEM 2: Review and Approval of the Agenda

Mr. Hasbrouck asked if there were changes or amendments that needed to be made to the Agenda. There were no requested changes.

MOTION: MR. KELEHER MOVED, SECONDED BY MR. DANIELS TO APPROVE THE EVENING'S AGENDA. ALL IN FAVOR. MOTION PASSED BY GENERAL CONSENT.

ITEM 3: Directors Items/Comments

There were no Directors items or comments.

ITEM 4: Public Comments on Items NOT on the Agenda

President Hasbrouck asked if there were any public comments from the audience. A three-minute time limit would be enforced. There were no public comments.

ITEM 5: Executive Session

MOTION: MR. DANIELS MOVED, SECONDED BY MR. KELEHER, THAT THE BOARD GO INTO EXECUTIVE SESSION CITING §24-6-402(4)(b), C.R.S., CONFERENCES WITH THE DISTRICT'S ATTORNEY REGARDING LEGAL ADVICE ON SPECIFIC LEGAL QUESTIONS. ALL IN FAVOR. MOTION PASSED BY GENERAL CONSENT.

Executive Session was entered into at 1:06 p.m.

MOTION: MR. KELEHER MOVED, SECONDED BY MR. DANIELS, TO COME OUT OF EXECUTIVE SESSION. ALL IN FAVOR. MOTION PASSED BY GENERAL CONSENT.

Board Members came out of Executive Session. All were present in Executive Session, pursuant to §24-6-402(4)(b). No votes were taken and no decisions were made.

Regular Session resumed at 1:35 p.m.

ITEM 6: Discussion and Action Items

First on the Agenda was the discussion of the termination of the 2006 Water Service Agreement between Powers and Galley Water, LLC and the Cherokee Metropolitan District. Legal counsel Pete Johnson provided an overview of the 2006 Water and Service Agreement.

MOTION: MR. KELEHER MOVED, SECONDED BY MR. DANIELS, TO APPROVE RESOLUTION 2022-05, A RESOLUTION OF THE BOARD OF DIRECTORS OF THE CHEROKEE METROPOLITAN DISTRICT TO TERMINATE THE 2006 WATER AND SEWER SERVICE AGREEMENT BETWEEN CHEROKEE METROPOLITAN DISTRICT AND POWERS & GALLEY WATER, LLC. MR. DANIELS-YES. MR. KELEHER-YES. MR. HASBROUCK-YES. MOTION PASSED (3-0).

Up next for discussion was the Statement of Authority identifying Jason Kvols as the authorized person to execute contracts and instruments on behalf of Ellicott Utilities, LLC. Once executed, the Board reviewed Resolution 2022-06, a Resolution approving the transfer of title to water rights from Cherokee Water, LLC to Cherokee Metropolitan District.

MOTION: MR. KELEHER MOVED, SECONDED BY MR. DANIELS, TO APPROVE RESOLUTION 2022-06, A RESOLUTION OF THE BOARD OF DIRECTORS OF THE CHEROKEE METROPOLITAN DISTRICT TO APPROVE THE TRANSFER OF TITLE TO WATER RIGHTS FROM CHEROKEE WATER, LLC TO CHEROKEE METROPOLITAN DISTRICT. MR. DANIELS-YES. MR. KELEHER-YES. MR. HASBROUCK-YES. MOTION PASSED (5-0).

The First Amended Operating Agreement of Cherokee Water, LLC was discussed by legal counsel, particularly the language on the second paragraph in Paragraph D, Page 2, *“The issue with Cherokee Metro’s water balance sheet deficit has been addressed and new water is now available to the Members for obtaining water sufficiency findings from the Colorado State Engineer and El Paso County.”*

It was agreed to remove that section, all parties agreed, and the Amended Operating Agreement be revised to reflect those changes.

