



**MINUTES OF A SPECIAL MEETING
OF THE BOARD OF DIRECTORS OF THE
CATHEDRAL PINES METROPOLITAN DISTRICT
HELD JUNE 16, 2020
AT 10:00 A.M.**

Pursuant to posted notice, the special meeting of the Board of Directors of the Cathedral Pines Metropolitan District was held on Tuesday, June 16th at 10:00 a.m., via telephone and video conference call.

In attendance were Directors:

Bill Heeter
John Kelley
Ecton Espenlaub
Lynn Shepherd
Rick Stauch

Also in attendance were:

Kevin Walker, Walker Schooler District Managers
Jamie Adams, Warren Management
Lina Hoekman, Lodge Manager

1. Call to Order:

- a. Meeting operating under previously adopted Emergency Resolution 2020-3-1: President Heeter called the meeting to order at 10:00 a.m. and confirmed a quorum.

2. Approval of the Agenda: Director Shepherd moved to approve the Agenda; seconded by Director Stauch. Motion passed unanimously.

3. Approval of Board Meeting Minutes – Regular Meeting May 19, 2020: President Heeter noted clarifications to the minutes surrounding the discussion of the delay of the Board member selection. He explained if they did not have a board member selected by April 1st, they would have to run an election for multiple candidates and an election would cost the District roughly \$15,000. If they are selected after April 1st, they would be included in the next election. President Heeter also clarified that he did not have email communication from Mr. Steele, but he spoke with someone who directly spoke to Ms. Steele who said that Mr. Steele was no longer interested in the position. President Heeter also noted that he did explain to Mr. Steele in multiple emails why they were delaying the board member selection, and he agreed it was the right thing to do.

Director Kelley asked for clarification on the candidate selection discussion in the minutes. He asked Directors Shepherd and Espenlaub if they thought there were two or just one candidate. Director Espenlaub explained that he made an assessment on both candidates and compared the two. Director

Shepherd agreed and said at the time they interviewed Director Stauch, there were two candidates and by the time they voted it sounded like Mr. Steele had decided against joining the Board at that time based on President Heeter's communication with the Steeles. Director Kelley asked Mr. Walker what the statutory source of authority for the Board to choose a candidate when there is more than one candidate for the position. He went on to say that it was his understanding that if there are two individuals who are interested in the position then an election is required.

Mr. Walker noted that he is not an attorney so he is not going to cite any statutory requirements but will give his understanding of the process. There is an oddity in the State statute that says that every appointed vacancy is required to be up for election at the next election, but there is also a statutory requirement that says that you have to set your election by 60 days prior to the election date. There is a 60-day window where the two statutes conflict, but it has never been litigated. The recommendation has been instead of creating a confusion, if there is a vacancy on the Board and that vacancy continues past the self-nomination date, that the Board wait until after election date to fill the vacancy. Mr. Walker explained they appointed Director Stauch after the election date and his seat will be up for election in 2022, so he is filling the vacancy created by Director Cawlfeld. Mr. Walker also noted that there is no requirement for an election to fill a vacancy. Mr. Walker told Director Kelley that if there were two candidates to fill a vacancy, the Board decides who will fill the vacancy for the remainder of the term or until the next election.

Director Shepherd noted that was how she was originally appointed to the Board, and when Director Kelley was originally appointed there were 4 candidates who interviewed and were interested in the vacant Board position. Director Kelley asked when there would ever be an election. Mr. Walker explained the Board has the authority to pick a vacancy, and there is an election every 2 years for either 2 or 3 of the members of the Board however the terms run. There was an election in May, but they cancelled the vote because there were two candidates for two positions.

Mr. Walker noted that the continued meeting on May 27, 2020 was not recorded and downloaded correctly, so he will need to put together a different type of minutes. He apologized to the Board for not having them ready for approval today but will have them for review at the next meeting. Mr. Walker suggested the Board table the approval of the May 19, 2020 Minutes until the next meeting. Director Shepherd moved to table the approval of the May 19, 2020 Minutes; seconded by Director Stauch. Motion passed unanimously.

