

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

Held: Wednesday, April 28, 2021, 8:00 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; Cassie Vetter, Chairperson, Infrastructure Committee; Kim Dadlani, Co-Chairperson, Water Committee; Will Koger, Forsgren & Assoc.; Andrea Cole, Courtney Husted, Daniel Feller, Olsson; William Calhoun, Cici Holbrook, Victor Pluto, Doug McBee, 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 Munday. The Board unanimously approved the agenda, as presented.

Guest Introductions / Comments from the Community

There were no comments from the community.

Action Items

**Approve Minutes from March 24, 2021, Regular Board Meeting** – Director Huser made a motion to approve the minutes of the March 24, 2021, Regular Board Meeting, seconded by Director Sundquist.

A vote was called and the motion passed unanimously.

**Approve Minutes from March 29, 2021, Special Board Meeting**– Director Huser made a motion to approve the minutes of the March 29, 2021, Special Board Meeting as amended, seconded by Director Sundquist.

A vote was called and the motion passed unanimously.

**Approve the March 2021 Payables** – Director Sundquist made a motion to approve the March 2021 Payables, seconded by Director Huser. Ms. Gonzales reported that Staff met with Director Lanam to review payables, payroll expenses, two DWRF Loan payments, and manual checks totaling \$586,029.21. Ms. Gonzales reviewed and answered questions regarding invoices from the following vendors: Blue Earth Labs, Lyons Gaddis, Rassman Design, Rising Graphics & Printing, Sedalia Landfill, Sundance Printing Co., Timberline Electric Corp., Wagner Equipment, and Weld County Garage.

A vote was called and the Board unanimously approved payment of the March 2021 expenses in the following amounts: General Fund \$177,471.95, Enterprise Fund \$369,638.24, and Manual Checks \$38,919.02.

Ms. Mantz reviewed the Revenue and Expense Report for March 2021. The District received a Workers Comp audit adjustment from 2020 for \$5,814. It was split between the two funds. Account number 10-7711 for the expense of a UPS System for the office was unbudgeted at \$11,000. Account number 10-7721, \$58K was approved for the Security System. At the end of the 1<sup>st</sup> quarter, the ending fund balance in the General Fund has a positive variance to the budget of \$18,681. In the Enterprise Fund, well project account numbers 60-7215, 60-7230, 60-7260, 60-7286 have been adjusted for full-year forecast due to lower bids received than budgeted. At the end of the 1<sup>st</sup> quarter, the ending fund balance in the Enterprise Fund has a positive variance to the budget of \$351,697, mainly due to the well projects. Ms. Mantz reviewed some of the vendor expenses by project. Director Huser asked about the status of the Project Manager position, and Mr. Knight replied that he had put that on pause due to the projects already in motion and that it would be difficult to bring someone in at this time. Director Walden asked about the Water Conservation Specialist position, and it will be discussed during the Water Committee report.

**Ratify Approval of Agreement for Water Budget Based Rate Study** – Director Huser made a motion to ratify the approval of the Agreement for the Water Budget Based Rate Study for \$77,615.00, seconded by Director Sundquist. Mr. Knight said that in March staff solicited for a consultant to help with a water rate study. Staff narrowed it down to 2 firms and asked the Board to authorize Mr. Knight to enter into a contract with one of them. Staff contracted with FCS who will collect and look at our data, compile it to create a water rate schedule based on water used by the entire District and a financial plan associated with our Long Range Water Master Plan. Mr. Knight asked the Board to ratify the contract for \$77,615.00. Director Huser asked if the contract was not to exceed the \$77,615.00, and Mr. Knight confirmed. Director Walden asked where the exhibits were that are referenced in the contract and requested that they be included with the agreement. Ms. Mantz said the exhibits are available and will send them to

the Board. Director Huser asked if FCS had signed the agreement, and Mr. Knight affirmed. Mr. Knight said we can table the ratification until the next meeting so the Board has the opportunity to review the contract with the referenced exhibits. Director Huser amended his motion to table the ratification of the Agreement for Water Budget Based Rate Study, seconded by Director Sundquist.

