

**MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS
OF THE
CASTLE PINES METROPOLITAN DISTRICT
ALL PUBLIC ATTENDEES PARTICIPATED VIA ZOOM TELECONFERENCE**

Held: Tuesday, June 22, 2021, 9:30 a.m., at 5880 Country Club Dr., Castle Rock, Colorado

A regular meeting of the Board of Directors of the Castle Pines Metropolitan District, Douglas County, Colorado, was called and held as shown above and in accordance with the applicable statutes of the state of Colorado, with the following Directors, constituting a quorum, present, and acting:

Rick Huser
Mike Lanam
Dick Munday
Craig Sundquist
Tad Walden

Also present were: Burt Knight, Sue Mantz, Jason LeTellier, LeAnna Gonzales, Tracy Adams, District Staff; Tom George, Spencer Fane, LLP; Mark Larson, General Manager, Castle Pines Homes Association; Josh Shackelford, Courtney Husted, Daniel Feller, Olsson; Cassie Vetter, Infrastructure Committee Chairperson; Patrick Mulhern, Laurie Tatlock, Luis Tovar, Mulhern, MRE, Inc.; Doug Cooper, Cici Holbrook, Bill Calhoun, members of the public.

Potential Conflict of Interest Disclosures

It was noted that disclosure statements have been filed on behalf of the members of the Board with the Office of the Colorado Secretary of State. District Counsel Mr. George stated that no additional potential conflicts of interest were identified specific to today's agenda.

Approval of the Agenda

Director Huser made a motion to approve the agenda, seconded by Director Sundquist.

The Board unanimously approved the agenda.

Guest Introductions / Comments from the Community

There were no comments from the community.

Action Items

Approve Minutes from May 26, 2021, Regular Board Meeting – Director Huser made a motion to approve the minutes of the May 26, 2021, Regular Board Meeting as amended, seconded by Director Sundquist.

A vote was called and the motion passed unanimously.

Approve the May 2021 Payables – Director Huser made a motion to approve the May 2021 Payables of \$1,109,743.79, seconded by Director Sundquist. Ms. Gonzales reported that staff met with Director Lanam to review payables, payroll expenses, manual checks, and one DWRP loan payment. Ms. Gonzales reviewed and answered questions regarding invoices from the following vendors: Blackbaud Financial Edge, Colorado Pump Service & Supply Co., Forsgren Associates, Inc., Layne Christensen Company, Quantum Pump & Controls, and Schmidt Construction Co.

A vote was called and the Board unanimously approved payment of the May 2021 expenses in the following amounts: General Fund \$426,511.07, Enterprise Fund \$622,604.27, and Manual Checks \$60,628.45.

Ms. Mantz reviewed the Revenue and Expense Report for May 2021. In the general fund, there is a positive variance over budget of \$22,000 for total revenues. In personnel, there is a positive variance of \$41,000, due to open positions that have not been filled to date. The MPI schedule for roadwork has been added in the appropriate expense lines. For the general fund, the ending fund balance is reflecting a negative variance over budget of \$1,386,135, due to the additional roadway work added in Public Works. If the fund remains with a negative variance, a Supplemental Appropriation will be necessary before the years' end. In the enterprise fund, there is a positive variance over budget of \$44,000 for total revenues. There is also a positive variance for personnel of \$40,000, due to unfilled positions. In Capital Expense, the original budget showed a line item for one Arapahoe Well expensed at \$1,570,000. Since it was determined to add three new wells, three new accounts were added for the wells, and the Arapahoe budget was spread evenly between the three wells. The Enterprise Fund is reflecting a positive variance over budget of \$408,597.

Consider Approval of Sewer Inspections with RedZone Robotics – Director Huser made a motion to approve sewer inspections with RedZone Robotics for \$109,400, seconded by Director Sundquist. Mr. LeTellier said every year we inspect a portion of the District's sewer main lines. RedZone deploys cameras down in the lines to identify any issues or failures to the sewer system that would require maintenance. Mr. LeTellier noted that we have changed our rotation of inspections from a 5-year rotation to a 4-year rotation.

A vote was called and the motion passed unanimously.

Committee Updates

Liaison to PCWRA – Mr. Knight reported that the PCWRA expansion is almost complete with only a couple of minor punch list items remaining. There is still a polymer shortage and trucking shortage to handle the sludge, but PCWRA is working through these issues.

CPHA Liaison – Mr. Larson reported they had over 700 people attend the Summer Solstice event. The Homes Association Board Meeting is this Thursday, and the Homes Association will resume their normal July 4th events this year. Concrete is currently being poured on the new tennis courts and will be ready for play in about 40 days.

Infrastructure Committee – Mr. Knight said we are implementing the roadwork project and currently working on the schedule of road work. When we have that schedule, we will begin communicating that to the community and affected streets. Roadwork will start on July 6th. Mr. Knight said they are also working on putting together a bid package for the additional concrete curb & gutter on Castle Pines Drive North at Filing 41 (by the tree tunnel) up through Lost Elk Circle.

