

**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, April 19, 2022, 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: Sue Mantz, Jason LeTellier, LeAnna Gonzales, District Staff; Tracy Adams; Aaron Miller, Mixed Up Audio; Tom George, Spencer Fane LLP; Mark Larson, General Manager, Castle Pines Homes Association; Josh Shackelford, Dan Feller, Olsson; Will Koger, Forsgren & Associates; Ben Johnson, Black & Veatch; Kim Dadlani, David King, Water Committee; Cassie Vetter, Infrastructure Committee Chairperson; Cici Holbrook, Vic Pluto, Mike Vernon, Jack Vickers, Robyn Moore, Brett G., 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, as amended to remove Item 4B, seconded by Director Sundquist. Director Lanam opposed the motion stating that sufficient research has been completed on the project. With consent from the Board, Director Huser withdrew his motion to pull 4B from the Agenda and made a motion to approve the Agenda as presented, seconded by Director Sundquist.

The Board unanimously approved the agenda as presented.

Guest Introductions / Comments from the Community – there were no comments.

Approve Consent Agenda

Director Huser made a motion to approve the Consent Agenda, seconded by Director

Sundquist.

Approve the Minutes from the March 22, 2021, Regular Board Meeting

Approve the Minutes from the March 29, 2021, Special Board Meeting

The Board unanimously approved the Consent Agenda.

Action Items

Approve March 2020 Payables and Review Revenue/Expense Report - Director Huser made a motion to approve the March 2022 Payables of \$822,554.77, seconded by Director Sundquist. Ms. Gonzales reported that staff met with Director Lanam to review payables, payroll expenses, manual checks, and two DWRP principal and interest loan payments totaling \$822,554.77. Ms. Gonzales reviewed and answered questions regarding invoices from the following vendors: Black and Veatch, Colorado Digital Solutions, CPS Distributors, FCS Group, Grainger Parts, Novitas, Olsson, Quantum Pump, and Spencer Fane LLP.

A vote was called and the Board unanimously approved payment of the March 2022 expenses in the following amounts: General Fund \$268,749.61, Enterprise Fund \$516,064.47, and Manual Checks \$37,740.69.

Ms. Mantz reviewed the Revenue and Expense Report for the first quarter of 2022. In the General Fund, Ms. Mantz noted that in account 10-5310, the CAT Loader has been moved to FY 2023. The large format printer/scanner is noted in the Capital Contingency account, 10-7740. The ending fund balance in the General Fund is a positive variance of \$18,000.

In the Enterprise Fund the Capital Improvement Fee, account 60-4417, was budgeted at \$10 per household. There is an adjustment for the full-year forecast of \$862,000 instead of the budgeted of \$431,000 for a positive revenue. The increased Capital Improvement Fee of \$49 per month / per platted lot was effective April 1, 2022.

It was noted that account 60-5227 has a negative variance of \$15,000 due to additional expense for the Water Symposium. On page 8, regarding the new well construction, last year we budgeted \$1.5M for a new Arapahoe well, and decided to install three smaller wells, instead. The drilling of those wells was budgeted for 2021 and the equipment in 2022. The drilling did not get completed in 2021 and rolled over into 2022 so we are over budget in 2022 by \$453,000. The Capital Improvement Fee that was not budgeted will help offset this cost. We have a slight positive variance in the ending fund balance after the first quarter. Ms. Mantz answered questions from the Board.

Consider Approval of Quote for Video Conferencing in Board Room – Director Huser made a motion to consider approval of a quote for video conferencing equipment for the Board Room for \$29,665.99. The Video Conference Gear quote is \$27,571, and a TV will be purchased for \$2,094.99, seconded by Director Sundquist.

Mr. Shackelford said this quote includes the installation of an 85" TV, high definition camera, and audio will consist of ceiling-mounted microphones, new audio equipment, and a tablet system that allows the meeting to be run in the board room. One bid was submitted in December, and the Board requested that we get additional bids. We have received 2 bids, one from Video Conference Gear and one from King Systems, LLC. Staff recommends using Video Conference Gear, as the Homes Association used them for their audiovisual upgrade and had a positive experience with them. There was Board discussion and Mr. Shackelford answered questions from the Board.

A vote was called and the motion passed 4-1.

Consider Engagement with Bond Counsel, Disclosure Counsel, and Bond

Underwriter – Director Huser made a motion to approve the proposed engagements with Bond Counsel, Disclosure Counsel, and Bond Underwriter as presented, seconded by Director Sundquist. Mr. Shackelford said they have been working with North Slope Capital Advisors to develop RFPs for Bond, Tax, and Disclosure Counsel Services and Underwriting Services. A selection committee comprised of two Board members, two Resident committee members, and the Mr. Shackelford participated in the selection process. The committee recommends engaging Butler Snow for Bond, Tax, and Disclosure Counsel Services and with RBC for Underwriting Services. There was Board discussion, and Mr. Shackelford, Mr. George, and Mr. Dadlani answered questions from the Board. With the Board's consent, Director Huser amended his motion as follows: to approve engagement for Bond, Tax, and Disclosure Counsel with Butler Snow and engagement for Bond Underwriting Services with RBC, seconded by Director Sundquist.

A vote was called and the motion passed unanimously.

