

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

Held: Tuesday, May 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: Sue Mantz, Jason LeTellier, LeAnna Gonzales, District Staff; Tracy Adams; David Samuel, Anpassa; Tom George, Spencer Fane, LLP; Mark Larson, General Manager, Castle Pines Homes Association; Josh Shackelford (Interim Manager), Dan Feller, Olsson; Kim Crawford, Maria Harwood, Butler Snow; Nick Taylor, Jack Kroll, North Slope Advisors; Lauren Hartman, Michael Persichitte, RBC; Devin Crean, Novitas; Cassie Vetter, Infrastructure Committee Chairperson; Vic Pluto, Infrastructure Committee; Dick Munday, Craig Sundquist, Cici Holbrook, Carl Dick, Joe Gschwendtner, Eric Kirkpatrick, Ron Willis, Bill Calhoun, Josh Baile, 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 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** – Director Sundquist introduced Eric Kirkpatrick. Mr. Kirkpatrick is interested in participating on a Metro committee.

**Acknowledgement & Thank You** – Director Huser thanked Director Munday and Director Sundquist for their 8 years of service on the Board of Directors from May 2014 to May 2022. Director Sundquist thanked the staff for all the support during his two terms, and he complimented the current Board for their work and future work coming up. Director Munday enjoyed working with the staff and Board, and said the new Board has great potential for future

work. He said he has enjoyed his terms on the Board and he thanked the staff and Board for their support.

**Welcome New/Returning Board Members** - Director Huser welcomed Mr. Dadlani and Mr. King to the Board. Director Huser said he is honored to return for a second term and he thanked the Board and staff.

	<b>Term</b>
Kim Dadlani	2022 - 2025
Richard Huser	2022 – 2025
David King	2022 – 2025

### Action Items

**Elect Board Officers/Committee Assignments.** The Board discussed officer election appointments. The Board recommended the following Board officers:

Rick Huser, Chairman  
Kim Dadlani, Treasurer  
Tad Walden, Secretary  
Mike Lanam, Director  
David King, Director

Upon motion duly made, seconded and unanimously carried, the Board approved the foregoing officers.

Director Huser discussed and affirmed the following committees and the liaisons:

PCWRA – Josh Shackelford, Dick Munday  
CPHA Liaison - Vic Pluto  
Finance - Kim Dadlani  
Compensation - Open  
Beautification - Sue Mantz  
Community Committee Liaisons

- Water Committee - Kim Dadlani
- Long-Range Roadway (Infrastructure) – Mike Lanam
- Communications – Tad Walden

### Consent Agenda

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

**Approve the Minutes, as amended, from the April 19, 2022, Regular Board Meeting**

**Approve the Minutes, from the May 16, 2022, Special Board Meeting**

## **Consider Approval of Authorized Signers for District Accounts**

Upon vote, the Board unanimously approved the Consent Agenda, as amended.

### **Action Items**

**Approve April 2022 Payables** - Director Huser made a motion to approve the April 2022 Payables of \$1,346,449.76, seconded by Director Dadlani. Ms. Gonzales reported that staff met with Director Lanam to review payables, payroll expenses, and manual checks totaling \$1,346,449.76. Ms. Gonzales reviewed and answered questions regarding invoices from the following vendors: Apex Pavement Solutions, Colorado Pump Service & Supply Co., ET Irrigation Management Specialist LLC, Harris Computer Systems, Layne Christensen Company, Sundance Printing Co., and Village Lake Homes Association.

A vote was called and the Board unanimously approved payment of the April 2022 expenses in the following amounts: General Fund \$321,438.07, Enterprise Fund \$983,240.89, and Manual Checks \$41,770.80.

**Consider Acceptance of Water and Sewer Rate and Tier Analysis prepared by FCS Group** – There was a discussion regarding a motion to consider acceptance of the Water and Sewer Rate and Tier Analysis prepared by FCS Group. Mr. Shackelford shared his presentation on the Rate and Tier Analysis by FCS Group. Mr. Shackelford answered questions from the Board.

No action was taken.

**Consider Approval of Resolution Establishing Rates, Fees, and Charges for Water and Sanitary Sewer Services, effective January 1, 2023** – Director Huser made a motion to approve the Resolution Establishing Rates, Fees, and Charges for Water and Sanitary Sewer Services, effective January 1, 2023, seconded by Director Lanam. Mr. Shackelford presented the proposed resolution and explained Exhibit A in the Board packet outlining the new rates and tier structure. He noted for the average homeowner in the District, the water bill will go from approximately \$200/month in the summer at 26,000 gallons, to \$368. If they reduce their usage the bill goes down to \$297. Director Lanam said there are resources available to the community to help homeowners achieve their water budget. Director Lanam thanked the water committee for their work on the water efficiency program.

