

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

Held: Thursday, December 10, 2020, 6:00 p.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, Carolyn Frainier, LeAnna Gonzales, Tracy Adams, District Staff; Jack Reutzler, District Counsel, Fairfield and Woods, P.C.; Mark Larson, General Manager, Castle Pines Homes Association; Tom George, (Partner), Nicole Detweiler (Of Counsel), Spencer Fane, LLP; Mark Carlson (President), Norma Stimmler (Executive Claims Consultant), T. Charles Wilson; Andrea Cole (Business Development Consultants, Olsson, Inc.), Tony Kovalski, The Denver Channel 7; Kim Dadlani, Co-Chair of the Water Committee; William Calhoun, Mike Erickson, Nancy Haugen, Cici Holbrook, Jeremy Jojola, Joseph, David King, Steve M, Jerry Schofield, members of the public.

Potential Conflict of Interest Disclosures

District Counsel Reutzler stated that no conflicts were identified.

Approval of the Agenda

Director Huser said that the Board and the staff have been working hard to prepare the 2021 Budget. The agenda calls for the adoption of the 2021 Budget Resolutions. There are still modifications and clarifications that need to be made. The Board wants to make the budget clear for the public. For example, there is a Capital Improvement Fund that will pay for a new well. The Board wants to explain what we are doing with the Capital Improvement Fund. We are very close to finalizing the budget. Director Huser will not call upon the Board to approve the budget at this meeting. The remaining work will be completed and a Special Meeting will be scheduled. The public will be invited to the Special Meeting. Director Sundquist made a motion to approve the agenda as amended, seconded by Director Huser. The Board unanimously approved the agenda, as presented.

Guest Introductions / Comments from the Community

There were no comments from the community.

Action Items

Receive 2021 Budget and Approve 2021 Budget Resolutions – The Board tabled the motion to adopt Resolution 2021 – To Adopt Budget.

Director Huser made a motion, seconded by Director Sundquist to adopt Resolution 2020 – To Set Mill Levies, the resolution levying property taxes for the year 2020 (to be collected in 2021) to help defray the costs of government for the District with a general fund mill levy of 33.834 mills to be applied to all taxable property within the District's service boundaries.

A vote was called and the motion passed unanimously.

The Board tabled the motion to adopt Resolution 2021 – To Appropriate Sums of Money.

The Board discussed and will consider approval of the 2021 Budget at a Special Meeting via Zoom on December 14, 2020, at 3:00 p.m. Director Huser said the District will post the notice of the Special Meeting. Director Walden said the goal is to work through the next draft of the budget with Staff. After the budget has been modified, it will be posted on the District's website.

Consider Approval of Engagement Letter with New District Outside General Counsel/Introduce Tom George, Partner, Spencer Fane, LLP – Director Huser made a motion to approve the Engagement Letter with the new District outside General Counsel, seconded by Director Sundquist. Director Huser thanked Mr. Reutzel, who has been helpful with this process and the decision to retain a new General Counsel. The District put together a Request for Proposal (RFP) with emphasis on firms with Special District experience and researched responses from seven firms. Director Huser said the Board had input in the RFP document. The District formed an Ad Hoc committee to evaluate proposals. The committee consisted of Director Huser, Director Lanam, Mr. Knight, and Ms. Mantz. One was eliminated from consideration because of lack of Special District experience. Other firms were eliminated because they were not willing to provide the District with a financial arrangement that would be consistent with a monthly retainer amount. The Ad Hoc Committee scheduled and conducted Zoom interviews with four firms on November 12th and 13th. The recommendation was to retain the law firm of Spencer Fane, LLP, which has 50-75 lawyers in the Denver area and are heavily involved in Special District, municipal, and local government practices. Spencer Fane has a great deal of expertise in Special District election law, employment law, and they have a litigation department. Director Huser asked for any questions. Director Lanam echoed Director Huser and added that the firm is familiar with CORA laws. Director Huser recognized the work that Fairfield and Woods, P.C. has done for the District since 1994 and wished them well in their future work. Mr. Chuck Carpenter served the District from 1994-2012 then Ms. Rita Connerly took over and most recently Mr. Reutzel served as legal counsel to the District. A vote was called and the motion passed unanimously.

