

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

Held: Wednesday, May 27, 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 (CPHA), Doug Cooper, President, CPHA, Courtney Kramer, Senter, Goldfarb & Rice, P.C.; David Klugh, Tony Kovaleski, The Denver Channel 7; Pete Webb, Webb Strategic Communications; Jeff Battin, Bill Calhoun, Cynthia Cerny, Michelle Edwards, Hillary Jean, CiCi Holbrook, Bill Holbrook, Joyce Paloma, and Beth Westberg.

Potential Conflict of Interest Disclosures

District Counsel Reutzler stated that no conflicts were identified.

Approval of the Agenda

Director Sundquist made a motion to approve the agenda, seconded by Director Huser. Director Munday requested an addition to the agenda that Burt Knight be appointed as the District Representative to PCWRA (3H). Director Walden requested the following additions to the agenda: the status of the Cherokee Ranch Agreement, an update on legal claims against the District, and an update on the resident committees. Mr. Knight reported that the Board approved the Agreement at the April 18<sup>th</sup> Board meeting contingent on three edits. Mr. Reutzler made the edits to the Cherokee Ranch Agreement requested by the Board. The Agreement was finalized. Mr. Knight signed the agreement. Cherokee Ranch signed the agreement and has made required payments to the District. Mr. Knight said that the discussion of resident committees is on the agenda. Director Huser said the current status of the legal claims is not discussed in open session. Director Huser indicated that Directors Walden and Lanam will be briefed regarding claims. Mr. Knight requested to add 5E to the agenda, a Request for a Combined Work Session with the Castle Pines Homes Association Board of Directors. The Board unanimously approved the agenda, adding 3H and 5E.

### Guest Introductions / Comments from the Community

Before the meeting started, Ms. Mantz shared a list of guidelines for the community to follow during the Zoom meeting. These included limiting comments to three minutes during the citizen comment period, “raising your hand” before speaking, and using the chat feature. Participants were asked to mute their microphones unless they are speaking.

Director Munday asked for any comments from the community and there were none.

### Acknowledgment and Appreciation to Outgoing Directors

Director Munday acknowledged and thanked Director Calhoun for his two years of service and Director Battin for his year of service to Castle Pines Metro District.

### Election of Board Officers

The Board discussed officer election appointments. The Board unanimously elected the following Board officers:

Rick Huser, Chairman  
Mike Lanam, Treasurer  
Tad Walden, Secretary  
Dick Munday, Director  
Craig Sundquist, Director

Director Munday said that the Board will not have a Vice-Chairman.

Director Munday is looking forward to working with a new Board on goals and projects. He said the Board needs to get behind Mr. Knight and his organization. Director Munday said he was honored to have served as Chairman for three years.

### Action Items

**Approve the Minutes from the April 8, 2020, Special Board Meeting** – Director Sundquist made a motion to approve the minutes from the April 8, 2020, Special Board Meeting, seconded by Director Munday. Director Walden made a motion to amend the motion and adopt Mr. Calhoun’s edits to the minutes. The motion to amend failed for lack of a second. There was some discussion.

A vote was called and the first motion passed unanimously.

**Approve the Minutes from the April 16, 2020, Regular Board Meeting** – Director Sundquist made a motion to approve the minutes from the April 16, 2020, Regular Board Meeting, seconded by Director Munday. The minutes were modified to include two changes that were accepted.

A vote was called and the motion passed unanimously.

**Approve the April 2020 Payables and Revenue/Expense Report** – Director Sundquist made a motion to approve the April 2020 payables, seconded by Director Munday. Staff met with Director Sundquist to review payables, totaling the amount of \$475,451.92. Ms. Mantz reviewed and answered questions regarding invoices from the following vendors: Badger Contractors, LLC, Black & Veatch Corporation, Dana Kepner (Ms. Mantz agreed to send the Village Lake billing agreement to Ms. Cynthia Cerny), Fairfield & Woods, P.C., Foothills Property Maintenance, Jehn Water, Outdoor Property Services, Timber Line Electric Corp, Van Gogh Digital, and Visual Environments.

Mr. Walden asked for the total amount that the District has paid Black & Veatch for the Long Range Water Master Plan (LRWMP) and a progress report.

A vote was called and the Board unanimously approved payment for the April 2020 expenses in the following amounts: General Fund \$199,883.43, Enterprise Fund \$242,050.76, and manual checks \$33,517.73.