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

**Ratify Approval of Change Order for Well A12 Rehab** – Director Huser made a motion to ratify approval of Change Order #2 for \$49,284.00 for Well A12 Rehab, seconded by Director Sundquist. Mr. LeTellier said they discovered the drop pipe above the static water level needed to be replaced and was not part of the original contract. Staff received a cost from Applied Ingenuity of \$52,765.00. Staff communicated to the Board by email and phone with the emergency request for an approval, which was approved by Directors Munday, Lanam, Huser, and Sundquist. The change order has been signed by the District and the contractor. It was, however, discovered that the motor shroud was included in the original bid schedule, and that item was removed and reduced the amount of the change order to \$49,284.00.

A vote was called and the motion passed unanimously.

#### Committee Updates

**Liaison to PCWRA** – Director Munday reported that the Town of Castle Rock (TOC) is proceeding with the concept of turning the reuse reservoir into a raw water reservoir. This means the effluent water will be discharged into Plum Creek and diverted to the TOC's reservoir in Sedalia, then turned around and sent to their pipeline in Castle Rock and treated to supply the TOC. As that water goes by PCWRA, another pipeline that discharges into that reservoir, which is now reuse, will then become a raw water reservoir and sent to the golf courses as raw water. The TOC is also going to build a pipeline from Sedalia to Reuter Hess where the TOC has capacity. The TOC would like to use the existing pipeline that goes to the golf courses for the route they want to take to Reuter Hess and want to operate the whole facility. The TOC will move forward with this project with or without using the existing pipeline.

Director Munday reported that CPNMD is holding an election next week to include CPNMD into the Parker Water and Sanitation District, which will remove CPNMD as an owner in PCWRA.

Director Munday also noted that the CODs for CPMD & CPNMD are high at 1439 and we should look into where that loading is coming from.

**CPHA Liaison** – Mr. Larsen reported that the driver's license verification was implemented at the gates on April 1. There are 24 custom homes under construction and 14 more under review with the DRC. The Parks and Rec Committee will be having a special meeting to review events for the summer. The pools will be operating without any restrictions and they are preparing for those openings.

**Communication Committee** – Director Walden reported that the new website was launched in early April and the analytics are in place. The electronic newsletter went out on April 13<sup>th</sup> to 688 residences and the printed newsletter was mailed on April 16<sup>th</sup>. Director Walden requested Mr. Larson to submit a request to the Homes Association asking to utilize their electronic (email) resident lists to send electronic communications from the District. The first E-blast was sent on April 15<sup>th</sup> about the drones. The resident Focus Group will be held tonight at 6:00 p.m., at Cielo, and moderated by Ms. Andrea Cole. There will be 12 residents participating in a roundtable discussion on water in the District. The committee also contributed articles for the Village Reporter.

**Infrastructure Committee** – Mr. Knight and Ms. Vetter will provide an update during the road bid package discussion.

**Water Committee** – Mr. Dadlani reported that the document included in the packet describes the various activities the committee has been working on. The committee recently met with Mr. Knight regarding the Long Range Water Master Plan and provided some input on that. Director Walden asked if there is a need for a Water Conservation Manager. Mr. Dadlani said it has been delayed because we were not able to find a person with the skillset that is needed for doing a full build-out of a conservation program. Mr. Knight said we can hire a person, but we would have to train them up.

#### Discussion Items

**Confirm Tuesday, May 11, 2021, Special Board Meeting at 10:00 a.m. (Zoom)** – The Board confirmed the Tuesday, May 11, 2021, Special Board Meeting at 10:00 a.m. (Zoom)

**Confirm Wednesday, May 26, 2021, Regular Board Meeting at 8:00 a.m. (Zoom)** – The Board confirmed the Wednesday, May 26, 2021, Regular Board Meeting at 8:00 a.m. (Zoom)

**Discuss Road Maintenance Bid Package** – Mr. Knight said the road maintenance bids came in and he anticipated \$3.7M for all the work, but they came in closer to \$2M. Ms. Cole shared the Road Maintenance Bids PowerPoint presentation and answered questions from the Board. The Board will receive the bid tab which is the summary of the schedules, what we can do within the current budget, and what the committees' suggestions are of how we should approach the work. Director Lanam said the Board will see the bids and their differences so they can see how the committee got to their recommendation. Director Huser asked when the Board can expect to see those documents, Mr. Knight said late next week. The documents will be provided to the Board before the May 11, 2021, Special Board Meeting.

