

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

Held: Thursday, August 20, 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. The following people attended the meeting via Zoom Teleconference: Mark Larson, General Manager, Castle Pines Homes Association; Cassie Vetter, Bill Calhoun, Kim Dadlani, Ray Haley, CiCi Holbrook, Jeremy Jojola, Joseph, Tom Napolilli, Randy Yaroch, members of the public.

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 Lanam. Director Walden requested that an additional discussion item be added to the Agenda: Morning Star Drainage. Director Huser said that the Board needed additional time to consider this issue and that he would discuss the matter further with individual board members before any action was taken. There was an amendment to the agenda to move Action Item (3H), Consider Approval of Committee Chair, Ms. Cassie Vetter, Long-Range Roadway Plan, to the beginning of the Action Items (3A). Director Sundquist made a motion to amend the motion to move Action Item 3H to 3A, seconded by Director Lanam. The Board unanimously approved the agenda, as amended.

Guest Introductions / Comments from the Community

Director Lanam introduced Ms. Cassie Vetter and said that she has an engineering background. Director Lanam is impressed with the direction that Ms. Vetter wants to take the Infrastructure Committee.

Mr. Bill Calhoun, a citizen, spoke and had a few questions regarding the directive from the Metro District reducing irrigation to two days a week. Director Huser said that the District Manager would address that decision in his Manager's Report.

### Action Items

**Consider Approval of Committee Chair** – Director Lanam made a motion to approve Ms. Cassie Vetter as the Long-Range Roadway Plan Chair, seconded by Director Munday. Director Lanam asked the Board for approval of Ms. Vetter as the Infrastructure Committee Chair. Ms. Vetter thanked Director Lanam. She is eager to chair the committee.

A vote was called and the motion passed unanimously.

**Approve the Minutes from the July 16, 2020, Regular Board Meeting** - Director Sundquist made a motion to approve the minutes from the July 16, 2020, Regular Board Meeting, seconded by Director Huser. Prior to the meeting, Director Walden made a few edits to the minutes. Director Walden requested that Staff send the recording of the board meeting at the same time as sending the draft of the minutes. Ms. Frainier responded affirmatively. Director Huser made a motion to approve the amended minutes including Director Walden's edits from the July 16, 2020, Regular Board Meeting, seconded by Director Munday.

A vote was called and the motion passed unanimously.

**Approve the Minutes from the August 10, 2020, Special Board Meeting** – Director Sundquist made a motion to approve the minutes from the August 10, 2020, Special Board Meeting, seconded by Director Lanam. Director Walden asked that any changes to meeting notices be sent to the Board. The initial meeting notice was sent to Board members without any Zoom notification for the public. The updated meeting notice was not forwarded to the Board members with the information, but was posted on the District website. There was no opposition to Director Walden's request to make sure the Board receives any update to the meeting notice.

A vote was called and the motion passed unanimously.

**Approve the July 2020 Payables** – Director Lanam made a motion to approve the July 2020 payables, seconded by Director Munday. Staff met with Director Lanam to review payables, totaling the amount of \$779,748.82. Mr. Knight said the District paid Parker Water & Sanitation District \$53,900 as part of an agreement the District entered into in 2008. The agreement gives the District the right to buy 154 acre-feet of water storage allocated in Chatfield Reservoir. This is the second payment for the agreement. The current cost per acre-foot is \$8,300. Mr. Knight answered a question regarding Forsgren & Associates, Inc. and Mr. LeTellier answered a question regarding Timber Line Electric Corp.

A vote was called and the Board unanimously approved payment for the July 2020 expenses in the following amounts: General Fund \$265,938.42, Enterprise Fund \$462,163.98, and manual checks \$51,646.42. Ms. Mantz asked for questions regarding the Revenue and Expense Report. Director Walden had questions regarding the report format and other issues. Ms. Mantz volunteered to meet with him regarding his questions.

**Consider Approval of Preliminary Acceptance for Filing 43, Brookfield** - Director Sundquist made a motion, to approve the preliminary acceptance for Filing 43, Brookfield, seconded by Director Munday. Ms. Mantz distributed a map that identified Filing 40, Filing 42, and Filing 43. Brookfield is requesting Preliminary Acceptance for Filing 43. The approval was tabled at last month's board meeting. Staff provided a copy of the IGA/SIA with Brookfield, who has completed the punch list items. The IGA/SIA addresses road damage and the Developer accepts responsibility to repair any damage caused by their Development at the Developer's cost and expense and to "return the road to an as good or better condition than they were prior to such damage." Brookfield has received Douglas County's approval to move forward. The original surety was secured with a Line of Credit for \$2,113,639.41 and will be reduced to 15% of the original value, which is \$275,692.10, and will be held for a two-year warranty period. Mr. LeTellier said that the District inspects water and sewer lines. Director Munday said Mr. Napolilli, Co-Chair of the Water Committee, suggested it may be beneficial to install small water meters in Brookfield, ¾" rather than an inch. Mr. LeTellier will review this with Mr. Napolilli.

A vote was called and the motion passed unanimously.

**Consider Approval of Preliminary Acceptance for Filing 42** - Director Munday made a motion, to approve the preliminary acceptance for Filing 42, seconded by Director Sundquist. Mr. Mantz highlighted four lots on Castle Pines Drive North just north of Prato (1136-1139). District Staff has worked with IMEG to complete all of the required punch list items. The original surety was secured with a Line of Credit for \$156,400 and will be reduced to 15% of the original value which is \$20,400, which will be held for a two-year warranty period.

A vote was called and the motion passed unanimously.