4. Financial Matters:

- a. 2020 forecast update: Mr. Walker noted the Profit and Loss still has \$19,000 in rental income from Lodge events, but that is inaccurate because they are deposits held. Director Espenlaub asked what the cash position is. Mr. Walker explained there is \$167,000 in the General Fund which includes the FEMA funds and \$178,000 in Debt Service. The Board discussed the budget and reviewed items that need to be recategorized. The Board agreed to table the discussion for review once items are recategorized.
- b. Review of Unaudited Financial Statements as of May 31, 2020 – also tabled.
- c. Approval of Payables for the Period Ending June 15, 2020: The Board reviewed the Payables. Director Kelley asked about a \$7,600 charge. Director Espenlaub explained the items related to the charge and that it was for multiple projects including the pavers and gravel for the bike path. He noted that he submitted a spreadsheet with the receipts, but it was not included. Director Kelley asked about a \$1,300 invoice from A Cut Above for repairs required when the organization who planted trees broke a sprinkler line. President Heeter explained the issues with the sprinkler lines in the medians. Director Kelley noted it

was an unintended consequence of planting the trees and something to be cautious of in the future since we do not know where the lines are located.

Director Kelley asked what the Board decided on Ms. Hoekman's monthly payment from last meeting. Director Shepherd confirmed that the Board voted to create a side agreement with Ms. Hoekman. Mr. Walker noted the side agreement has not been drafted or signed yet. Director Kelley asked about the details of the agreement. Director Shepherd explained that the Board will continue to receive a record of activities and hours spent each month and the side agreement is to address compensation given the extraordinary circumstances of the epidemic. Director Kelley asked if the \$3,500 per month includes a minimum number of hours or an hourly rate to determine what value we are getting. Director Shepherd explained they determined a base rate of \$3,500 based on the 100 hours per month and she will be required to submit her hours and documentation. Director Kelley discussed Ms. Hoekman's invoice and said it is not in the District's best interest nor in our fiduciary responsibilities to not require an invoice and some accounting for payment to a vendor. He said he would like to make an exception to paying Ms. Hoekman's invoice. Director Shepherd clarified that are requiring Ms. Hoekman to submit paperwork, and they can vote to accept the payables and her payment will be provided once the Board receives her documentation of hours. Director Kelley said he believes that the Board voted and are comfortable to pay Ms. Hoekman without her having to provide hours. Director Shepherd confirmed it is in her contract to submit her hours. Director Espenlaub asked if Director Kelley would be more comfortable if they wait to send payment until they receive the documentation. Director Kelley said he would like for her hours to be reviewed and if the District got value for the \$3,500 by looking at her hours and tasks. President Heeter agreed and noted the Board should be reviewing all invoices before approving them and paying them. Director Shepherd confirmed she can review the documentation. Director Espenlaub moved to approve the payables with Ms. Hoekman's invoice pending review and approval of hours and documentation by Director Shepherd; seconded by Director Shepherd. Motion passed unanimously.

5. Management Matters:

a. Lodge Management Update

- ADT and Fire Alarm Issues: Director Shepherd discussed the false alarms at the Lodge that were tracked to moths getting in and faulty wiring inside from when it was originally built. Director Shepherd recommends they continue to monitor it.
- Status of potential reopening: Director Shepherd reported that the Governor produced draft guidelines on events yesterday that could be approved as early as this weekend. Ms. Hoekman explained the guidelines provide options for both indoor and outdoor events. Indoor events will require a minimum of 28 sqft per person or 25% capacity, whichever is smaller. That would be 25 people for the Lodge. Outdoor events will require 113 sqft per person or 50% capacity. That would allow 50 people outdoors at the Lodge. Ms. Hoekman said she feels very comfortable allowing people into the Lodge at this point with stipulations. She explained they are not required by the State to have temperature checks or masks for guests, but it is required for staffing which Ms. Hoekman believes would be manageable. Director Shepherd discussed the restrictions on venues and procedures for holding events at the Lodge. She noted they would like to gather attendee

information in case contact tracing is needed after an event. She discussed masks and that enforcement could be overly burdensome for one person to attempt. Director Stauch said that he understands the difficulties with policing, but anyone who comes inside the Lodge should wear a mask. Director Shepherd suggested having the event host encourage their guests to bring a mask and to also provide masks for those without at the Lodge.