Ms. Mantz reviewed the Revenue and Expense Report. Director Walden had several questions regarding legal, salaries and wages, and public works. Ms. Mantz said she would meet with Director Walden and review financials. Director Huser said that Ms. Mantz and her team always apprise the Board of any significant variances in the budget.

**Ratify the Decision for the Investigation of the Board of Directors' Election and Authorize Expenditure Associated with the Investigation** – Director Sundquist made a motion to ratify the decision for the investigation of the Board of Directors' Election and authorize expenditure associated with the investigation, seconded by Director Munday. Director Huser said he was notified by election judges regarding grave complaints and concerns they had regarding the election. Returns were not complete until 5:00 a.m. on May 6, 2020. Director Huser received approval from all of the Board members, who were not involved in the election process to proceed with an independent investigation of the election process. The Board commissioned Ms. Courtney Kramer to arrange the investigation. On May 8<sup>th</sup>, Ms. Kramer retained Ms. Julie Pate, an experienced investigator. The District received the report on May 26<sup>th</sup> and forwarded it to the Board. There is no intent to maintain the investigation as confidential. Director Huser said the report describes egregious, outlandish conduct that he found shocking and unacceptable. Director Huser pointed out that a couple of the election judges are participating in the meeting and on behalf of the District he apologized. Director Huser recommended that all future elections be outsourced. Director Huser asked for comments. Director Walden shared his concerns with the process and agreed that future elections should be outsourced. Director Walden said that the investigation report was weak and contained a lot of false information and fabrications. He does not stand by the report and asked who kept the timeline. Ms. Kramer said that she could not speak to the factual details, as she had retained an investigator for the process. Ms. Kramer said that the election judges documented a chronology and that the investigator compiled the timeline from that chronology. The timeline was not attached to the report as an exhibit. Director Walden requested a copy of the timeline and said he expects them to be handwritten notes given no electronics were allowed in the room. He continued by asking why were not all witnesses contacted for the investigation, including himself, Mr. Calhoun, Ms. Cynthia Cerny, Ms. Cindy Herring, and Mr. Jim Huffman. Ms. Kramer said that Mr. Calhoun was contacted, but declined to be interviewed. His written report concerning the election was considered. The other watchers (Mr. Huffman and Ms. Herring) were not alleged to have disrupted the election process. Director Walden said that he was

concerned that given the report disparages other witnesses who are named in the report, specifically Mr. Huffman, who was not given the courtesy of an interview it seems shortsighted to not speak with Mr. Huffman. Director Lanam said that he did not think this was the proper forum to discuss the details of the investigation. If Director Walden had questions, he needed to submit them in writing to the Board. Director Walden asked about the statement in the report that ballots were received and the District was required to put stamps on them in order to accept them. He wanted to confirm if the statement in the report relative to the ballots received at the front desk was correct and if the report was attributing that statement to Ms. Frainier. Director Walden read the statement. Director Lanam asked that Director Walden submit his questions in writing to the Board. Director Walden then noted that the US Postal Service has a differing opinion.

A vote was called, and the motion passed 4-1 with Director Walden voting against the motion.

**Consider Approval of the Red Zone Contract for 2020 Sewer Inspections** – Director Munday made a motion to approve the Red Zone Contract for 2020 sewer inspections, seconded by Director Sundquist. Mr. LeTellier said that the District's goal was to video inspect a fifth the sanitary sewer system every year. Director Munday pointed out the sewer inspection was not completed in 2019 and asked why the District was not requesting for two-fifths of the sanitary sewer line instead of one. Mr. Knight said one-fifth of the sewer line was budgeted in 2020, and he offered to adjust the budget for the missing year. The reports are not a summary of flow, but the condition of the existing sewer line. Mr. Knight will suggest a collection system master plan to assess the financial capability of taking that care of the sanitary sewer system as a 2021 goal.

A vote was called and Director Walden abstained, Directors Huser, Lanam, Munday, and Sundquist voted in favor of the motion.