Director Lanam shared they are working on a new policy regarding damage to our roadways from contractors.

Mr. Knight said he would like the committee to help with evaluating our service level associated with snowstorms.

Water Committee – Mr. Knight referenced documents in the board packet and asked if there were any questions. Mr. Munday said that with our new schedule of not mowing the native we now have more weeds. Mr. LeTellier said we have increased our weed control mitigation.

Discussion Items

Confirm Combined Boards Meeting, Thursday, June 24, 2021, 11:30 – 1:30 p.m., CPHA, Wildcat Room – The Board confirmed the Thursday, June 24, 2021, Combined Boards Meeting, at 11:30 a.m.

Confirm Tuesday, July 27, 2021, Regular Board Meeting at 9:30 a.m. - The Board confirmed the Tuesday, July 27, 2021, Regular Board Meeting at 9:30 a.m. (Zoom)

Staff Reports

District Manager Report – Mr. Knight said we will bring the Employee Manual to the Board next month. He has seen a draft of the Long-Range Road Maintenance Plan and anticipates bringing that forward to the July meeting. Mr. Knight and Mr. Shackelford are working on the Long-Range Water Master Plan and will look at having a work session with the Board.

Mr. Knight spoke with the State about the purchase of additional storage in Chatfield and the State shared that their preference is that it be a one-time purchase. Mr. Knight will continue to work with the State and also see how it will fit within the Long-Range Water Master Plan.

Mr. Knight said he has a meeting tomorrow with our PR firm Novitas to strategize how to roll out communications associated with our water efficiency program. Director Lanam asked if we will be publicizing the roadway projects, Mr. Knight affirmed.

Safety Report – No safety issues to report.

Operation's Report – Mr. LeTellier reported that the District inspector is onsite at Filing 41, (The Summit) every day making sure that they are meeting all our rules and regulations. All four well rehab projects are now online. LDA12 and De8 are operating, however, they are still doing some testing on De8. De8 is a little bit short on its production and it was discovered that we have the wrong motor. A new motor has been ordered and will be installed as soon as it is received. A12 and A10 are now online, but we are still in the testing phases. There are some gaps in the production but the testing phase should help answer those questions. Both pumps at BPS #1 have been replaced for the fire flow project to the Country Club expansion. Mr. LeTellier noted that on all our projects we are running into challenges on long lead times for supplies due to shortages. The camera system is in place, we are waiting on some of the remote monitoring final touches. Carte Graph is progressing, and we hope to have a demo version running by the end of July. Douglas County has submitted a request for some changes on the new well projects as it relates to the permitting and Layne has gotten those changes back to the County. As soon as we get permits approved, Layne will be ready to go. Mr. Knight emphasized that this work is for the drilling of the wells, not the full installation of the pumps. We will bring a contract back to the Board for the purchase of the equipment associated with these wells. Mr. LeTellier said that WTP1 is now online, the VFD replacement, PLC replacement, and new chemical system are all in place, tested, and running. The reclaim and decant system is still waiting on parts to be delivered. The WTP2 server replacement continues. A draft of the Risk and Resiliency Assessment Report has been received and we expect the final version this week and we will certify with the EPA that we have the assessment completed. Mr. LeTellier said the assessment is a list of recommended best practices with our water system.

Administration Report – Ms. Mantz reported one of our Maintenance Techs resigned. The auditors will be here on Monday, and they are working to finalize the 2020 financial statement. We requested a 30-day extension on the GFOA certificate and that was approved. We are preparing for the Community Picnic on August 21st. We will have one community member from Park and Recs volunteering to help, as well as the Welcome Committee.

Water Conservation Report Water Usage Report – Director Munday noted that Cherokee Ranch was delivered 44,000 gallons in May and asked if we continue to monitor that. Mr. Knight said we do need to monitor it, but Cherokee Ranch also monitors it, and they have the ability to read their meters and track their usage.

Attorneys Report – there was nothing to report.

Executive Session

At 11:20 a.m., Mr. George proposed a motion to enter into an executive session pursuant to C.R.S. § 24-6-402(4)(b) & (e) for purposes of conferencing with legal counsel to discuss matters and receive legal advice on specific legal questions and to discuss matters subject to negotiations and instruct negotiators regarding the Board Member Manual and Bylaws, District water supply, ongoing legal proceedings, District staffing needs, and consultant engagement and related matters. Director Huser so moved, seconded by Director Sundquist, and the motion was

unanimously carried. Mr. Knight, Ms. Mantz, Mr. Shackelford, Mr. LeTellier, Patrick Mulhern, Laurie Tatlock, Luis Tovar, and Mr. George were invited to remain.

The Board left the executive session and the regular session resumed at 12:55 p.m.

Adjourn

There being no further business to come before the Board, and upon motion duly made, seconded, and unanimously carried, the Board adjourned the regular meeting at 12:55 p.m.

The Board of Directors approved the foregoing minutes on the 27th of July 2021. The preceding constitutes a true and correct copy of the minutes of the above-referenced meeting.



Secretary