- Update on Proposed “Small Party” rental rates: Director Shepherd discussed a small event option for new clients for 4 hours that is \$450, same as a business meeting. There are also existing clients who are waiting to reschedule big events who could have a small ceremony first with a larger event to be scheduled in the future. It would be \$200 that is then applied towards the larger event, so it is at no additional cost to the client overall but provides the Lodge with a source of revenue for an event.
 - Status of website updates/photo shoots, etc.: Ms. Hoekman reported there are quite a few photographers who show up at the Lodge unannounced to use the grounds and space for photo shoots. The idea of permits was discussed to help mitigate liability and risk as well as control the traffic at the Lodge. Ms. Hoekman and Director Shepherd researched pricing for permits in the area and decided upon \$50 photo permit which would allow a photographer to come out and use the grounds. They would sign an agreement that acknowledges they are responsible for any liability of their client or themselves. They will also have to submit documentation that shows they are a legitimate photographer with insurance. She discussed private property signage for the area and posting the information on the new Lodge website. The Board discussed non-resident events being booked by residents for the cheaper price is becoming a problem. Mr. Walker noted as District Manager he can be the one to push and challenge those events that are being booked by residents for non-residents. The Board discussed allowing residents who are photographers to use the grounds without having to pay the \$50, but still provide documentation and sign the agreement.
 - Status of possible vendor and/or Resident Open House in late summer: Ms. Hoekman suggested hosting the Open House in October and dividing it into 2 different time blocks for the residents and the event community. President Heeter suggested including the HOA Annual event at the same time. Director Shepherd suggested they continue to wait and see since capacity will be reached with 50 people. Director Kelley asked how many events are booked in July and August. Mr. Walker confirmed there are 5 events in July and 6 in August. Ms. Hoekman explained she is in contact with the clients who are waiting to see if they are going to postpone their events or cut their guest list since they all would be over capacity. The Board discussed alternative ways to generate revenue such as the small ceremonies and small corporate events. Director Shepherd noted that Ms. Hoekman has done a great job mitigating problems with postponements, cancellations, and rescheduling under these circumstances. She added that she is very impressed by her customer service with the existing clients.
- b. Disposition of Storage Shed: Mr. Walker reported that he spoke to the Development Services Director who oversees zoning at the County. The zoning documents for the Lodge show it as a community and nature center, and the storage shed is defined as district maintenance facility and storage. The Development Services Director

commented that if there is an extraordinary change of use for the storage shed, it could open the entire zoning which would bring into play the Lodge and potential for discussion of uses at the Lodge which could create an issue. Director Kelley commented that after reading the information Mr. Walker provided, the first thing we should look at is approved uses that do not require a zoning change. Director Kelley suggested adding some curb appeal and improving the look of the area and the medians in the meantime. President Heeter noted that A Cut Above is interested in renting a portion of the storage shed for their equipment. He had asked Mr. Walker for guidance on pricing and they determined it is between \$3 to \$6 per foot annually for industrial and commercial storage. The shed is 3,000 sqft and A Cut Above would be interested in renting half of the shed but would like to have an agreement on access for security reasons. Mr. Walker said he thinks \$5 per foot would be reasonable based on his research. President Heeter discussed Trees for Tomorrow as a possible vendor who may be interested in renting the other half of the storage shed. Director Stauch agreed it was a good idea to offer A Cut Above a short-term rental in the interim but noted the rental rate should cover the costs associated. The Board discussed getting a proposal for security at the shed. President Heeter will discuss this with A Cut Above and provide a formal proposal for Board review.

- c. Trails/Community Maintenance: Director Espenlaub reported on the trails and noted there were 2 trees leaning on the trail that were removed.
- Solar Light test update: There are 15 lights installed and operating.
 - Plan to eliminate MVEA meters: Director Espenlaub reported the meters are scheduled to be turned off. The Board celebrated the savings for the District.
 - Status of Toilet Partitions for Men's Room: President Heeter updated the Board on the toilet partition for the men's restroom and noted the final costs will be around \$1,200. President Heeter asked if the Board would want to authorize \$1,500 for the toilet partitions. After discussion, President Heeter moved to authorize up to \$1,500 for the purchase and installation of the ADA compliant toilet partition; seconded by Director Espenlaub. Motion passed unanimously.
 - Saxton Hollow signage and lighting update: Director Espenlaub asked the Board if they want to install a No Thru Traffic on Saxton Hollow going East. He noted there is already many signs within the community and now that there is a house there, traffic is not as much of a problem. The Board agreed the sign is not necessary but discussed reviewing the streetlight. Ms. Adams will find out if that is still an issue for the community.
 - No Horses on Trails discussion: President Heeter reported he has received a couple emails from members of the community about horses on trails, so Director Espenlaub requested putting up signs at the 3 trail access points. Director Espenlaub noted the signs will be official El Paso County signs. Director Shepherd noted ATV use on the trails as well and suggested a reminder in the next newsletter and warning of the fines and penalties.
- d. Landscaping, Irrigation, and ponds
- Hiring Landscape Architect for Comprehensive Community Landscape Plan update: President Heeter reported he has 7 candidates and will work on calling them. The trees were installed and look great. A few trees were removed as well. The second garden on the back deck was completed and looks very nice.