**Consider Approval of the Water Treatment Plant Roof Replacement** – Director Sundquist made a motion to approve the Water Treatment Plant roof replacement, seconded by Director Munday. Mr. LeTellier recommended awarding the bid to All Angles Covered based on a competitive bid and broader warranty coverage. Director Huser asked if the District sought coverage of insurance and was denied. Mr. LeTellier said there was not a catastrophic event that caused the damage and the insurance company would not cover the damage. Director Walden asked Mr. LeTellier if the cost of the replacement seemed high. Mr. Knight said if you take out the lowest bid, consider the non-responsive bidder, the bids look similar. The request for bids was advertised in the Douglas County News Press. Director Lanam asked if the District used BidNet. Mr. Knight said we did not. Director Lanam asked what the downside of advertising on BidNet would be. Mr. Knight said if the bid was canceled, the amount of time associated with getting the project readvertised and bid. Director Walden asked how long it would take to rebid on BidNet. Mr. Knight said by the time the District receives and evaluates bids it would be past the June Board Meeting, likely available for July consideration.

Director Lanam made a motion to put out an expedited bid on BidNet for the replacement of the Water Treatment Plant roof, seconded by Director Walden.

A vote was called and the motion passed unanimously.

**Appointment of Burt Knight to be District Representative to PCWRA** – Director Sundquist made a motion to appoint Mr. Knight as the Castle Pines Metropolitan District

representative to Plum Creek Water Reclamation Authority, seconded by Director Munday. Mr. Knight would replace Director Munday and Director Munday would be the alternate.

A vote was called and the motion passed unanimously.

### Committee Updates

- Liaison to PCWRA – Director Munday said the PCWRA Board of Directors met on May 26, 2020. The expansion of the plant is proceeding and will be completed by the end of the year, on budget. There was no debt incurred to build the \$30M expansion. There is concern about the temperature of the effluent into creeks and the watershed. Because of this, the plants could be required to install cooling towers and chillers for the effluent. Mr. Knight said PCWRA has implemented a pretreatment program. The Town of Castle Rock is probably the most affected connector.
- CPHA Update – Mr. Larson reported that on May 25<sup>th</sup>, Governor Polis extended the Safer at Home order through June 1<sup>st</sup>. Douglas County has received a variance to open fitness centers, with two pages of restrictions that are difficult to comply with. The CPHA will keep the Fitness Center closed. The order does not allow for the opening of swimming pools. There was a meeting on May 26<sup>th</sup> to discuss CPHA summer events in the Village. Mr. Larson said that 22 events are scheduled throughout the year. This year the CPHA will host four major events. The Summer Solstice on June 20<sup>th</sup>. A drive-in movie on July 3<sup>rd</sup> as part of the July 4<sup>th</sup> events, which will include chalk art, a parade of vehicles and, possibly a barbecue. There will be an event to replace Oktoberfest in September. All of the events are fluid, depending on state and local government requirements. Swimming pools could open in mid-June. Tennis, pickleball, and basketball courts have been opened and there has been some confusion about how they can operated under the order. Director Sundquist thanked Mr. Larson for keeping the community involved during COVID-19. The CPHA has been keeping the community informed through articles in the Village Weekly.

### Discussion Items

**Confirm Thursday, June 18, 2020 Board Meeting at 6:00 p.m.** – The Board confirmed the June 18, 2020, Board Meeting at 6:00 p.m. Mr. Knight will investigate video and a sound system for future meetings.

**Discuss Progress on Committee Formation** – Mr. Knight reported that the formation of committees has been slowed up by COVID-19. The Committee Member Information Sheet was approved at the April Board Meeting. Mr. Battin was leading this endeavor. The District has identified two candidates for the chair position on the Long-Range Water Master Plan Committee. The candidates have considered co-chairing the committee. These candidates will likely to attend the Long-Range Water Master Planning Update planning meeting and make their decision based on that. No candidates have been identified for the chair for the Infrastructure Committee and the Communications Committee. Committee chairs will be appointed by the Board and the chairs would appoint committee members. Mr. Knight said that there were a dozen citizens who were interested in participating on the committees. The following directors

volunteered to be the board liaison - Director Walden/Communications Committee, Director Lanam/Infrastructure Committee, and Director Munday/LRMWP Committee.

**Discuss Special Meeting for Long-Range Water Master Plan Update on Wednesday, June 3, 2020, CPHA Wildcat Room, 2:30 – 5:30 p.m.** – Mr. Knight would like to have the meeting in person, as he anticipates a lot of interaction, making it difficult to conduct as a Zoom Meeting. He suggested moving the update to June 10, 2020, in anticipation that Governor Polis may give leeway to meetings over ten people. Director Munday suggested also providing a Zoom platform for the citizens. Staff will publicize the event for June 10, 5:30 – 7:30- p.m. on the website, at the gates, and in the Village Weekly.