A vote was called and the motion passed unanimously.

**Consider Approval of Capital Improvement Fee, effective January 1, 2023** – Director Huser made a motion to approve the Capital Improvement Fee of \$59 per month, effective January 1, 2023, seconded by Director Lanam. Mr. Shackelford noted the Capital Improvement Rate is a separate from the Resolution Establishing Rates, Fees, and Charges for Water and Sanitary Sewer Services because this fee is assessed per lot in the Village. This fee goes towards capital improvement projects.

A vote was called and the motion passed unanimously.

**Consider Approval of Bond Parameters Resolution to authorize the issuance of the District's 2022 Water Enterprise Revenue Bonds and other necessary and related documents and matters** – Director Huser made a motion to Consider Approval of the Bond Parameters Resolution to authorize the issuance of the District's 2022 Water Enterprise Revenue Bonds and other necessary and related documents and matters, seconded by Director Lanam. Mr. George introduced Ms. Maria Harwood and Ms. Kim Crawford of Butler Snow, Mr. Nick Taylor and Mr. Jack Kroll of North Slope Capital Advisors, and Mr. Michael Persichitte and Ms. Lauren Hartman of RBC. The group of consultants presented and described the resolution and the proposed bond issuance, noting this resolution authorizes the bond transaction to take place; it does not authorize the specific terms of the bonds, but authorizes the remainder of the bond transaction and process. Mr. Taylor noted that North Slope is acting as the municipal advisor for the District the bond transaction. They helped assemble the team for the bond process, and the District previously engaged RBC as the underwriter and Butler Snow as bond counsel. Mr. Taylor shared his presentation with the Board. There was Board discussion and members of Butler Snow, North Slope, and RBC, and Mr. George answered questions from the Board.

A roll call vote was taken with the Board voting as follows:

Director Huser - Yes  
Director Dadlani - Yes  
Director King - Yes  
Director Lanam - Yes  
Director Walden – Yes

The motion passed unanimously.

**Consider Approval of Reimbursement Resolution for the Official Intent of Castle Pines Metropolitan District to Reimburse Itself for certain Capital Expenditures by Incurring Debt; Maximum Principal Amount of Debt; Nature of Project Cost; Authorizing Incidental Action, and Repeal of Prior Inconsistent Resolutions** – Director Huser made a motion to Consider Approval of the Reimbursement Resolution for the Official Intent of Castle Pines Metropolitan District to Reimburse Itself for certain Capital Expenditures by incurring debt; Maximum Principal Amount of Debt; Nature of Project Cost; Authorizing Incidental Action; and Repeal of Prior Inconsistent Resolutions, seconded by Director Lanam. Mr. George noted there are limitations on how the District uses bond proceeds and specifically how far back in time the District could utilize bond proceeds to reimburse prior expenses. Mr. George and Ms. Harwood answered questions from the Board.

A vote was called the motion passed unanimously.

**Consider Approval of the District's Long-Range Water Master Plan** – Director Huser made a motion to approve the District's Long-Range Water Master Plan, seconded by

Director Lanam. Mr. Shackelford reminded the Board Black & Veatch was here last month with a presentation on the Long-Range Water Master Plan, and noted he has not received any comments from the Board or the community. Mr. Shackelford said that although we are requesting approval of the document, it is a living document to help guide the decision-making process of our water system. Mr. Shackelford answered questions from the Board.

A vote was called and the motion passed unanimously.

**Consider Approval of the 2022 CIP Roadway Improvement Bid** – Director Huser made a motion to approve the 2022 CIP Roadway Improvement Bid, seconded by Director King. Mr. Shackelford said we have \$2.3M in the budget for road projects, and this project went out to bid, and we received bids last week. The committee met yesterday to discuss the bids which came in over the \$2.3M budget. Mr. Feller shared the options available for the road work. Ms. Vetter said the committee's recommendation is the \$3.5M, so they could keep their commitment to the Board of keeping that asset maintained to preserve the structural integrity of the roads. There was Board discussion, and Mr. Shackelford and Mr. Feller answered questions from the Board. Mr. Shackelford said he will go back to the bidding contractor with some proposed modifications to reduce the cost. Mr. Shackelford said we could expedite the approval with a special board meeting, if needed.

Director Huser restated his motion to approve the 2022 CIP roadway improvement bid with Chavez Construction, not to exceed \$2.7M, seconded by Director King; the Board concurred regarding the restated motion.

A vote was called and the motion passed unanimously.

**Consider Approval of Change Order for FCS Group** – Director Huser made a motion to table the Change Order for FCS Group, seconded by Director Lanam.

A vote was called and the motion to table passed unanimously.