Director Huser said that the formal engagement does not take effect until January 1, 2021; however, in the interim, the District might engage Spencer Fane, LLP for special projects. Director Huser introduced Mr. Tom George, who introduced his colleague Ms. Nicole Detweiler. They will work as a team and Mr. George will be the main lead. He said they look forward to making the transition as soon as possible and thanked the Board for selecting their firm.

Approve the Minutes from the November 19, 2020, Regular Board Meeting -

Director Sundquist made a motion to approve the minutes from the November 19, 2020, Regular Board Meeting, seconded by Director Lanam. Director Walden suggested a minor change. Director Huser made a motion to approve the amended minutes, seconded by Director Walden.

A vote was called and the amended motion passed unanimously.

Approve the Minutes from the November 25, 2020, Special Board Meeting -

Director Sundquist made a motion to approve the minutes from the November 25, 2020, Special Board Meeting, seconded by Director Munday. Director Walden had significant changes and made a motion to table the minutes until the December 14th Special Meeting, seconded by Director Munday.

A vote was called and the motion was tabled unanimously.

Approve the November 2020 #1 Payables – Director Huser made a motion to approve the November 2020 payables, seconded by Director Munday. Ms. Gonzales reported that Staff met with Director Lanam to review payables, totaling the amount of \$276,455.81. The amount included payables, salaries, wages, and manual checks. There will be a second run of November payables that will be issued before the holiday. Some invoices were not paid because of the early Board meeting. These invoices include Black & Veatch, IREA, and Plum Creek Wastewater Reclamation Authority, and other vendors, whose payment should not be delayed. Director Lanam will receive a report on these payables for review before the checks are cut. The payables will be brought to the January 27, 2021 Board Meeting for ratification. Ms. Gonzales asked for questions. Director Walden asked about a Fairfield and Woods invoice. Mr. Reutzel said that he held the invoice awhile to see if he could provide any cost savings to the District on these election charges. Mr. Reutzel had a discussion with Mr. Knight on an accommodation Mr. Reutzel could make for the District relative to the charges.

A vote was called and the Board unanimously approved payment for the November 2020 #1 expenses in the following amounts: General Fund \$121,901.60, Enterprise Fund \$117,870.93, and manual checks \$36,683.28.

Consider Approval of Board Meetings and Packet Delivery Dates for 2021 - Director Sundquist made a motion, to approve the board meetings, and packet delivery dates for 2021, seconded by Director Huser. Director Walden wanted to make sure any residents were aware that the Board was moving to a daytime meeting, and agreed to provide the Zoom audio and video of the meetings on the website. The meeting was moved to the fourth Wednesday of the month at 8:00 a.m.

A vote was called and the motion passed unanimously.

Consider Approval of Transparency Notice Regarding Board Meeting Days, Times, Location, and Notice Posting – Director Sundquist made a motion, to approve the Transparency Notice Regarding Board Meeting days, times, location, and notice posting, seconded by Director Huser. Director Walden said that he and Director Lanam should reflect a three-year term on the Transparency Notice. Mr. Reutzler agreed. Director Walden suggested that under the time and place the notice should indicate that a Zoom recording is taking place and will be available on the website.

The motion was unanimously approved as amended.

Committee Updates

Liaison to PCWRA – Director Munday said that TENORM and other regulations are occupying the staff time at PCWRA. The plant expansion has slowed some due to COVID-19 issues with the contractors; however, it will be completed this year and on budget. The rates will not be changed for 2021.

