



**MINUTES OF A SPECIAL MEETING
OF THE BOARD OF DIRECTORS OF THE
CATHEDRAL PINES METROPOLITAN DISTRICT
HELD FEBRUARY 6, 2023
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 Monday, February 6th at 10:00 AM, at 13975 Milam Road, Colorado Springs, CO, and via telephone and video conference call.

In attendance were Directors:

Bill Heeter
Lynn Shepherd
Ecton Espenlaub
Rick Stauch (Arrived late)
Debbie Perry

Also in attendance were:

Kevin Walker, WSDM District Managers
Rebecca Harris, WSDM District Managers
Shalece Buchholtz, VenQ

Public in attendance were:

Bill Kappel
Kristin Jones
Patricia Ghee
Jim Eisenhart

1. Call to Order: President Heeter called the meeting to order at 10:00 AM.

2. Declaration of Quorum/Director Qualifications/Reaffirmation of Disclosures: President Heeter confirmed a quorum was present with Director Stauch joining virtually. There were no additional disclosures made by Board Members.

3. Approval of the Agenda: Director Shepherd requested item 8.a. be moved after item 4. Director Espenlaub moved to approve the agenda as amended; seconded by President Heeter. Motion passed unanimously.

4. Approval of Board Meeting Minutes – November 29, 2022, and January 16, 2023: The Board requested that changes to the minutes be redlined moving forward. The Board reviewed the November 29, 2022, meeting minutes. Mr. Bill Kappel asked about the public poll regarding the mill levy being included in the November meeting minutes. President Heeter confirmed it was included. Mr. Kappel asked why it was worded 3 out of 7 for keeping the mill levy the same instead of 4 out of 7 were against keeping it the same. Ms. Harris explained she usually records the votes in favor first instead of against. She also noted the poll was recorded for those present at the meeting. Director Perry

commented that those who voted against were in favor of a tax reduction. She added that the other option was to reduce the mill levy and it only discusses keeping the mill levy the same. Mr. Kappel commented that he did vote against keeping the mill levy the same and was in favor of a mill levy reduction while joining the meeting virtually. After review, Director Shepherd moved to approve the November 29, 2022 Meeting Minutes; seconded by Director Espenlaub. Motion passed unanimously. The Board reviewed the January 16, 2023, meeting minutes. President Heeter noted under item 8 that the Board decided not to pursue the audit of the historical Lodge financials at this time. President Heeter requested the list of Board Objectives be included as an attachment with the minutes. He also requested the names of the resident volunteers be included as well. Director Perry requested the HOA Treasurer's title be included so it is clear how they are related to the community. The Board and Ms. Harris discussed that the HOA is not involved with the creation of the subcommittee and that they are resident volunteers. Director Perry requested the minutes include that she was trying to communicate she will be doing a financial presentation at the February community meeting, but it was decided that she will do it at this meeting. Director Perry requested her comment under item 7 be included; she commented that in order to be wise in the business world you need to review all business options available to you thus silencing a discussion on the Lodge is not a wise business move and you should always keep all business options in front of you. Director Perry requested the minutes include that she did not direct WSDM to expend any resources in further examination of that. Director Perry requested her comment be included that a variety of the attorney payables for 2022 were not authorized by the Board and the attorney chose to attend the meetings without Board approval. After review, President Heeter moved to approve the January 16, 2023 meeting minutes as amended; seconded by Director Espenlaub. Motion passed unanimously. Director Stauch joined the meeting virtually.

5. Lodge Matters

- a. Frozen Grease Trap Issue: President Heeter explained this is the second year in a row that the grease trap has frozen and prevents water from flowing into the drainage area and it has flooded the kitchen.
- b. Interim Management: Director Shepherd discussed dividing responsibilities and roles for the Lodge. For example, having someone who is dedicated to the marketing and bringing traffic to the Lodge, and someone who is dedicated to the operations of the Lodge and execution of the events. Ms. Buchholtz noted painting the beams for a more modern look, and other paint touch-ups needed at the Lodge. The Board discussed upcoming events for 2023. Director Shepherd presented a marketing proposal from Mr. Travis for search engine optimization, website design and development, leveraging social media, online reputation management, etc. The cost is \$1,750 per month and would require a 6-month commitment. Director Shepherd noted the marketing referral came from Ms. Ghee on the subcommittee. Ms. Ghee commented that Mr. Ghee works on her business website and social media and has made a big difference in traffic. She added he is very responsive and provides a monthly analytics report. Director Shepherd reported she is working on additional marketing proposals one of which is Antero with a baseline proposal of \$2,500 per month and up. The Board discussed Lodge operations roles and responsibilities. The Board discussed short-term and long-term options for the Lodge Manager position and compensation plan. After discussion, the Board decided to request Ms. Buchholtz stay on until mid-March to allow the Board time to draft a contract by March 15, 2023. Director Espenlaub moved to offer Ms. Buchholtz a 30-day agreement with a compensation of \$2,200; seconded by President Heeter. Motion passed unanimously.

6. Irrigation Proposals Update

- a. Review final proposals and Recommendations to Community: President Heeter reported he does not have final proposals to present because Timberline was delayed in sending their proposal. President Heeter will provide a recommendation this week.
- b. Grant Funding: Ms. Harris reported grant applications opened last week. The maximum amount the District is eligible for is \$25,000 to help with irrigation. The application is pending until after March 31st. The District can apply a second time on July 1st.
- c. Electrical along Median: President Heeter reported he is working on getting a cost estimate for installing electrical along median to present to the Board.

