

**MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE
CATHEDRAL PINES METROPOLITAN DISTRICT WAS
HELD JANUARY 21, 2025 AT 9:00 AM**

Pursuant to posted notice, the regular meeting of the Board of Directors of the Cathedral Pines Metropolitan District was held on Tuesday, January 21, at 9:00 a.m., at 13975 Milam Rd, Colorado Springs, CO and virtually via video/teleconference.

In attendance were Directors:

Bill Heeter
Ecton Espenlaub
Rick Stauch
Kevin Combs (attended via teleconference)
Scott Gassen

Also in attendance were:

Rebecca Harris, WSDM District Managers
Brenda Juarez, WSDM District Managers
Laura Gardner, Gardner Law
Shalece Buchholtz, Adorkably Yours

1. Call to Order: President Heeter called the meeting to order at 9:02 a.m.
2. Declaration of Quorum/Director Qualifications/Reaffirmation of Disclosures: President Heeter confirmed a quorum was present. There were no additional disclosures made by Board Members.
3. Approval of Agenda: Director Espenlaub moved to approve the Agenda as amended; motion was seconded by Director Stauch. Motion passed unanimously.
4. Approval of Board Meeting Minutes: Director Stauch moved to approve the meeting minutes from November 19, 2024; motion was seconded by Director Gassen. The motion passed unanimously.
5. Financial Update:
 - a. Review and consider approval of Unaudited Financials through December 31, 2024: Ms. Harris presented the unaudited financials through December 31, 2024. After discussion, Director Stauch moved to approve the Unaudited Financials through December 31, 2024; motion was seconded by Director Espenlaub. Motion passed unanimously.
 - b. Ratify and consider approval of payables through the period ending January 21, 2025: Ms. Harris presented the payables. Director Espenlaub requested to add reimbursement of \$275.71 for the installation of the garbage disposal. The Board directed Ms. Buchholtz to research the reason the Lodge had three phone lines. After review, Director Espenlaub moved to approve the payables through January 21, 2025, as amended; motion was seconded by Director Stauch. Motion passed unanimously.
 - c. Discuss Cathedral Pines Credit Card-Bill: The Board discussed the options for a District credit card. Director Stauch motioned to acquire a credit card with a cap of \$1500.00 per month and to have the Board's President and Secretary to be approved signers; motion was

seconded by Director Gassen. Motion passed with President Heeter abstaining.

- d. Review and approve spending authorization for Lodge Manager: The Board discussed the Lodge manager having the authorization to call a vendor from an approved contractor for maintenance and repairs to the Lodge. After discussion the Board directed Ms. Harris and her team to work on acquiring hourly rates for various vendors.

6. 2025 Budget and Mill Levy Discussion:

- a. Recap of Capital Spending Plan for 2025-ALL: Ms. Harris advised that the capital expenses for 2025 was \$85,000, and that it included repairs to the cul-de-sac, medians, \$15,000 for Lodge benches and bridal suite, and \$30,000 for the mail kiosk. Ms. Harris noted that there was \$10,000 in the contingency fund for finishing the asphalt.

7. Lodge Management Update:

- a. Review December Lodge Report: President Heeter provided a Lodge Reservation update.
- b. Status of Remodel of Bride and Groom's Rooms: President Heeter provided an update on the remodel highlighting that we are currently below budget by \$4000. Discussion was had regarding the repairing or replacing of the carpet. The Board decided to replace the carpet tiles with the original purchase rather than accept the proposed substitute.
- c. Discuss and consider approval for Outdoor Benches: Director Combs advised the 12 benches could seat about 96 people, and the cost was about \$200.00 per bench. Director Combs stated he would present the prototype to the committee for approval in February. Discussion was had regarding the cost of the maintenance for the benches.
- d. Discuss reconciliation of 2024 Lodge Revenue: Ms. Harris discussed that the earned revenue through December was \$117,000. She further gave a detailed overview of the Lodge revenue, earned versus unearned cash.
- e. Discussion of 2024 Lodge Manager Incentive Plan: Board tabled this discussion for executive discussion.
- f. Status of Lodge Manager 2025 Independent Contractor's Agreement and 2025 Incentive Plan: Board tabled this discussion for executive discussion.

