

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

Held: Tuesday, January 24, 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:

Kim Dadlani
Rick Huser
David King
Mike Lanam
Tad Walden

Also present were: Josh Shackelford, Sue Mantz, Jason LeTellier, LeAnna Gonzales, District Staff; Tracy Adams; Tom George, Spencer Fane, LLP; Mark Larson, Castle Pines Homes Association; Will Koger, Forsgren & Assoc.; Cassie Vetter, Infrastructure Committee; Erik Kirkpatrick, Mike Vernon, Water Committee; and Cici Holbrook, member 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 Lanam.

The Board unanimously approved the Agenda.

Guest Introductions / Comments from the Community – there were none.

District Reports

District Manager Report – Mr. Shackelford said he held a site visit at the Crestone project with the Board and staff on December 15th. The water main installation is approximately two-thirds complete, and the road installation is anticipated to happen in the March/April timeframe. Director Walden commented that this project was not just a road rehabilitation, but also the old dilapidated main water line in the ground was replaced.

Regarding the wells maintenance project, we were supposed to receive the final design draft from the consultant around last Thanksgiving. It has not been received, and the consultant has been minimally responsive. We had McGrane Engineering do a third-party QA/QC review of the project in November. This project is anticipated to take approximately 6 months to construct once the construction contract is finalized. Mr. Shackelford would like to do a CMaR-type

project with this. The benefit is that we can place orders ahead of time and shorten the lead time on materials.

The new pump and motor have been delivered for well A-12 and the well is on track to go back online in February. As mentioned in last month's meeting, Mr. Shackelford discussed the bio-growth in the screens and it was recommended that we do a cleaning in the well. Mr. Shackelford is requesting concurrence from the Board to spend \$70k to clean the well using a hypochlorite solution.

The Traffic Safety Study draft was received on December 23rd and has been reviewed by staff and the CPHA. The first two-thirds is a manual for signage & pavement markings, pedestrian crossings recommendations, and traffic calming measures. The latter part of the draft is the prioritized recommendations.

The monitoring portion of the Sanitary Sewer Monitoring and Master Plan has been completed. The Sanitary Sewer Master Plan RFP is on hold until we have a project manager on staff.

When we have a project manager on board we will move forward with the WTP2 Consolidation, Potable Booster Pump Station, and PRV/PSV Upgrade Projects.

PCWRA Board did pass the capital replacement charge of \$25K per year. It will be billed to each of the golf courses at \$2,100 per month. Castle Rock is investigating direct potable reuse. TOC said they will share that report with us when it is ready. The District was selected to be the chair of the PCWRA Board, and Mr. Shackelford will be the Chair of the Board for 2023. PCWRA meetings have also been moved to the 4th Wednesday of each month.

Mr. Shackelford gave the Board an update on the total water production for 2022, Village Lake (raw water) 27.2MG, treated water 344.6MG, unaccounted water 24.5MG, and miscellaneous 6MG for total water production of 402.3MG.

Mr. Shackelford answered questions from the Board.

Safety & Operations Report – Mr. LeTellier recognized Dane Vander Leest and Jontrell Herman as recently receiving their CDL license. Mr. LeTellier updated the Board on CarteGraph and the tasks function of the software. This is the beginning of being able to track and provide analytics of our operations. The emergency trailer is ready to be rolled out for service. He presented new graphics/charts on current and historical unaccountable water.

Administration Report – Ms. Mantz said the next Village Reporter deadline is this Friday, and the articles being considered are the 2023 water rates, snow removal, and the approved 2023 budget. The metro quarterly newsletter is a work in progress. RubinBrown was on-site in January to audit the first 10 months of the District's 2022 financial records. They will return in April for approximately 2 weeks to finish up the year-end work and to complete sections of the 2022 financial statement. Over the next 2-3 weeks we will be working on employee annual reviews. Ms. Mantz will be scheduling a meeting with herself, Mr. Shackelford, Director Dadlani, and our insurance broker to review our insurance policies.