7. Annual Meeting Discussion: The Board discussed the upcoming Annual Meeting.

- a. Review format
- b. Final edits due February 14, 2023.
- c. Food: The catering request was submitted to Firehouse on the Run.
- d. Presenters

8. Financial Update

- a. Review and ratify approval of A Cut Above payables through the period ending January 30, 2023: After review, Director Espenlaub moved to ratify approval of A Cut Above payables through the period ending January 30, 2023; seconded by Director Shepherd. Motion passed unanimously.
- b. Director Perry commented that she only had one hour to sign the 2023 Budget Resolution and asked what procedures can be in place to have them done a week ahead of time. Ms. Harris explained there was an error in the PDF e-signature system, and they were waiting for approval for two weeks before the alert was sent. Director Perry inquired what Ms. Harris can do to ensure this doesn't happen again and Ms. Harris noted she can have another Board member sign these document if she is unavailable.

9. Legal Matters

- a. Election Status Update: Ms. Harris provided an update on the election status. Currently, there are two candidates for two positions.
- b. Key Dates:
 - i. ~~Call for Nominations – January 23, 2023~~
 - ii. Self-Nomination Deadline – February 24, 2023
 - iii. Write in Candidate Deadline – February 27, 2023
 - iv. Notice of Cancellation (if applicable) – February 28, 2023
 - v. Publication of Bios on Metro Website – TBD
 - vi. Candidate Panel Q&A
 - vii. Election Date (if required) – May 2, 2023

10. Public Comment: The Board opened the meeting for public comment. Mr. Bill Kappel commented that there were several links including meeting minutes were not working on the website. He commented that he appreciates the Board's efforts regarding the landscape and hopes the complex problem is solved in a reasonable manner at a reasonable price. It could potentially be very expensive and he wants to make sure there is a detailed process to get information on the bids received out to the community for review. Mr. Kappel asked is it accurate that the community will have a chance to provide its feedback and vote on which implementation we want to have versus only getting the Board's recommendation. President Heeter replied there are only two bids that came in from 101 Landscaping and Timberline. DBC is the supplier of the 101 Landscaping. President Heeter explained the community will have three options; the two bids with a Board recommendation and the third

option to not pursue it. He confirmed an overview of the two bids will be provided to the community for review. There may be additional costs related to landscaping and a landscape designer. Examples include loss of plants in the process and replacement plants that are native and more water efficient that are not included in the bids. President Heeter noted he is still working out an estimate of those costs. Mr. Kappel requested the bids provided to the community include the details. President Heeter will check with the bidders if they are okay with the price details being distributed. Ms. Harris noted a lawsuit involving a special district and the CORA request for the actual prices and details. Ms. Harris recommended the Board consult with legal counsel on this matter. Mr. Kappel commented there are a lot of expenses and income back and forth between the metro board and he was not clear on what is the audit process is. He asked if there is a record of every expense and piece of income that is going in and out of the metro board? He also asked if there are any issues, is the community liable? Ms. Harris asked for clarify on his question, if he wanted to know the kind of liability the residents have. Mr. Kappel said yes and he knows there are some smaller expenses not approved by the Board or by just one member of the Board, and he wants to be sure if the district was audited is everything captured in detail? Ms. Harris confirmed everything is documented, captured, and the auditors received all the detail they inquire for their audits. She clarify the auditing process for Mr. Kappel. She explained the Board of Directors as well as the District are covered under insurance. The District's audits are published on the website and are also available through the State. The monthly unaudited financial statements are included in the Board Meeting packets. Ms. Harris confirmed that all expenses are approved by the Board, and no expense would go unapproved. If it were not approved, that is something that would be flagged by the auditor. Ms. Harris explained a member of the Board could spend up to \$1500 in an emergency, but it is within the Budget and would be approved at the next Board meeting.

Ms. Jones commented the newsletters since August were not posted on the website and the calendar is only showing January. Ms. Harris explained she only has the August newsletter. President Heeter noted that was supposed to be provided and distributed to WSDM by Warren Management and that is a breakdown by Warren Management. President Heeter will provide the most recent newsletters to Ms. Harris to be posted on the website. Ms. Harris will check the calendar as well.

11. Other Business

- a. Board Member Responsibilities and Code of Conduct Policy: President Heeter explained the only job description for board members are the state requirements, so he drafted this Board Member Responsibilities and Code of Conduct Policy. He noted it is a draft and the Board can discuss further in June after the election.

12. Adjournment: Next scheduled Board Meeting, rehearsal for annual meeting, is February 20, 2023, at 3:00 PM. Scheduled Annual Meeting is February 21, 2023, at 6:00 PM. Director Shepherd moved to adjourn the meeting; seconded by Director Perry. Motion passed unanimously at 12:00 PM.

Respectfully Submitted,

Rebecca Harris

By: Rebecca Harris, District Manager

THESE MINUTES ARE APPROVED AS THE OFFICIAL FEBRUARY 6, 2023, MINUTES OF THE
CATHEDRAL PINES METROPOLITAN DISTRICT.