**SDA Board Workshop** – Mr. Knight researched director training. The SDA is the forerunner for director training. As a result of COVID-19, the SDA is offering “canned” presentations on its website. Staff will make the information and logins available to the Board. Mr. Knight said that he and Mr. Reutzel are working on director training and a date will be set for a workshop in the near future.

**Combined Work Session with the Castle Pines Homes Association Board of Directors** – One item for the agenda will be a discussion of the District’s Service Plan. Mr. Knight suggested the Special Board Meeting take place on June 4<sup>th</sup> from 11:30 a.m. to 1:30 p.m. The meeting will be publicly noticed. Director Walden said he would like the next combined work session to take place in the evening. Mr. Larson said the boards try to meet twice a year and he anticipates the next meeting would be in late fall.

### Staff Reports

**District Manager Report** – Mr. Knight indicated his report was in the packet. Mr. Knight elaborated that in April the Board gave him direction to seek out a consultant and conduct an investigation into the Morning Star drainage issues. Mr. Knight has authorized a Task Order and it has been created with Forsgren Associates, Inc. for \$8,500. It will include preliminary drawings, topographical information, alternatives to diverting flow parallel to the roadway, and a brief technical memo. This report will be ready to present at the June Board Meeting. The Board also requested that Mr. Knight looks at other sub associations to see if this is a single sub association problem or if it affects other locations. There are some other locations where similar drainage issues exist including The Ridge, Ramshorn, Starbuck, and off of Silver Leaf Way. Director Walden asked if it was correct that the District performed drainage work at Ridge Plaza and Orofino. Mr. Knight said that the Orofino sub association petitioned the Board to take action.

Mr. Knight reported that all but one of the test traffic calming islands have been removed. Traffic counts in three locations were acquired between April 15<sup>th</sup> and May 11<sup>th</sup>. Mr. Knight will further report on this study at a future Board meeting.

**Safety Report** – Mr. LeTellier said an employee bruised his arm in relation to an operator error and equipment malfunction of the tailgate on one of our trucks. The District continues to address the COVID-19 situation by wearing masks and social distancing.

**Operation's Report** – Director Walden asked if there was blue algae at Village Lake. Mr. LeTellier said it was not blue algae and he would get back to Director Walden about the type of algae in Village Lake. Director Walden asked if there is a map of the beetle kill spray area and Mr. LeTellier said that the spraying that is conducted in rights-of-way. Mr. LeTellier reported that Well A12 went down due to electrical issues. In April, well production started at 0.4 MGD and saw a maximum of 1.4 MGD. Mr. LeTellier said April sees an increase in demand because of resident irrigation. Director Walden is concerned that the demands continue to increase. Mr. LeTellier said there are a lot of variables at this time of year. Mr. Knight applauded Mr. LeTellier for controlling the increase in demands over the weekend. On May 26<sup>th</sup>, Well A8's Variable Frequency Drive experienced issues. Fortunately, the staff was able to get A12 back in service. Other than that, we would have been in a situation where we would have to cut down irrigation across the system. Mr. Knight said staff is creating a plan to improve our Well A8 site appearance by taking the fence down and possibly replacing it with a wall. The District will work with the Design Review Committee, so that it fits in with the Village architecture. Mr. Knight anticipates that costs and details of this project will be provided at the next June Board Meeting.

**Administration Report** – Ms. Frainier referenced her report in the board packet and asked if there were any questions, there were none.

**Water Conservation Water Usage Report** – Director Munday reported that 13.7M gallons were used in April. Director Lanam asked is if the District encourages water conservation in the sub association. Director Sundquist said that last year he and Mr. Joe Gschwendtner met with about half of the sub associations, and offered free water audits. Mr. Eric Piperni conducted water audits for some sub associations. Director Sundquist said water conservation within the sub associations is a challenge and the Board should reach out to the sub association again.

**Attorney's Report** – Mr. Reutzel had nothing further to report.

Director Walden asked the staff if a summary of board compensation could be added to the website. Ms. Mantz will post this on the web site.

### 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 9:18 p.m.

The Board of Directors approved the foregoing minutes on the 18th of June 2020. The preceding constitutes a true and correct copy of the minutes of the above-referenced meeting.

  
Secretary