

CHEROKEE METROPOLITAN DISTRICT
SPECIAL MEETING OF THE BOARD OF DIRECTORS

August 4, 2009

MINUTES

The Special Meeting of the Board of Directors of the Cherokee Metropolitan District was held on Tuesday, August 4, 2009, at 5:30 p.m. at 6250 Palmer Park Blvd., Colorado Springs, Colorado.

BOARD OF DIRECTORS PRESENT

Steve Hasbrouck	Kurt VandenBoogaard
Sean Byers (phone)	Robert Lovato
Dave Hacker	

OTHERS PRESENT

Kip Petersen	Art Sintas
Dian Hardekopf	Ed Meyer
Jim Culichia	Sara Howard
Pete Heidebrecht	

OTHER GUESTS SIGNING ATTENDANCE LOG

Andy Anderson	Jan Olson
Mary Hernandez	Chloe Olson
Assunta Manning	

ITEM 1:

The meeting was called to order by Chairman Steve Hasbrouck at 5:30 p.m. Ms. Hardekopf called roll call of the Board of Directors, all Directors were present including Mr. Byers who was available through scheduled teleconferencing.

ITEM 2:

Mr. Hasbrouck asked if there were any changes or amendments that needed to be made to the August 4th Special Meeting Agenda. There were none given.

*****MOTION*****

MR. HACKER MADE A MOTION TO APPROVE THE AGENDA OF THE SPECIAL MEETING OF AUGUST 4, 2009, AS WRITTEN. SECONDED BY MR. LOVATO. ALL BOARD MEMBERS PRESENT WERE IN FAVOR. MOTION CARRIED (5-0).

ITEM 3:

Mr. Petersen apprised the Board by stating the purpose of the meeting was to discuss options and alternatives resulting from a ruling on July 28th whereby Judge Dennis Maes vacated the use of the District's Wells 14-17. This ruling was based on an objection by the Upper Black Squirrel Creek Management District and Wayne and Francis Booker filed in January 2009, stating the District failed to convert the conditional water rights to absolute water rights in a two-year timeframe. Although the District retains the conditional water rights to the wells, no water is allowed to be pumped.

Judge Maes' ruling has placed detrimental implications upon the District, affecting one-sixth of the District's water supply. Although Mr. Petersen stated there would be a financial impact upon the District's customers in the future, he remains committed to twice-a-week lawn watering for the remainder of stage 2 for 2009.

Legal counsel will be asking Judge Maes for reconsideration of this ruling to be filed by August 6, 2009. Depending on the outcome of his response, the District may directly appeal to the Supreme Court which may enable the District to seek relief from the enforcement of the order pending the appeal.

The Replacement Plan Trial has been rescheduled to January 11, 2010. If the Wells 14-17 situation hasn't been resolved by November, the wells will need to be dropped from the Replacement Plan process.

Several questions were raised from the audience, including an explanation from the Board as to who was responsible for the District's negligence, what did the appeal process entail, would there be a price increase in customers' rates, and how much water was affected by the ruling.

At this time, Mr. Petersen explained that the details for the strategies, filings, and negotiations needed to be discussed within an Executive Session.

ITEM 4:

Executive Session: CRS-24-6-402(4)(b)

*****MOTION*****

MR. HACKER MADE A MOTION TO ENTER INTO AN EXECUTIVE SESSION CITING 24-6-402(4)(b) LEGAL CONSULTATION. SECONDED BY MR. VANDENBOOGAARD. ALL BOARD MEMBERS PRESENT WERE IN FAVOR. MOTION CARRIED (5-0).

Executive Session was entered into at 6:07 p.m.

*****MOTION*****

MR. HACKER MADE A MOTION TO COME OUT OF EXECUTIVE SESSION AND RETURN THE MEETING TO THE OPEN SESSION OF THE REGULAR MEETING. SECONDED BY MR. LOVATO. ALL BOARD MEMBERS PRESENT WERE IN FAVOR. MOTION CARRIED (5-0).

The Regular Session began at 8:02 p.m.

Mr. Petersen stated that legal strategies were discussed and to continue with the request for reconsideration.

ITEM 14:

⇒ Adjournment

There being no further business to come before the Board at this time, a motion was made for adjournment.

The Meeting adjourned at 8:03 p.m.

Kurt VandenBoogaard, Secretary

Board Members

Term Expires

Steve Hasbrouck, President	May, 2012
Dave Hacker, Vice President	May, 2010
Kurt VandenBoogaard, Secretary/Treasurer	May, 2010
Robert Lovato, Director	May, 2012
Sean Byers, Director	May, 2010