- Progress on 2020 Landscape priorities
 - Fix Irrigation system on Milam - completed
 - Plant trees around Lodge (purchased in 2019) - completed
 - Remove dead trees/shrubs near Lodge - completed
 - Plant second garden near Lodge back deck to mirror existing - completed
 - Plant garden near Lodge entrance/Mailbox area - completed
 - Investigate condition of irrigation/trees/grasses on Vessey median near Holmes – Update: President Heeter requested an estimate from A Cut Above for a 2-year plan to be more economical. He noted they provided an initial proposal that would have replaced the native grass with a turf, but it would cost over \$20,000.
 - Install irrigation lines along Lodge Drive for new pines: President Heeter reported the cost would be \$1,800 but he is going to ask A Cut Above if there is a better cost. In the meantime, the trees have gator bags to keep them watered.
- Pine Tree Transplant Update/Trees 4 Tomorrow: Trees 4 Tomorrow transplanted 30 trees and they are doing good so far. He noted a few open spots in the median on Milam that additional trees may be transplanted to. Director Stauch asked about irrigation for the planned new trees. President Heeter explained there is irrigation existing at the Milam median and the trees that need irrigation have gator bags. The Board discussed the costs associated with watering the trees; each trip costs \$800+/-
- Culvert Repair on Fox Chase: Mr. Walker has gotten a few proposals that range from \$25,000 to \$35,000. President Heeter requested that Munson Landscaping provide a quote in hopes they can do it more cost-effectively. President Heeter noted there is nothing that must be done immediately.
- Pond Management Update: Ms. Adams reported they have been troubleshooting the issues with the waterfalls and they think it may be an electrical surge. She noted they may need to replace a pump. Director Espenlaub reported the lower pond is getting water after opening the valve this morning.
- e. Joint Recycling Day update: President Heeter reported the Joint Recycling day was a success and there were a lot of donations.
 - Saturday, May 30 9:00 a.m. – 1:00 p.m.
 - Recycling of Electronics/Shredding/Goodwill
- f. Mailbox vandalism/install cameras update
- g. Metro District Website upgrade status update – Kevin
- h. Board By-Laws - Bill

6. HOA Update:

- a. Meet and Greet Plan for 7/15/20 via Zoom – Black Forest Deputy Fire Chief, Trees 4 Tomorrow: Director Stauch reported they have their monthly HOA meeting tomorrow. Their focus will continue covenant enforcement as well as topics such as fire mitigation.
- b. Update on shared cost of Recycling Day Event

7. Legal Matters: There was no discussion.

8. New Business: There was no discussion.

9. Public Comment: Director Shepherd reported that she met with Magnolia and they updated her on the Lodge improvements. We have purchased the equipment for the network upgrades that we agreed to, but they have not been installed because they have not received payment for the installation. The installation is \$1,480. She explained they have paused the outdoor speakers until they know more about events. President Heeter moved to authorize the installation payment for Magnolia; seconded by Director Stauch. Motion passed unanimously. Director Kelley offered to review everything to be sure we are paying the correct amount.

10. Other Business: Next Regular scheduled Board Meeting July 21, 2020 10:00 a.m.

11. Adjournment: Director Stauch moved to adjourn; seconded by Director Shepherd. Motion passed unanimously at 1:17 p.m.

Respectfully Submitted,

By: Kevin Walker, District Manager

THESE MINUTES ARE APPROVED AS THE OFFICIAL JUNE 16, 2020 MINUTES OF THE CATHEDRAL PINES METROPOLITAN DISTRICT BY THE BOARD OF DIRECTORS SIGNING BELOW:

Bill Heeter, President

Lynn Shepherd, Vice President

Ecton Espenlaub, Treasurer

John Kelley, Director

Rick Stauch, Director