

# RECORD OF PROCEEDINGS

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## MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS

OF THE

### CHEROKEE RIDGE ESTATES METROPOLITAN DISTRICT

Held: Wednesday, March 15, 2023  
5731 Aspen Leaf Drive, Littleton, CO 80125  
6:30 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 (via videoconference)  
Sandy Ward

Absent: None.

Also in attendance were Jeffrey E. Erb, Erb Law, LLC; Irene Berest, Novele Community Management, Inc., and members of the public including Clint Curry, Bruno Kaelin, Laura DalPiaz (virtual), Monte Moore (virtual), and Vladamir Spina.

#### Call to Order

Director Cowan noted that a quorum of the Board was in attendance. The meeting was called to order at 6:42 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.

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Public Comment Sign-in and Etiquette      There was no public comment.

Approval of Meeting Minutes      The Board reviewed the minutes from the January 11, 2023 meeting. Upon motion made, seconded and unanimously carried, the minutes were approved as presented.

2023 Water Fees, Rates, Tolls, Charges and Penalties      The Board noted that notice of the Board's discussion regarding changes to the District's water rates, fees, tolls, charges and penalties was provided by mail to the District's customers more than 30 days before the meeting.

The Board discussed the proposed changes to the water fees, including an increase in the charge for testing water meters and an increase in the Tier 4 water rate, which only applies to the highest water users in the community. The Board noted that each home has an annual water budget of 1 acre-foot of water per year. For most properties, this annual water budget is adequate, but a few properties use significantly more water. Since the entire District obtains water from the same aquifer pursuant to the District's water rights, high water users impact the long-term viability of the water supply, pose a risk that the District would meet or exceed its total annual use allowance, and raises concerns regarding water conservation. Previous efforts to reduce the water use by the highest water users, including letters advising them of the high use and providing suggestions for reducing water or checking for leaks, have not resulted in meaningful changes in water use. Accordingly, the District is proposing to significantly increase the highest tier to compensate for the impact the high water users cause to the community and to penalize the high use.

Public comment was made regarding the ability to monitor use over the years, the installation of smart water meters, and generalized support for the increase rates.

Following discussion, upon motion made, seconded and unanimously carried, the revised water rates were adopted and put into effect for the 2023 water year and subsequent years.

Financial Matters      The Board reviewed the expenses through the end of February. Upon motion made, seconded and unanimously carried, the expenses were approved and ratified.

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The Board reviewed the 2022 application for exemption from audit, noting that the District is not required to perform an audit due to its expenditures and revenues being under \$750,000 for the year. Upon motion made, seconded and unanimously carried, the 2022 application for exemption from audit was approved for filing. Upon motion made, seconded and unanimously carried, the Board approved the engagement of Darcy Beard, CPA, for the preparation of the 2023 application for exemption from audit.

## District Manager's Report

Ms. Berest reported that website updates are being tracked and are underway, to be completed by the compliance deadline.

Ms. Berest reported that all water bills for 2022 have been paid.

## Directors Reports

The Board discussed replacing the dead and dying aspen trees at the front entrance with honey locust trees. Upon motion made, seconded and unanimously carried, the Board approved up to \$7,000 for the purchase and planting of the new trees and up to \$1,500 for the removal of the aspen trees.

The Board discussed options for the replacement and potential removal of the stop signs within the community. Public comment was provided regarding the need for stop signs, potential yield signs, and the aesthetics of the signs to match the nature of the community. Additional information and proposals will be discussed at the next meeting.

Upon motion made, seconded and unanimously carried, the Board approved the updated pricing for mowing at the front entrance at the beauty band.

The touch up to the front entrance portico staining will be done in March or April, weather permitting.

The installation of the front entrance lights is behind schedule and only about 25% complete. Director Silva is working with the contractor to keep the project moving towards completion.

The Board discussed the damage to the trees and scrub oak caused by a porcupine.

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Upon motion made, seconded and unanimously carried, the Board approved the proposal from Douglas County Septic for 2023 septic tank inspections in the amount of \$5,250.

A proposal for the removal of silt from the front entrance pond and culverts should be available for review at the May Board meeting.

A proposal for crack seal will be discussed at the May Board meeting.

Potential grants from the National Special Districts Coalition for future projects were discussed.

No additional updates were available for the asphalt and cement plant.

An update regarding the potential for grant funding to install broadband internet to the community was discussed.

## President's Corner

Director Cowan discussed the general fund revenue cap and steps needed to increase the cap, noting that it is not a pressing issue at this time. The Board will revisit the issue if the District begins to face a revenue shortfall and/or if the limits on deductions of state and local taxes changes in the future.

Based on historical records at the time the wells were installed and current water level readings, the aquifer levels in the community are within 10-15 feet of where the levels were in 2002.

Bids for a new snow removal provider will be obtained for the 2023-24 snow season.

Excavation at Lot 44 is underway and Lot 40 recently sold.

The Board discussed the potential for creating two additional lots in the community in areas currently identified as open space, noting that there are two fewer lots in the community now due to lots being combined, and the potential to use lot sale proceeds for accelerate payment of the District's bonds.

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Attorney Report

Mr. Erb reported that the May election was cancelled because there are not more persons running that seats available. Directors San and Cowan were re-elected to the Board.

Other Business

There was no other business.

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 9:14 p.m.



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Secretary for the Meeting