

RECORD OF PROCEEDINGS

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS

OF THE

CHEROKEE RIDGE ESTATES METROPOLITAN DISTRICT

Held: Wednesday, January 10, 2024
5660 Aspen Leaf Drive, Littleton, CO 80125
5:30 p.m.

Attendance

The regular meeting of the Board of Directors of the Cherokee Ridge Estates Metropolitan District was called and held as shown above in accordance with the statutes of the State of Colorado. The following Directors, having confirmed their qualifications to serve on the Board, were in attendance:

John Cowan
Eduardo San
Garrett Silva
Bernd Sokolowski

Absent: Sandy Ward (excused)

Also in attendance were Jeffrey E. Erb and Glory S. Schmidt, Erb Law, LLC; Irene Berest, Novele Community Management, Inc., and the following members of the public: DeAnn Ward.

Call to Order

Director Cowan noted that a quorum of the Board was in attendance. The meeting was called to order at 5:30 p.m.

Disclosure Matters

The Directors confirmed their continuing qualification to serve on the Board. The Directors reported that they had disclosed their interests as residents and/or owners of property located in the District. Written disclosures of these interests have been filed with the Secretary of State and the Board.

The Board reviewed the agenda for the meeting, following which each Board member had the opportunity to identify any additional conflicts. No additional conflicts were identified.

Approval of Meeting Minutes

The Board reviewed the minutes from both the November 8, 2023 annual and regular District Board meeting. Upon motion made, seconded and unanimously carried, the minutes of both

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the November 8, 2023 annual and regular District Board meeting were approved as presented.

Financial Matters

The District Board reviewed a summary of the District's financials through the end of November and December, including the District's assets, general fund and debt service fund, and property tax collections. Upon motion made, seconded and unanimously carried, the financials were accepted as presented.

The District Board reviewed the District's expenses through the end of November and December of 2023. Director Cowan reported that the payment for the Badger water meters is for a one-time software fee to ensure the Badger water meters are able to connect to the meter software. The District Board also discussed the payment for Chavez Construction and the payment for Douglas County to pay the expenses associated with the November coordinated election. The District Board discussed the District's 2023 legal fees being higher than anticipated due to the November election costs. Upon motion made, seconded and unanimously carried, the expenses were approved and ratified.

The District Board briefly discussed the District's 2024 budget, noting lower expenditures than expected in the reserve fund. Then, the District Board discussed the District's debt service fund. The District Board addressed new legislation that altered the deadlines to certify the District's mill levy and file the District's 2024 budget.

District Manager Report

Ms. Berest reported that the District Board that the District's website must be ADA compliant by July 1, 2024. The District Board discussed next steps regarding ensuring the District's website is ADA compliant by July 1, 2024, including getting proposals from website designers to provide this service.

Director Reports

Director Cowan provided an update on flood protection for the front well vault, outlining steps to prevent flooding in 2024. Director Cown recommended installing an automated shutoff and strobe light to prevent any future flooding of the front well vault. The District Board deliberated placement and color of the strobe light, aiming to minimize its impact.

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Upon motion made, seconded and unanimously carried, \$1,500 to install an automated shutoff and install a strobe light for the front well vault was approved.

Director Cowan requested a volunteer from the District Board to provide oversight of springtime grounds maintenance, including the cleanup and re-mulch of the south entry pines and erosion protection for the north fire cistern well vault. Director San volunteered to help oversee the erosion protection for the north fire cistern well vault.

Director Cowan provided an update regarding the District's Rules and Regulations. Director Cowan suggested that the District's Rules and Regulations should be updated to provide information regarding the District's open space, well water testing, and well and water meter guidance, including the District's requirement that District residents use a Badger water meter. Director Cowan will prepare an initial draft of the District's Rules and Regulation that Mr. Erb will edit.

Finally, Director Cowan provided an update on the progress of the water meter replacement project, noting the Badger water meter's accuracy of within 0.25%. He confirmed that the cellular endpoints do work as intended and that 5 Badger meters will be delivered in April with the remaining due in May for installation. The District Board discussed the installation process for property owners retaining their water hero meters to allow them the option to utilize their plumber in lieu of the District's plumber for those installations requiring new plumbing work. The District Board discussed that the remaining water meters are simple swap outs that will be accomplished by either the District's approved plumber or agent and that all of the cellular endpoints will be installed by District-approved trained individuals. Mr. Erb will draft an agreement for plumbing services that the District's approved plumber shall sign before providing plumbing services within the District.

Director Cowan informed the District Board about initial concerns from the grant committee regarding the District's notably low water billing tiers. Director Cowan proposed submitting higher billing tiers to the grant committee then having a public meeting to discuss the proposed water tiers with District residents. Director Cowan emphasized that the proposed water tiers would promote conservation and increase the District's chances of getting a grant. The District Board agreed

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that Director Cowan will submit the amended, higher water tiers to the grant committee.

Lastly, Director Cowan reported that a homeowner is asking for a refund from the District due to their inaccurate water meter. This homeowner had data that suggested their water meter has been historically reporting inaccurate readings. The District Board made no decision regarding this refund.

Director Silva presented on the Iron Forge snow plowing, indicating they had done a good job thus far. Upon motion made, seconded and unanimously carried, the Iron Forge service invoice was approved.

Director San reported on the status of street maintenance within the District. Director San also discussed next steps regarding the grant process. Director Cowan indicated he would send the grant proposal to Director San for review before final submittal.

Director Bernd discussed various neighborhood developments surrounding the District, including the development of The Range, which is on hold.

President's Corner

Director Cowan reported on the potential to distribute unneeded property tax revenues, if any, at the end of 2024. The District Board emphasized that this distribution is discretionary. The District Board discussed that these distributions will be apportioned on a pro-rata basis reflecting property taxes paid.

Upon motion made, seconded, and unanimously approved the distribution of this excess property tax revenue, on a pro-rated basis, was approved.

Director Cowan discussed the 2 south fire cisterns, expressing the District's intention to prepare a homeowner's agreement that clarifies that the District bears responsibility for the water supply line extending from the property to the cistern, along with additional provisions. Mr. Erb indicated he will prepare this agreement for the District.

Attorney Report

The District Board discussed the Erb Law, LLC rate increase for 2024 presented by Mr. Erb.

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Mr. Erb also briefed the District Board on the worker's compensation insurance provided by the SDA. Mr. Erb reported that the SDA provides additional insurance coverage for the Board of Directors when performing minor acts on behalf of the District as well as volunteer coverage if needed.

Other Business

Director Silva reported that a District resident wanted the ability to join District Board meetings virtually. The District Board discussed the ability for the District to hold virtual meetings.

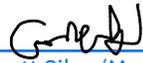
The District also discussed the 24-hour posting location for the District. Upon motion made, seconded, and unanimously approved the District Board approved the front entrance as the 24-hour posting location.

Public Comment

DeAnn Ward provided a public comment regarding her desire for District residents to have the option to attend District Board meetings virtually.

Adjournment

There being no further business to come before the Board, and upon motion duly made, seconded and unanimously carried, the meeting was adjourned at 8:20 p.m.



Garrett Silva (May 3, 2024 16:34 MDT)

Secretary for the Meeting

CREMD 01.10.24 Regular Meeting Minutes - Execution Copy 4876-0578-5019 v.1

Final Audit Report

2024-05-03

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