Consider Approval of Sanitary Sewer Monitoring Proposal – Director Munday made a motion to approve the Sanitary Sewer Monitoring Proposal, seconded by Director Sundquist. Mr. Shackelford said this project is related to our sanitary sewer master plan. This component helps us identify where we have issues in our sanitary sewer system. This project will be given to the consultant who works on our sanitary sewer master plan. The staff is recommending that we enter into a contract with TREKK Design Group for the amount of \$152,027 plus a 10% contingency with a total project cost of \$167,227. There was Board discussion and Mr. Shackelford answered questions from the Board.

A vote was called and the motion passed unanimously.

Committee Updates

Liaison to PCWRA – Director Munday said PCWRA inquired to whether we have been able to discuss with our golf courses regarding the reuse pond rehab and the increased rates associated with that project. We own the lines from the pond at PCWRA that goes to the various ponds from which the golf courses take their water. We need to set up a meeting with PCWRA

so we are aware of what those costs are going to be and then schedule meetings with the golf courses.

The regional wastewater treatment plant that they were working on with the Town of Castle Rock and Dominion Water has been put on hold by the Town of Castle Rock.

Director Munday said he is willing to remain on the PCWRA Board to represent the District, although he suggested another board member begin attending as well to get familiar with the PCWRA.

CPHA Liaison – Mr. Larson thanked Mr. Dadlani for reviewing with the HA Board the irrigation efficiency for the Homes Association. He he is waiting on Board approval, and then they can get on track with that project. Their board meeting is on April 28th. Pools are scheduled to open in May.

Infrastructure Committee – Ms. Vetter said the committee has been working on the roadway projects for this summer and shared their list of top projects for this year. These would be ready to go out to bid on Friday. The committee met with Jack Vickers and got a history of the roads in the District. They continue to work on a ROW permit agreements with contractors and they are moving forward with the snow removal agreement with some sub-associations. The committee has started a discussion about the utility boxes and their maintenance throughout the District.

Water Committee Update – Mr. Dadlani presented a slide presentation regarding the water efficiency program. Mr. Dadlani and Mr. Shackelford answered questions from the Board.

Discussion Items

Confirm Tuesday, May 24, 2022, Regular Board Meeting at 9:30 a.m. – the Board confirmed Tuesday, May 24, 2022, Regular Board Meeting at 9:30 a.m.

Discuss Completed Draft Long-Range Water Master Plan – Mr. Shackelford introduced Mr. Ben Johnson of Black and Veatch to present a condensed version of the Draft Long-Range Water Master Plan. Mr. Johnson presented his presentation and their key findings. Mr. Johnson answered questions from the Board.

Staff Reports

District Reports –

- **District Report** – Mr. Shackelford said we will be having weekly meetings with North Slope to move the bond process forward as quickly as possible and a bond closing date in June or July. Drilling on the new wells have been completed and now they will conduct the pump testing. Due to supply chain issues, all the bidders for the well equipment have asked for an extension of time. Patching for the A10 project is complete, and the acid wash is currently happening. LDa10 and De10 are undergoing

acid washing and will be back online in May. Scott Clark emailed a proposed amendment to the Chatfield Reservoir Water agreement, and we will be asked to formally approve those amendments. It has been determined that the mainline for the Handies Peak water project is not in the easement, although the storm line is. We will work on getting a new easement instead of moving the pipe. Black and Veatch is helping with Advanced Water Modeling for the PRV project. The design will happen this summer and construction in the winter. Mr. Shackelford recommends proceeding with a construction manager at-risk contract, known as a CMAR project, for the Crestone project. He will have an RFP for a CMAR contract in the next 2 weeks. Director Huser recommends closely reviewing the budget as it relates to supply cost increases.

- **Safety & Operations Report** – Mr. LeTellier said the new asphalt project is completed at WTP2, phase 2 is paving the access road to one of the pump stations. The shop floor coating is complete. WTP staff completed the flushing valve for BPS2, and eLogger has started being implemented into our daily operations. Cartegraph is proceeding and staff has been training on it. The Water Smart customer portal contract has been signed, and this will integrate with the new billing software. TENORM project proceeds and this is to meet CDPHE requirements. Telemetry and pressure monitoring projects have kicked off. Mr. LeTellier recognized the staff's efforts and hard work on all these projects, and he answered questions from the Board.
- **Administration Report** – Ms. Mantz said we have worked with Novitas and Footprint on our Public Relations which includes articles for the Village Reporter every 2 months, Eblast for the Homes Association, and Metro Eblast and our quarterly newsletter. Justin Reenders started as Maintenance Tech 1 yesterday, and we still have open positions for Maintenance Tech, Water Efficiency Specialist, and Project Manager. Ms. Mantz and Ms. Gonzales have been working with inHance on the new billing software, and they will be on-site in May for 3 days.
- **Water Usage Report**– Ms. Gonzales reported billed water for March was 7.7 MG.
- **Attorney's Report** – nothing to report

Executive Session

At 12:30 p.m., Director Huser made a motion to enter into an executive session pursuant to C.R.S. § 24-6-402(4)(b) and (e) for purposes of conferencing with legal counsel and receiving legal advice on specific legal questions and discussing matters subject to negotiations, developing negotiation strategies, and instructing negotiators on matters related to the District Manager position, seconded by Director Sundquist. Upon vote, unanimously carried, the Board entered into executive session. Mr. Dadlani, Mr. King, and Mr. George were invited to remain.

The Board left the executive session and the regular session resumed at 1:10 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 1:10 p.m.

The Board of Directors approved the foregoing minutes on the 24th of May 2022. The preceding constitutes a true and correct copy of the minutes of the above-referenced meeting.



Secretary