



**MINUTES OF A SPECIAL MEETING
OF THE BOARD OF DIRECTORS OF THE
CATHEDRAL PINES METROPOLITAN DISTRICT
HELD SEPTEMBER 30, 2021
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 Thursday, September 30th at 10:00 a.m., at 13975 Milam Road, Colorado Springs, CO, and via telephone and video conference call.

In attendance were Directors:

Bill Heeter
Lynn Shepherd (arrived late)
Ecton Espenlaub
Kevin Combs
Rick Stauch (by phone)

Also in attendance were:

Kevin Walker, Walker Schooler District Managers
Rebecca Hardekopf, Walker Schooler District Managers (by phone)
Jamie Adams, Warren Management
Lina Hoekman, Lodge Manager (by phone)
Brandon Nichols
Members of the Public

1. Call to Order: President Heeter called the meeting to order at 10:03 a.m.

2. Declaration of Quorum/Director Qualifications/Reaffirmation of Disclosures: President Heeter confirmed a quorum was present.

3. Approval of the Agenda: Director Espenlaub moved to approve the Agenda as presented; seconded by President Heeter. Motion passed unanimously.

4. Approval of Board Meeting Minutes – Meeting on August 17, 2021: President Heeter clarified the discussion on the irrigation system is that it just keeps breaking down and has been shut off for the year due to leaks. President Heeter is communicating with Kimley Horn on a plan for repairs or replacement of the system. Director Espenlaub moved to approve the August 17, 2021 Meeting Minutes as amended; seconded by Director Combs. Motion passed unanimously.

5. Budget Update

- a. Review of Unaudited Financial Statements as of August 31, 2021: Mr. Walker presented the unaudited financial statements as of August 31, 2021. The Board unanimously approved the Financial Statements as of August 31, 2021.
- b. Approval of Payables for the Period Ending August 31, 2021: Mr. Walker presented the payables for the period ending August 31, 2021. The Board unanimously approved the Payables as of August 31, 2021.
- c. Projection for EOY: Mr. Walker discussed the End of Year status and noted the District currently has roughly \$370,000 for operations and maintenance and will have a projected \$250,000 after expenses by the end of the year.
- d. Update on Status of FEMA/COVID claim amounts: Mr. Walker spoke with Congressman Lamborn and his staff and reminded them that the District is still waiting on payment from FEMA.
- e. Future possibilities for recovery grants/loans, etc.: Mr. Walker explained the grants are on hold due to lack of funding and no grants have been distributed for any of the districts he manages.
- f. Budget approval process for 2021/2022: Mr. Walker will distribute a draft 2022 Budget to the Board early next week. Director Combs discussed increasing the reserve funds and not reducing the mill levies.

6. Flying Horse North Development: The Board engaged in discussion regarding concerns with the proposed Flying Horse North development. Mr. Walker reached out to Classic Homes and requested a meeting to discuss the proposed development with the District and the HOA and they replied they would be happy to meet and discuss once they have a plan. President Heeter reported that the HOA would like to jointly with the District send a letter to the County Commissioners communicating concerns with the development including the possible extension of Milam. Mr. Getsinger reported that the HOA proposed forming a civic engagement committee to monitor the City, County and developers on development that might affect the property values. It will be voted on at the HOA's October meeting. Director Shepherd joined the meeting. President Heeter moved to approve the drafting of a joint letter with the HOA to send to the County Commissioners communicating concerns with the Flying Horse North development; seconded by Director Shepherd. Motion passed unanimously. Director Shepherd moved to have legal investigate what the scope of the District is in responding to the extension of Milam; seconded by Director Combs. Motion passed unanimously.

7. 'Estates at Cathedral Pines' Development: The Board engaged in discussion regarding the Estates at Cathedral Pines development and a concern with the name and the association with the District. The planned development is for seven 5-acre lots with 8,000 SQFT homes. Mr. Caulfield was unable to attend the meeting due to exposure to illness but will try to attend the next meeting to discuss and answer questions.

8. Lodge Management Update

- a. YTD Update/Projections: Mr. Nichols updated the Board on the monthly Lodge operations. 26 tours, 2 resident events have been booked, 11 executed events, and one postponement that was rescheduled for next year. Facebook engagement remains the same as last month, and there was an increase in followers and engagement on Instagram. Client feedback has been positive regarding the survey.
- b. Proposed Capital Spending for 2022: Director Shepherd discussed proposed capital spending for 2022. The replacement of tables and chairs range in price from \$6,500 - \$9,500 due to supply issues but if ordered in the next 60 days they could arrive by May 2022. The floor replacement ranges in price from \$25,000 to \$30,000. Business supplies including a printer to be used for business events, dry erase boards, etc. A professional cleaning crew for deep cleans

of the Lodge as events increase. Other considerations are exterior patio speaker system, a portable audio system, repairing the ADT/Johnson Controls monitoring system, and extending the gravel parking area to the mailboxes. The Board agreed the ADT/Johnson Controls monitoring system repairs should be a priority. The Board will discuss the ADT/Johnson Controls monitoring system repairs further at the next meeting. Director Espenlaub moved to approve the capital spending priority items including chairs, tables, and floor replacement not to exceed \$40,000; seconded by President Heeter. Motion passed unanimously.

