

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS

OF

CONIFER METROPOLITAN DISTRICT

Held: November 19, 2019, at 1:00 P.M., at 2154 East Commons Avenue, Suite 2000, Centennial, Colorado

ATTENDANCE

The meeting was held in accordance with the laws of the State of Colorado. The following directors were in attendance:

Mike Staheli (Receiver)

Also present was: Jennifer Gruber Tanaka, Esq., White Bear Ankele Tanaka & Waldron, Attorneys at Law, District General Counsel.

ADMINISTRATIVE MATTERS

Call to Order

The meeting was called to order.

Declaration of Quorum and Confirmation of Director Qualifications

Ms. Tanaka noted that a quorum for the Board was present and that the Order Appointing the Receiver to act on behalf of and as the Board remains in full force and effect.

Reaffirmation of Disclosures of Potential or Existing Conflicts of Interest

Ms. Tanaka advised the Board that, pursuant to Colorado law, certain disclosures might be required prior to taking official action at the meeting. Ms. Tanaka reported that disclosures for those directors with potential or existing conflicts of interest were filed with the Secretary of State's Office and the Board at least 72 hours prior to the meeting, in accordance with Colorado law, and those disclosures were acknowledged by the Board. Ms. Tanaka noted that a quorum was present and inquired into whether members of the Board had any additional disclosures of potential or existing conflicts of interest with regard to any matters scheduled for discussion at the meeting. No additional disclosures were noted. The Board determined that the participation of the members present was necessary to obtain a quorum or to otherwise enable the Board to act.

Approval of Agenda

Ms. Tanaka presented the Board with the proposed agenda for the meeting. Upon motion duly made by Mr. Staheli, the Board unanimously approved the agenda as amended.

CONSENT AGENDA

The Board was presented with the consent agenda items. Upon motion duly made by Mr. Staheli, the Board unanimously took

the following actions:

- a. Approved the Minutes from July 17, 2019 Regular Meeting
- b. Adopted Resolution No. 2019-11-01: 2020 Annual Administrative Resolution
- c. Adopted Resolution No. 2019-11-02: Calling the May 5, 2020 Election
- d. Adopted Resolution No. 2019-11-03: Establishing Guidelines for the Processing and Collection of Delinquent Fees and Charges
- e. Approved the Renewal of Independent Contractor Agreement with M & M Consultants, LLC for operations and maintenance services
- f. Approved the Renewal of Independent Contractor Agreement with Colorado Water Systems for operator responsible charge services
- g. Acknowledged the Letter of Withdrawal as Water Counsel from Fowler, Schimberg, Flanagan McLetchie, PC
- h. Ratified the Engagement of White & Jankowski as Water Counsel
- i. Ratified the Engagement of MMI Water Engineers, LLC, for Consulting Services

PUBLIC COMMENT

FINANCIAL MATTERS

Public Hearing on 2019 Budget Amendment and Adoption of Resolution No. 2019-11-04

Mr. Staheli opened the public hearing on the 2019 budget amendment. Ms. Tanaka noted that the notice of hearing was published in accordance with Colorado law and no written objections were received. Mr. Staheli reviewed the budget amendment. There being no public comment, the public hearing was closed.

Upon motion of Mr. Staheli, the Board unanimously adopted the budget amendment and adopted Resolution No. 2019-11-04.

Public Hearing on 2020 Budget and Adoption of Resolution No. 2019-11-05: Adopting Budget, Imposing Mill Levy and Appropriating Funds

Mr. Staheli opened the public hearing on the 2020 budget. Ms. Tanaka noted that the notice of hearing was published in accordance with Colorado law and no written objections were received. Mr. Staheli reviewed the budget. There being no public comment, the public hearing was closed.

Upon motion of Mr. Staheli, the Board unanimously adopted the budget and adopted Resolution No. 2019-11-05: Adopting Budget, Imposing Mill Levy and Appropriating Funds.

Review Fees and Rates for Water and Sanitary Sewer Services and Facilities and

Mr. Staheli reviewed the District's fees and rates and determined that a 5% increase is necessary to cover increased costs of the District.