CPHA Liaison – Mr. Larson said the date for the Annual Meeting is on March 8, 2021, at Cielo. Mr. Chuck Skinner and Ms. Wendy Ingraham's board seats are up for election. The deadline for applications is December 14th at 5:00 p.m. Interested parties may email an application to Mr. Larson or drop off the application at the Homes Association. Information regarding the board seats has been sent out in the Village Weekly.

Action Item

Consider Approval of the 2021 Renewal of the District's Property and Liability Insurance and Workers' Compensation Coverage – Director Sundquist made a motion, to approve the 2021 renewal of the District's Property and Liability Insurance and Workers' Compensation Coverage, seconded by Director Huser. Mr. Carlson said the District's insurance is currently with the Colorado Special District Pool. There has been a 7% increase in the property and liability insurance premium. Although the District has had some losses, it is right in line with the marketplace. The automobile and public official liability lines came in a little high.

Mr. Carlson reported that the Workers' Compensation premium has decreased by roughly 30%. This was significantly driven by reduced losses. The District deserves credit for risk management efforts. Ms. Norma Stimmler is the Workers' Compensation claims advocate. Ms. Stimmler said that the District made a change to its Designated Medical Providers to include Dr. Bisgard at UCHealth. Last year the District had only four medical-only claims and no report of lost time. Employees were released to work at full duty, and able to return to their regular job. The claims were resolved sooner with less treatment, and employees still received the best care. The District ended the year with no open claims.

Director Walden asked if there was any limitation in the policy relative to the pandemic going forward. Mr. Carlson said that on the property and liability side the pool has not implemented a communicable disease exclusion. He has not seen business income losses covered due to COVID-19. As far as Workers Compensation is concerned, there would have to be pretty solid proof that COVID was caused at work.

A vote was called and the motion passed unanimously.

Discussion Items

Confirm Wednesday, January 27, 2021, Regular Board Meeting at 8:00 a.m. (Zoom) – The Board confirmed the Wednesday, January 27, 2021, Regular Board Meeting at 8:00 a.m. (Zoom)

Discuss Committee Progress

The Infrastructure Committee – Mr. Knight reported that the Infrastructure Committee will be scheduling a work session on the Long-Range Roadway Master Plan (LRRMP). This will probably be scheduled during the third week of January.

The Water Committee – Mr. Kim Dadlani, Director Munday, Mr. Knight, and the team reported that their participation in Zoom meetings with the Town of Castle Rock, Castle Pines North Metro District, and Centennial Water & Sanitation District were productive. At the Special Meeting on November 25, 2020, the Board authorized a Water Conservation & Efficiency Coordinator position. The Job Description will be finalized and the position will be posted next week. Mr. Dadlani and Director Munday met with the Village Lake board to share benchmarking information and a potential opportunity to reduce their irrigation consumption and they responded favorably. On December 11th, the committee will meet with Mr. Knight and the District's water consultants.

The Communications Committee – Mr. Knight said there was no report this month.

Discuss Draft of Employee Handbook – Director Sundquist said that Staff has been revising the Employee Handbook. Mr. Knight said that the reason the handbook is still in draft form is that we want our new attorney to review it. Ms. Mantz added that there will be some changes to the Organizational Chart, and the Employee Handbook will be revisited at the January Board Meeting.

Staff Reports

District Manager Report - Mr. Knight had no report.

Safety Report – Mr. LeTellier said the biggest challenge is the COVID-19 situation.

Operation's Report – Mr. LeTellier said a small leak was discovered on the Aslan Water Storage Tank and it has been repaired.

Administration Report – Ms. Frainier reported that Mr. Colton Skiera, a Maintenance Tech 2, resigned from the District, and his last day was December 9, 2020.

Ms. Mantz said Ms. Adams ran some statistics and since November 1st, the District held 40 Zoom meetings and 280 people participated in those meetings.

Adjourn

There being no further business to come before the Board, and upon motion duly made, seconded, and unanimously carried, the Board recessed the regular meeting at 7:11 p.m.

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


Secretary