8. Landscaping Matters:

- a. Update on underground water leak outside Lodge entrance: Director Espenlaub provided an update and after discussion the Board agreed to have Director Espenlaub coordinate with Mrs. Buchholtz to turn the water off and hire Down to Earth to excavate the area to determine and repair the origin of the leak.
- b. Status of mail kiosk fence proposal and drawings: Director Stauch provided an update and presented the drawings of the landscaping and the fence. The board discussed that the proposal would be presented at the annual meeting. Discussion was had the total cost of the mail kiosk fence and landscaping would be about \$50,000. Ms. Harris noted that the District and the HOA should have communication regarding the kiosk and that a written agreement should be provided when considering programming codes.
- c. Review and consider approval of proposal from LandTech for landscape upgrade: Director Stauch reported that the proposal was for the maintenance of the cul-de-sacs for re-mulching or resurfacing the rock and getting rid of the dead trees. Land Tech stated they would give a 10% discount if the Board approved the proposal early in the year and that maintenance would begin as soon as the weather allows. President Heeter motioned to approve the proposal from LandTech for the landscape upgrade pending the proposal not to exceed \$30,000 and subject to council's review, seconded by Director Gassen. Director Espenlaub

opposed the motion. Motion passed with a vote four to one.

9. Annual Meeting Discussion:

- a. Preparation and Timetable: President Heeter asked the Board to review and amend the annual meeting presentation and return amendments to him by the end of the month. President Heeter advised Ms. Harris would make any editions and send the final presentation once it was updated.
- b. Presentation Responsibilities: The Board directed President Heeter to be the presenter.
- c. Menu will be Pei Wei Asian Cuisine: The Board decided to have Pei Wei Asian Cuisine cater.
- d. Discuss virtual option for the meeting: The Board decided to keep the virtual option for those in the community who only wanted to listen and not participate.

10. Legal Matters:

- a. Status of 101 Landscaping Letter: Discussed in Executive session
- b. Update on potential sale of Barn: Director Stauch discussed there was no update, and the sale would not be advantageous for the District. Director Stauch advised he would revisit the option of LandTech leasing the barn. The Board directed Ms. Harris to review and possibly researching lowering the insurance policy regarding the Barn and the liability risks involved.
- c. Status of insurance claim for mail kiosk lighting: Ms. Harris advised she would research the insurance deductible and parameters of the claim.

11. 2025 Election Status Update: Ms. Harris provided an update about the status of the 2025 election and noted that after March 4th the Board could determine if an election is canceled.

12. New Business:

- a. Renew Firewise Community Discussion: Discussion was had regarding becoming a Firewise Community. The Board designated Director Gassen to address the idea with the HOA Board.
- b. Homeowners Insurance Premiums Discussion: President Heeter discussed the possibility of homeowners not being able to secure insurance due to the fire hazard. Director Gassen advised some insurance companies required the home to be within 1000 ft of a fire hydrant.

Board reviewed a memo from WSDM regarding legal responsibility to maintain and inspect the cisterns. President Heeter motioned to have the legal counsel research the responsibility of inspecting and maintaining the cisterns and report the findings to the Board in March, seconded by Director Stauch. Motion passed unanimously.

- c. Lodge Tree Lighting: The Board discussed leaving the tree lighting permanently. Ms. Gardner advised that the District was a governmental entity and therefore not subject to comply with the HOA's guidelines. President Heeter stated he would get a proposal and would report the proposals to Ms. Harris to share with the Board.

Director Stauch inquired about combining the HOA and the District and asked legal counsel if it was permissible. Ms. Gardner stated she would advise the Board in a future discussion in an executive decision.

13. Public Comment: There was no public comment.

14. Executive Session: Director Stauch motioned to enter executive session at 11:36 a.m.; seconded by Director Espenlaub. Motion passed unanimously

Director Espenlaub motioned to exit executive session at 1:23 p.m.; seconded by Director Stauch. Motion passed unanimously.

Director Stauch motioned to approve a \$7500 bonus to Adorkably Yours, Inc for sales efforts in 2024; seconded by Director Gasses. Motion passed unanimously.

Director Stauch motioned to adopt and approve the incentive threshold tiered system concerning Adorkably Yours, Inc. in 2025 as described as follows. The District agreed to offer to pay a base fee of \$3500 per month and to adopt an incentive plan for revenue earned above \$100,000.

All incentive revenue will be incrementally increased by 5% for every \$25,000 above \$100,000 starting at 20 % and capping at 30%.

Seconded by Director Gassen. Motion passed unanimously.

15. Adjournment: Director Espenlaub motioned to adjourn the meeting at 1:30 p.m., seconded by Director Stauch, next scheduled board meeting is February 18, 2025 at 6:00 p.m. Motion passed unanimously.

Respectfully Submitted,

Rebecca Harris

By: Rebecca Harris, District Manager

THESE MINUTES ARE APPROVED AS THE OFFICIAL JANUARY 21, 2025 REGULAR MEETING MINUTES OF THE CATHEDRAL PINES METROPOLITAN DISTRICT.