Consider Adoption of Resolution No. 2019-11-06: Resolution Concerning the Imposition of Various Fees, Rates, Tolls, Penalties and Charges for Water and Sanitary Sewer Services and Facilities

Upon motion of Mr. Staheli, the Board unanimously adopted Resolution No. 2019-11-06: Resolution Concerning the Imposition of Various Fees, Rates, Tolls, Penalties and Charges for Water and Sanitary Sewer Services and Facilities.

Engagement of Auditor for 2019 Audit

Mr. Staheli reported that the District's prior auditor, Simmons & Wheeler, P.C., resigned as auditor for the District due to internal shifts in workloads and their inability to provide the services needed. Mr. Staheli reported that he contacted other auditors and obtained proposals from Schilling & Co. and Haynie & Company. Upon motion of Mr. Staheli, the Board unanimously engaged the services of Haynie & Company for the 2019 audit.

**WATER AND
WASTEWATER
OPERATIONS
MATTERS**

Mr. Staheli reported that the District has been notified by the CDPHE of two violations through the issuance of Cease and Desist Orders. The District is diligently working to resolve and address the concerns raised by the CDPHE. Responses have been submitted to the CDPHE with regard to the TTHM violation and the Board is confident that the concerns will be addressed to the CDPHE's satisfaction. The District is reviewing various options available to address the high levels of TDS in the wastewater effluent and will be working with the CDPHE on an acceptable course of action and plan to address these concerns. The District anticipates a need to review the District's augmentation plan and water rights decrees and potentially modify them accordingly in order to address these concerns.

Mr. Staheli reported that the day-to-day operation of the District is running smoothly and all preventative maintenance is taking place on a scheduled basis and the District is able to repair and replace items that are reaching the end of their useful life as needed. The reserves are currently sufficient to cover these expenses.

Mr. Staheli reported that 2019 was the first year in which the District collected sales tax revenues for transportation-related expenses and, for the first time, the District had funds available to attend to the landscape maintenance matters along the roads within the District which should improve the appearance of the shopping center. The District will continue to maintain the landscaping on an ongoing basis keeping weeds mitigated and tending to the plant material in the rights-of-way. The other funds collected by the sales tax will be held in reserve for future capital needs related to roads and transportation purposes.

Mr. Staheli reported that, in 2019, the District noticed that the meter readings from the customer meters were significantly different from the meters at the wells. After inspecting the tank and water lines, it was determined that a leak was not the culprit. The District then determined that the meters at the customer's properties were the issue. Mr. Staheli noted that the average life of commercial water meters is 5-7 years but noted that the meters currently in place were the originally installed meters which were installed in 2005 and 2006. As such, the District suspects these meters were giving inaccurate readings. To remedy this issue, the District has been installing new meters on an as needed basis.

RECEIVER MATTERS

Receivership Update

Mr. Staheli noted the desire to have owners appointed to the Board and to contribute to the District's operations. He will reach out to owners to determine whether people are qualified and interested in serving.

LEGAL MATTERS

None.

EXECUTIVE SESSION

None.

OTHER BUSINESS

Next Meeting Date

The next regular meeting is scheduled for July 15, 2020 at 1:00 P.M.

ADJOURNMENT

There being no further business to be conducted, the meeting was adjourned.

The foregoing constitutes a true and correct copy of the minutes of the above-referenced meeting.



Secretary for the Meeting






Conifer Execution Packet

Final Audit Report

2020-08-07

Created:	2020-08-07
By:	Abby Franz (afranz@wbapc.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAAL6zNUX6PftcWO_vvZxJXJ6x_iBKezBDP

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-  Document created by Abby Franz (afranz@wbapc.com)
2020-08-07 - 4:59:16 PM GMT- IP address: 73.78.163.188
-  Document emailed to Michael Staheli (mstaheli@cordesco.com) for signature
2020-08-07 - 4:59:54 PM GMT
-  Email viewed by Michael Staheli (mstaheli@cordesco.com)
2020-08-07 - 5:01:13 PM GMT- IP address: 173.227.189.26
-  Document e-signed by Michael Staheli (mstaheli@cordesco.com)
Signature Date: 2020-08-07 - 5:03:44 PM GMT - Time Source: server- IP address: 173.227.189.26
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2020-08-07 - 5:03:44 PM GMT