- c. New Business Development Plan: Director Shepherd discussed advertising strategy for the Lodge and recommended considering paid Google and social media ads to increase search engine optimization along with the free advertising that is already being utilized. Other paid advertisements include print ads in local magazines. Paid social media and Google ad pricing is estimated at \$400 per month. Another advertising strategy is through relationship growth and community events that include hosting luncheons for vendors and meeting planners and sponsoring non-profit events to build connections and increase marketing. Ms. Hoekman presented new event offerings including holiday packages, business luncheons, and celebrations of life.
- d. Plan to update Competitive Comparison: Ms. Hoekman presented an updated snapshot of the Lodge's closest competitors.
- e. Rental changes for 2022: Ms. Hoekman discussed proposed rental increases for 2022 after a review of competitor's prices. The proposed rental rates are \$4,500 for weekend events, \$3,000 for weekday events, and \$5,000 for holidays. Proposed off-season rates are \$3,250 for weekend events and \$2,250 for weekdays. There are no proposed increases to business event rates but a recommendation to move days to strictly Monday thru Thursday. Ms. Hoekman noted the proposed rates are still lower than competitor prices. Ms. Hoekman and Director Shepherd presented proposed changes to resident events. The proposed changes are one resident booking per month at resident rate, event booked 60 days out on released booking dates, \$1,000 for Thursday – Sunday and \$500 for Monday – Wednesday. The Board engaged in detailed discussion regarding proposed changes to resident event rates and bookings. After discussion and public comments, the Board agreed to distribute a community survey to gain feedback from the community on the proposed changes and continue the discussion without taking action on resident rate changes. Mr. Walker will properly advertise for potential rate increases for non-resident events for the next Board meeting. Director Shepherd and the Board discussed refining the security deposit refund process by having the refund check available at the event. The Board will continue to discuss this item and took no action.
- f. Management Transition: Ms. Hoekman informed the Board that Mr. Nichols will be taking over the front of house operations including sales, tours, scheduling, and Lodge maintenance. Ms. Hoekman will continue to oversee Mr. Nichols and staffing, supply ordering, maintaining the online presence including social media and the website, escalated customer issues, advertising, and business development.

9. Management Matters:

- a. Set date for Metro Annual Meeting: The Board discussed holding a Metro District annual meeting on February 24, 2022.
- b. Process for Spring Elections/Call for candidates: Mr. Walker explained the Election process and noted Self-Nomination forms will be accepted from January 1, 2022 to February 25, 2022. Election Day is May 3, 2022. Detailed Election information will be provided on the District website.
- c. Set meeting dates for 2022, including quarterly evening meetings: The Board agreed to holding quarterly evening meetings.

- d. HOA Election Update: The Vice President of the HOA presented the newly elected officers of the HOA. HOA scheduled meetings will be held at 6:00 p.m. on October 20th and November 10th, 2021 at the Lodge.
- e. Need to review Metro governing documents: The Board discussed the need to review the District's governing documents. Mr. Walker distributed the 2021 Board Member Manual to the directors that covers State Statutes.
- f. Streets/Gutters "Czar": The Board briefly discussed the need for a street and gutters person to help monitor.
- g. Bulletin Boards status: The keys for the bulletin board have been ordered and will be delivered on November 5, 2021.

10. Long Term Landscaping Plan Update: President Heeter discussed the long-term landscaping plan for the community. Kimley Horn will meet with the Board next month to get feedback as well as the Annual meeting in February. A Cut Above will go through again and pull dead shrubs and trim shrubs throughout the community as an interim step before the long-term plan is determined.

11. Legal Matters: There was no discussion.

12. New Business: President Heeter updated the Board on the ponds on Vessey. The County has given the District permission to address them. The three proposals to clean up the cattails overgrowth on the ponds range from \$20,000 to \$50,000 to \$100,000. President Heeter will provide more detail on the proposals at the next meeting for the Board to review.

Director Shepherd discussed a possible trunk or treat event for the community at the Lodge parking lot for the last week of October. After discussion, the Board decided to plan a trunk or treat for next year and instead plan a community event for December.

13. Public Comment: Mr. Eisenhart asked if the Milam extension has already been approved and was an impact study done when the neighborhood was developed. Mr. Walker answered there was no impact study done and the property was platted as a right of way tract to be given to the County.

Mr. Kelley asked the Board to consider moving the chipping programs to March and October to reduce the risk of pine beetle and other hazards to the pine trees. Director Stauch explained the chipping program is an HOA issue. President Heeter explained the trimming of the ponderosa trees on the Milam median was a one-time event for fire mitigation. Mr. Kelley asked if the Estates at Cathedral Pines development will access off Winslow Road. President Heeter said the development will access off Winslow Road but not through Cathedral Pines. President Heeter confirmed they will be informing the community about the Estates at Cathedral Pines. Mr. Kelley asked if the District would plan or commit to competing the management contracts for Walker Schooler District Managers, Warren Management, and Hoekman Events for 2022. The Board commented they will take that under advisement. President Heeter informed Mr. Kelley that his 3-minutes of allotted time for public comment was expired. President Heeter explained that Mr. Kelley is aware he could have submitted a list of Agenda items prior to the meeting to receive 10 minutes of discussion time.

14. Other Business:

- a. Next Regular Board Meeting scheduled for Tuesday, October 19, 2021 at 10:00 AM. Director Stauch noted he will be unable to attend the October 19th meeting and requested the Board reschedule to a week before or after if possible.

15. Adjournment: Director Shepherd moved to adjourn the meeting at 1:31 p.m.; seconded by Director Combs. Motion passed unanimously.

Respectfully Submitted,

Kevin Walker

By: Kevin Walker, District Manager

THESE MINUTES ARE APPROVED AS THE OFFICIAL SEPTEMBER 30, 2021 MINUTES OF THE CATHEDRAL PINES METROPOLITAN DISTRICT.