MOTION: MR. DANIELS MOVED, SECONDED BY MR. KELEHER, TO APPROVE RESOLUTION 2022-07, A RESOLUTION OF THE BOARD OF DIRECTORS OF THE CHEROKEE METROPOLITAN DISTRICT TO APPROVE CERTAIN AMENDMENTS TO THE OPERATING AGREEMENT OF CHEROKEE WATER, LLC, AS REVISED IN DISCUSSION AS AMENDED ABOVE. MR. DANIELS-YES. MR. KELEHER-YES. MR. HASBROUCK-YES. MOTION PASSED (3-0).

President Hasbrouck recessed the Special Meeting so a short business meeting of the Cherokee Water, LLC, could be conducted.

The meeting of the Cherokee Water, LLC concluded at 2:25 p.m., and President Hasbrouck called the Special Meeting back to order.

MOTION: MR. DANIELS MOVED, SECONDED BY MR. KELEHER, TO AMEND THE EVENING’S AGENDA TO ADD THE FIRST AMENDMENT TO THE WATER AND SERVICE AGREEMENT BETWEEN CHEROKEE METROPOLITAN DISTRICT AND MARKSHEFFEL BUSINESS CENTER, LLC. MR. DANIELS-YES. MR. KELEHER-YES. MR. HASBROUCK-YES. MOTION PASSED (3-0).

Mr. Johnson explained to the Board the First Amendment to the Water and Sewer Service Agreement between Cherokee Metropolitan District and Marksheffel Business Center, LLC. The amended service agreement is requested to reduce all commitments by the District to provide water service to a maximum amount of 40.32 acre-feet per year, and the District shall not have an obligation to provide water service to Marksheffel Business Center in excess of 40.32 acre-feet per year pursuant to the Marksheffel Business Center Service Agreement.

MOTION: MR. DANIELS MOVED, SECONDED BY MR. KELEHER, TO APPROVE THE FIRST AMENDMENT TO THE WATER AND SERVICE AGREEMENT BETWEEN CHEROKEE METROPOLITAN DISTRICT AND MARKSHEFFEL BUSINESS CENTER. ALL IN FAVOR. MOTION PASSED BY GENERAL CONSENT.

ITEM 7: Executive Session

MOTION: MR. DANIELS MOVED, SECONDED BY MR. KELEHER, THAT THE BOARD GO INTO EXECUTIVE SESSION CITING §24-6-402(4)(a), C.R.S., PURCHASE, ACQUISITION, LEASE, TRANSFER, OR SALE OF ANY PROPERTY INTEREST. ALL IN FAVOR. MOTION PASSED BY GENERAL CONSENT.

Executive Session was entered into a 2:36 p.m.


MOTION: MR. KELEHER MOVED, SECONDED BY MR. DANIELS, TO COME OUT OF EXECUTIVE SESSION. ALL IN FAVOR. MOTION PASSED BY GENERAL CONSENT.

Board Members came out of Executive Session. All were present in Executive Session, pursuant to §24-6-402(4)(a). No votes were taken and no decisions were made.

Regular Session resumed at 3:08 p.m.


ITEM 8: Adjournment

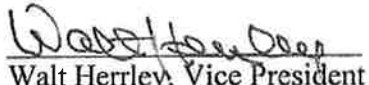
There being no further business to come before the Board at this time, the meeting was adjourned at 3:11 p.m.

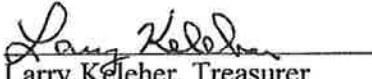

Dennis Daniels, Secretary

Board Members
Steve Hasbrouck, President
Walt Herrley, Vice-President
Dennis Daniels, Secretary
Larry Keleher, Treasurer
Rene Sintas, Director

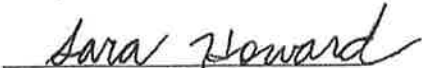
Term Expires
May, 2022
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Steve Hasbrouck, President


Walt Herrley, Vice President


Larry Keleher, Treasurer

Rene Sintas, Director


Sara Howard, Clerk to the Board
Executive Administrator