Ms. Gonzales recognized the accounting/and admin staff for their work and support of the billing software conversion, Impresa. Impresa is fully functional, and Invoice Cloud has been rolled out for our customers to view their statements, and balances, and to make payments. We are looking forward to rolling out WaterSmart soon.

Castle Pines Homes Association Report – Mr. Larson reported that their Board meeting is this Thursday. Their annual meeting is on March 6th at Cielo. They are electing two directors, and the three candidates are Eric Cohen, Doug Cooper, and Alan Notary. There will be a meet-the-candidate event on February 7th from 6:30 – 8:00 p.m.

Discussion & Action Items

Consent Agenda

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

Approve the Minutes from the December 2, 2022, Regular Board Meeting

Ratify Approval of November 2022 Payables for \$1,411,303.59

Approve December 2022 Payables for \$2,107,631.59

Review December 2022 Revenue & Expense Report

Confirm Board Meeting notice Posting Location on District Website – Mr. George said this is to affirm where the District is posting their meeting notices for the year. For 2023 this will be the District website.

A vote was called and the motion passed unanimously.

Action Items

Consider Approval of Resolution Calling Director Election May 2, 2023 - Director Huser made a motion to approve the resolution calling the Director Election on May 2, 2023, seconded by Director Dadlani. Mr. George reviewed the resolution with the Board, noting that it calls the election, notes the two positions that are available for election, identifies Karen Goldman as our DEO and provides that the election will be a mail-in ballot election.

A vote was called and the motion passed unanimously.

Consider Approval of 2023 Meter Upgrade Project – Director Huser made a motion to approve the 2023 meter upgrade project for \$123,347.42, seconded by Director Lanam. Mr. LeTellier said this project is replacing all our meters that are greater than 1” in size. The majority of these meters are beyond their end of life and do not have the technological capability to reap the benefits of our AMI infrastructure.

A vote was called and the motion passed unanimously.

Consider Approval of Forest Management Plan Proposal - Director Walden made a motion to approve the Forest Management Plan Proposal for \$25,000, 50% of the \$50,000 proposal, seconded by Director Lanam. Director Walden said this proposal if approved, would address everything from field inventory which identifies which trees need to be addressed, mapping, community meetings, administration, recommendations, and a full plan for the 2,800 acres of forest that we have within the District. Director Walden and Mr. Larson answered questions from the Board.

A vote was called and the motion passed unanimously.

Consider Approval of Water Rate Tier “Holiday” – Mr. Shackelford said he has been working with Director Dadlani and the Water Committee on this effort, and he thanked the committee for their work. Mr. Shackelford shared his presentation and discussed the premise of the water rate tier “holiday”.

There was no motion and no vote. The Board discussed taking up this topic in an executive session.

Confirm Tuesday, February 7, 2023, Board Work Session at 9:30 a.m. – The Board confirmed the Board work session for Tuesday, February 7, 2023, at 9:30 a.m.

Confirm Friday, February 28, 2023, Regular Board Meeting at 9:30 a.m. – The Board confirmed the Regular Board Meeting on Tuesday, February 28, 2023, at 9:30 a.m.

Executive Session

At 11:30 a.m., Director Huser made a motion to enter into an executive session pursuant to C.R.S. § 24-6-402(4)(b) and (e) and/or (f) for purposes of conferencing with legal counsel and receiving legal advice on specific legal questions and discussing matters subject to negotiations, developing negotiation positions and strategy, and instructing negotiators regarding the District’s organizational structure, compensation committee, cyber security, tier rate implementation, negotiations with Jack Vickers, water rights negotiations, and/or well completion negotiations specifically related to LDa8, LDa14, and De14, seconded by Director King. Mr. Shackelford, Ms. Mantz, and Mr. George were invited to remain.

Upon vote, unanimously carried, the Board entered into executive session.

The Board left the executive session and the regular session resumed at 3:42 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 3:45 p.m.

The Board of Directors approved the foregoing minutes on the 28th of February 2023.
The preceding constitutes a true and correct copy of the minutes of the above-referenced meeting.



Secretary