**Discuss Unaccountable Water Analysis Bid** – Ms. Cole presented the Unaccounted Water Proposals PowerPoint presentation. Mr. Knight and Ms. Cole answered questions from the Board. Documents for this bid will be provided to the Board before the May 11, 2021, Special Board Meeting.

#### Staff Reports

**District Manager Report** – Mr. Knight referenced the goals update included in the board packet and answered questions from the Board. Director Huser asked about the progress of the well projects. Mr. Knight said those will be discussed in the Operations Report. Director Walden asked if the graph on the well maintenance report is being adjusted as time goes on. Mr. Knight said it is representing 30 days backward and 30 days forward. Director Walden asked about the progress and expected completion of the new wells. Mr. Knight said we are looking at a start time in May which is conditional on County permits. Mr. LeTellier said as soon as permitting is complete we will have boots on the ground. Mr. LeTellier said this original schedule is the drilling schedule and these wells will not be a major player in the summer schedule. Mr. LeTellier said staff is doing everything in their power to keep these projects moving forward. Mr. LeTellier said the maintenance projects are proceeding well. We are planning to do a start-up on LDA12, we have started that process today and it will continue through tomorrow and is expected to be online next week. Once that is complete, Colorado Pump will be moving on to Well De8. Mr. LeTellier said the work on the Arapahoe wells is progressing. Director Lanam referenced the well maintenance timeline for A10 and A12, it shows fieldwork has been initiated and asked Mr. LeTellier if the well maintenance work is anticipated to be completed the first week of June. Mr. LeTellier affirmed.

**Safety Report** – No safety issues to report.

**Operation's Report** – Mr. LeTellier reported that the camera system infrastructure installation is complete. We are working on setting up remote monitoring, and we met with Mr. Larson setting up the monitoring and working out all the IT requirements and software. Director Huser asked about the progress of the Risk and Resiliency report due to the EPA on June 30<sup>th</sup>. Mr. LeTellier said they met with them yesterday and the day before, taking them on-site. They will turn their report around to us in 2-3 weeks. Mr. LeTellier reported the WTP1 maintenance projects are in process, the PLC has been rewired, the pumps replaced, and a lot of progress has been made so we can get WTP1 back online. The WTP2 SCADA server replacement is almost complete.

**Administration Report** – Ms. Mantz reported that this week we have a couple of interviews for the District Administrator position. A head hunter is helping find candidates and we also have Mountain States Employers Council assisting in the search. Ms. Mantz shared that we received notification that we have \$11,000 in available funds from the Colorado Special District Pool Safety and Loss Prevention Grant and we will be submitting the security system upgrade to receive those funds.

**Water Conservation Report** – Written report in packet.

**Attorneys Report** – Mr. George had nothing to report.

### Executive Session

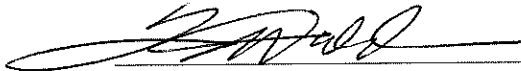
At 11:05 a.m., Mr. George proposed a motion to enter into an executive session pursuant to C.R.S. § 24-6-402(4)(e) to discuss matters subject to negotiations and to instruct negotiators on matters related to a proposed inclusion of Castle Pines North Metro District into the Parker Water and Sanitation District, the impact of the same on the District's existing and future contractual relationships and related matters. Director Huser so moved, seconded by Director Munday, and the motion was unanimously carried. Mr. Knight, Ms. Mantz, Mr. LeTellier, Ms. Cole, and Mr. George were invited to remain.

The Board left the executive session and the regular session resumed at 11:32 a.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 11:32 a.m.

The Board of Directors approved the foregoing minutes on the 26th of May 2021. The preceding constitutes a true and correct copy of the minutes of the above-referenced meeting.

  
Secretary