#### Committee Updates

**Liaison to PCWRA** – Mr. Munday reported that the government has banned the disposal of bio-solids but has not offered an alternative. The same thing is happening with PFAS, so PCWRA staff will continue to work through these changes. There was discussion about the golf courses, their re-use, and upgrading their infrastructure. There is a lack of understanding about how the lines go from the pond at PCWRA to the lines at the golf courses and ownership of those lines. Mr. Munday is going to investigate these lines and learn more about them. Mr. Munday asked if Mr. Shackelford should be the Representative from the District that participates in the PCWRA meetings, and Director Huser affirmed.

**CPHA Liaison** - Mr. Larson said their board meeting is this Thursday at 8 a.m. The pool is opening this Saturday at the Canyon Club and Summit Club. The fitness center opened a couple of weeks ago. Their next big event is the summer solstice with a pig roast on June 11th.

The Castle Pines Golf Club announced that the 2024 BMW PGA Golf tournament will be hosted by the Golf Club.

**Infrastructure Committee Update** – Ms. Vetter said they had their kick-off meeting for the traffic study that Olsson is working on for the District.

**Water Committee Update** – Director Dadlani said there is continuing progress on the irrigation efficiency project. The committee has spent time on the rate and tiers as well as the bond project. Director Dadlani said Mr. Munday gave him a list of open items for PCWRA.

### Discussion Items

**Confirm Tuesday, June 28, 2022, Regular Board Meeting at 9:30 a.m.** – The Board confirmed Tuesday, June 28, 2022, Regular Board Meeting at 9:30 a.m.

**Discussion of the Unaccountable Water Report** – Mr. Shackelford said this is the executive summary of the report from M.E. Simpson. Based on the total volume of 472M gallons of total water system input, we have a total loss of approximately 84M gallons in our system. There are apparent losses, which are associated with meters, and real losses, which are due to leakage. There will always be losses in a water system due to leaks and M.E. Simpson estimates those unavoidable losses should be around 35M gallons leaving potentially recoverable leakage of 49M gallons. Recommendations from M.E. Simpson were to fix the metering issues, fix longer-term metering issues, conduct an annual leak detection survey, conduct annual water audits, and look at reducing pressure in high-pressure zones.

### Staff Reports

#### **District Reports –**

- **District Report** – Mr. Shackelford said after the TREKK contract was approved at the April meeting they have been here installing meters in our sanitary sewer manholes. The PRV/PSV upgrade project has been postponed depending on the bond project. Mr. Shackelford has Black and Veatch working on the modeling of this project should we move forward. The new wells project drilling and pump testing is completed. For the well equipment installation, we have rejected all bids on the project and we will rebid that project. For the Well A10 maintenance project, we are still waiting on the stainless-steel parts. Lda10 and De10 work is finalizing with the cleaning of those wells.

Mr. Shackelford said we have created a “playbook” infographic of the irrigation analysis process to put on the website. We had 101 irrigation analysis conducted in 2021 and have 130 completed this year with an additional 90 signed up and 66 who have shown interest.

For the Crestone project, the RFP has been issued for the CMAR. The traffic safety study will be installing traffic counters throughout the Village.

- **Safety & Operations Report** – Mr. LeTellier said Filing 41 is progressing, brush pickup is currently taking place right now, eLogger software is actively being used by the WTP staff and they are now working on eLogger Anywhere, Cartegraph implementation is complete. We are working with RadPros for the TENORM project and what we need for our licensing with the state. We are finding that we continue to wait on materials due to the supply chain issues and we are seeing increased costs in supplies. Valve exercising may be delayed to next year because companies that we have used in the past are either out of business or not available, Mr. LeTellier is trying to find new vendors for the work.
- **Administration Report** – Ms. Mantz reported that the new billing software is in the development stages. Harris was on-site meeting with staff for 3 days gathering details on our current billing software and how it is laid out. We have a preliminary timeframe of June for a testing environment and going live in the fall.

Ms. Mantz said the Village Reporter will be coming out for the June and July edition, and we will include bios on the new Directors Dadlani and King.

We have re-hired Steve Granie on Monday of this week and have re-hired Jontrell Herman, who was a seasonal from 2016-2109. He will start as a Maintenance Tech 1 on June 20. Bryan Smith has been promoted to Water Efficiency Specialist and Dane Vander Leest has been promoted to Irrigation Tech. We have hired 10 seasonals, to date.


Our auditors, RubinBrown, are working on our 2021 financial statement and will be in the office starting tomorrow. Flowers were delivered and we will start planting them on Thursday.

- **Water Usage Report**– Billed gallons for April were 17.4M gallons.
- **Attorneys Report** –Nothing to report.

### 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 1:45 p.m.

The Board of Directors approved the foregoing minutes on the 28th of June 2022. The preceding constitutes a true and correct copy of the minutes of the above-referenced meeting.

  
Secretary