

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS

OF

CONIFER METROPOLITAN DISTRICT

Held: November 16, 2021, at 1:00 P.M., *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., and Heather L. Hartung, 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. Hartung 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. Hartung advised the Board that, pursuant to Colorado law, certain disclosures might be required prior to taking official action at the meeting. Ms. Hartung reported that disclosures for 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. Hartung noted that a quorum was present and inquired into whether 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. Hartung presented the Board with the proposed agenda for the meeting. Upon motion duly made by Mr. Staheli, the Board unanimously approved the agenda as revised to clarify under the Consent Agenda that M&M Consultants is the Operator in Responsible Charge and Colorado Water Systems provides Operations and Maintenance Services, to remove item E under

Consent Agenda, and to add items f.iv and f.v. under Consent Agenda.

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 28, 2021, Special Meeting
- b. Resolution No. 2021-11-01: 2022 Annual Administrative Resolution, as modified for updated meeting date
- c. Resolution No. 2021-11-02: Resolution Calling May 2022 Regular Election
 - i. Confirmation of 2 Methods of Providing Calls for Nomination: 1) Emailing/Mailing (as required by statute); and 2) publication
- d. Ratification of Payment of Claims as of November 16, 2021
- e. REMOVED
- f. Approved the Renewal of Consultant and Contractor Agreements for 2022 Services:
 - i. WHITE BEAR ANKELE TANAKA & WALDRON, Attorneys at Law, for General Counsel Services
 - ii. M & M Consultants, LLC for Operator in Responsible Charge Services
 - iii. White & Jankowski for Water Counsel Services
 - iv. Jehn Water Consultants for Consulting Services
 - v. AquaWorks for Engineering Services
- g. Approved the Third Addendum to Independent Contractor Agreement with Colorado Water Systems for Operations and Maintenance Services (2022 Hourly Rates Increase)
- h. Approved the Letter Terminating MMI Water Engineers, LLC Agreement for Engineering Consulting Services
- i. Approved the Engagement Letter With Haynie & Company for 2021 Audit Services

FINANCIAL MATTERS

Public Hearing on 2021 Budget Amendment and Adoption of Resolution No. 2021-11-03

Mr. Staheli opened the public hearing on the 2021 budget amendment. Ms. Hartung 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 2021 budget amendment and adopted Resolution No. 2021-11-03.

Public Hearing on 2022 Budget and Adoption of Resolution No. 2021-11-04: Adopting Budget, Imposing Mill Levy and Appropriating Funds

Mr. Staheli opened the public hearing on the 2022 budget. Ms. Hartung 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.

Mr. Staheli reported that Colorado Bondshares, the Bondholders of the bonds issued by the District, has approved the use of \$72,000 of debt service revenues for operational purposes. Mr. Staheli will update the budget to reflect this amount.

Mr. Staheli reported that the District has a reimbursement agreement with Foothills Housing, 1, LLC for payment of consultant costs benefitting their development and they have been funding the costs to date in accordance with the agreement.

Upon motion duly made by Mr. Staheli, the Board unanimously approved the 2022 budget and adopted Resolution No. 2021-11-04: 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. 2021-11-05: First Amendment to Resolution Concerning the Imposition of Various Fees, Rates, Tolls, Penalties and Charges for Water and Sanitary Sewer Services and Facilities

Mr. Staheli reviewed the current fees and rates for water and sanitary sewer services and facilities and reviewed the proposed changes to each.

Upon motion duly made by Mr. Staheli, the Board unanimously adopted Resolution No. 2021-11-05: First Amendment to 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

TDS Violation Compliance Efforts (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 reported that the District has been working with the CDPHE to work through the scenarios that would bring the District in compliance with the regulations. It has been determined by the CDPHE and the District, jointly, that there is no feasible or environmentally safe and affordable way to bring the District into compliance with the current regulations. There

is no risk to users with the current water that is provided even though they do not meet the current regulations. The CDPHE has been working with the District to prepare a variance application to file with the Water Quality Board for consideration in February.

RECEIVER MATTERS

Receivership Update

Mr. Staheli summarized his efforts to locate a parcel within the District that could be used to qualify electors for purposes of serving on the Board. He noted that after exhaustive efforts there is no separate parcel which can be used at this time.

LEGAL MATTERS

Contract with Heatherly Creative, LLC for Website Design Services

Ms. Hartung reported that SB 21-262 requires all metropolitan districts organized after 2000 to establish and maintain a website by no later than January 1, 2023. Ms. Hartung presented the Board with a proposal from Heatherly Creative, LLC for website design services. The initial cost to set up the website, including hosting services, is approximately \$2,200. Afterwards, the costs are minimal for any updates and maintenance.

Upon motion duly made by Mr. Staheli, the Board unanimously approved the engagement of Heatherly Creative.

EXECUTIVE SESSION

None.

OTHER BUSINESS

Development Update

Mr. Staheli provided an update on development within the District.

Next Meeting Date

The next meeting is scheduled for July 27, 2022, at 1:00 P.M. *via* Zoom.

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