

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS

OF

CONIFER METROPOLITAN DISTRICT

Held: November 17, 2020, at 1:00 P.M., via teleconference.

Due to Executive Orders issued by Governor Polis and Public Health Orders implementing the Executive Orders, issued by the Colorado Department of Health and Environment (CDPHE), and the threat posed by the COVID-19 coronavirus, the meeting was held via teleconference.

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 were: Jennifer Gruber Tanaka, Esq., White Bear Ankele Tanaka & Waldron, Attorneys at Law, District General Counsel; Fred Kelly, Colorado Bondshares; and Angie Kelly, Conifer Sanitation Association.

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 presented.

PUBLIC COMMENT None.

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 29, 2020 Special Meeting
- b. Adopted Resolution No. 2020-11-01: 2020 Annual Administrative Resolution
- c. Accepted the Unaudited Financial Statements as of September 30, 2020
- d. Approved and Renewed the Consultant and Contractor Agreements for 2021 Services:
 - i. WHITE BEAR ANKELE TANAKA & WALDRON, Attorneys at Law, for General Counsel Services
 - ii. M & M Consultants, LLC for Operations and Maintenance Services
 - iii. Colorado Water Systems for Operator Responsible Charge Services, as amended for updated rate schedule
 - iv. MMI Water Engineers for Engineering Consulting Services
 - v. White & Jankowski for Water Counsel Services
- e. Approved the Engagement Letter With Haynie & Company for 2020 Audit Services

FINANCIAL MATTERS

Public Hearing on 2020 Budget Amendment and Adoption of Resolution No. 2020-11-02 Mr. Staheli opened the public hearing on the 2020 budget amendment. Ms. Tanaka reported that the notice of public hearing was published in accordance with Colorado law and noted that no objections were received prior to the hearing. Mr. Staheli reviewed the budget amendment. There being no public comment, the public hearing was closed.

Upon motion duly made by Mr. Staheli, the Board unanimously approved the 2020 budget amendment and adopted Resolution No. 2020-11-02.

Public Hearing on 2021 Budget and Adoption of Resolution No. 2020-11-03: Adopting Budget, Imposing Mill Levy and Appropriating Funds Mr. Staheli opened the public hearing on the 2021 budget. Ms. Tanaka reported that the notice of public hearing was published in accordance with Colorado law and noted that no objections were received prior to the hearing. Mr. Staheli reviewed the budget. There being no public comment, the public hearing was closed.

Upon motion duly made by Mr. Staheli, the Board unanimously approved the 2021 budget and adopted Resolution No. 2020-11-03: Adopting Budget, Imposing Mill Levy and Appropriating Funds.

Review Fees and Rates for Water and Sanitary Sewer Services and Facilities and Adoption of Resolution No. 2020-11-04: Resolution Concerning the Imposition of Various Fees, Rates, Tolls, Penalties and Charges for Water and Sanitary Sewer Services and Facilities

Mr. Staheli reviewed the proposed fees and rates for water and sanitary sewer services and facilities noting that a 3% increase in all service fees across the board has been incorporated in order to cover inflation.

Upon motion duly made by Mr. Staheli, the Board unanimously approved the change in fees and rates and adopted Resolution No. 2020-11-04: Resolution Concerning the Imposition of Various Fees, Rates, Tolls, Penalties and Charges for Water and Sanitary Sewer Services and Facilities.

WATER AND WASTEWATER OPERATIONS MATTERS

Discuss Status of Foothills Application and Application to CDPHE for Surface Discharge (Executive Session Pursuant to §§24-6-402(4)(b) and (e), C.R.S., if necessary)

Mr. Staheli provided an update with regard to the District's compliance with the drinking water standards and the total dissolvable solids ("TDS") that are required by the CDPHE. Mr. Staheli reviewed the options available to the District to address these issues, including the installation of a reverse osmosis plant, which is cost prohibitive. Another option is to discharge water on the surface as opposed to in the ground in which case the TDS standards are not applicable. The District is currently applying for a surface water discharge permit with the CDPHE which is creating some concern by the residents. This option would require a rezoning of the property through the Jefferson County Board of County Commissioners, which is likely to be denied. As a result, the District is in a dilemma on this matter. However, the District will continue to work with the CDPHE to resolve this issue.

Mr. Kelly inquired into whether individual reverse osmosis systems could be installed on each unit. Because we have large commercial users, a large RO unit is required unfortunately. Mr. Staheli noted that he is talking with Aspen Park Metropolitan District to determine whether they have similar issues. He noted that Aspen Park is doing a deep discharge of TDS to address their concerns. Mr. Kelly inquired into whether the District could send its discharge to Aspen Park. Mr. Staheli will inquire into whether this is possible.

Mr. Staheli noted that the Foothills Application is for 188 residential units. The fire department has objected to the application due to fire mitigation concerns.

RECEIVER MATTERS

Receivership Update

Mr. Staheli noted that the obstacle in appointing people to the Board is that there are no eligible electors within the District due to the commercial ownerships within the District. Mr. Staheli noted a desire to find a developable parcel upon which directors can be qualified so that the Board can be re-constituted with property owners.

LEGAL MATTERS

Mr. Staheli reported that Alan Curtis at White & Jankowski has filed applications with Water Court and is currently working on those. Updates will be provided as they are available.

EXECUTIVE SESSION

None.

OTHER BUSINESS

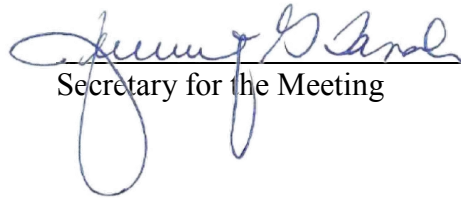
Next Meeting Date

The next regular meeting is scheduled for July 28, 2021, 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