**Consider Approval of Final Acceptance for Filing 40, Prato, Lift Station** - Director Sundquist made a motion to approve the final acceptance for Filing 40, Prato, Lift Station, seconded by Director Munday. Ms. Mantz said that the final acceptance of Filing 40 was approved at the July Board Meeting except for the Lift Station, which remained in the preliminary acceptance stage, due to a few incomplete punch list items. Staff has inspected the Lift Station and Prato has completed all punch-list items. The final acceptance letter releases Prato's Line of Credit.

A vote was called and the motion passed unanimously.

**Consider Engagement Letter to Auditors to Complete the Audit and Financial Statements for 2020** – Director Sundquist made a motion to consider the engagement letter to the auditors to complete the Audit and Financial Statements for 2020, seconded by Director Huser. Ms. Mantz reported that the engagement letter represented an increase of \$1,000 from 2019 and that Staff recommends approving the engagement letter from RubinBrown, LLP to complete the 2020 audit and financial statement for \$40,700 a year. Ms. Mantz said that RubinBrown comes out twice a year and prepares the District's Financial Statement. Director Huser said he compared the 2020 engagement letter to the 2019 engagement letter. He asked why the supplementary information and OPEB (Other Post-Employment Benefits) was not included in the 2020 letter. Ms. Mantz said she would investigate this issue. Director Huser also stated that a paragraph had been added saying that RubinBrown is not "responsible for electronically hosting, storing, or maintaining any of your financial or non-financial information

or sole copies.” Ms. Mantz said that all financial and non-financial information is saved on the District’s server. Director Lanam said that he would like RubinBrown to do a secondary backup at no cost as the District is a long-term customer. Ms. Mantz will check on this as well. Mr. Reutzel said the Board could approve the engagement letter subject to Ms. Mantz’s clarifying information on OPEB and the electronic filing. The motion was amended.

A vote was called and the motion passed unanimously.

### Committee Updates

- **Liaison to PCWRA** – Director Munday reported the PCWRA Board Meeting is on Tuesday, August 25<sup>th</sup>. Mr. Knight and Director Munday will be in attendance. Director Munday said the expansion is on track, on budget, and will be complete before the end of the year.
- **CPHA Update** – Mr. Larson reported that the shred event, which had been postponed from June, will take place on August 29<sup>th</sup>. Oktoberfest will be on September 12<sup>th</sup>. There will be an in-car concert, drive-in movie, and German food. The Emergency Services Pancake Breakfast will be held on October 31<sup>st</sup> by reservation.

### Discussion Items

**Confirm Thursday, September 17, 2020 Board Meeting at 6:00 p.m.** – The Board confirmed the September 17, 2020, Board Meeting at 6:00 p.m.

**Discuss Progress on Committee Formation** – Mr. Knight reported that the Chair of the Infrastructure Committee was approved earlier in the meeting. The Chair of the Communication Committee will be up for approval at the September Board Meeting.

- **LRWMP Update** – Mr. Kim Dadlani reported that the LRWMP Committee was formed last month and since then the Committee has spent time with Mr. Knight and Director Munday to gain an understanding of the current state of the District’s water supply. The Committee has had weekly work sessions, with some of our consultants heavily engaged in the master plan. There are two buckets, one is the water supply side, (water rights, groundwater, and surface water), and the other is the District’s budget, which Ms. Mantz provided an overview. The team has put a list of opportunities together. Mr. Dadlani said that the Committee is energized.

### Staff Reports

**District Manager Report** - Mr. Knight offered an apology to the board for not first informing them about the mandatory water restrictions. Mr. Knight expressed that the decision to impose water restrictions is not a policy matter but an operational one that falls within his role to operate and manage the water system. He feels the Board is a policy-making group and the Board has hired a professional staff to operate the system on a day-to-day basis. The District has eight wells, three of which are Arapahoe wells. Well A-8 which produces 500 gallons a minute had a pump issue, which prevented it from producing water. The contractor received parts and installed them earlier this week. As the contractor got the pump set, it seized and could not

function. It is a fairly new pump, and they tried different ways to correct it. Staff looked at the forecasted daily temperatures and the way the year has been going with water demand. A hard decision was made as drinking water and fire flow had to be considered. The Village is now under mandatory irrigation water restrictions. Staff has adjusted many irrigation systems and have asked citizen for support until Well A-8 is up and running and the system stabilized. The contractor has returned to the site, pulled the well casing, and is working on getting a temporary pump installed. Well A-8 was refurbished in July of 2019. The contractor is honoring the warranty work. The Board asked how the community responded. Ms. Mantz said she received eight emails, four positive and four negative. The last two weeks have been dry and the forecast is for high temperatures and continuing dry conditions. Director Lanam said that it appeared that Mr. Knight looked at the alternatives and made a professional decision.

**Safety Report** – Mr. LeTellier said that interactive snow removal and chainsaw safety trainings are scheduled. Ms. Frainier reported one Workers Compensation incident had occurred since the July Board Meeting.

**Operation's Report** – Mr. LeTellier said that the roofers are on site and have begun the replacement of the water plant roof. During sewer inspections, a couple of severe issues were identified and have already been addressed or replaced. The District will receive a detailed report from Redzone Robotics and will integrate it with GIS, including photos and videos. Staff has addressed other maintenance items including drainage and valve replacements. Director Sundquist asked if the District will move from a five-year to a four-year frequency for sewer inspections. Mr. Knight said that as Staff works through the 2021 budget cycle, this issue will be addressed. Mr. Knight mentioned that one of the District's 2021 goals is to develop a Sanitary Sewer Collection System Master Plan.

**Administration Report** – Director Huser thanked the entire staff for a successful Drive-Thru Picnic. Ms. Frainier mentioned that the District is still actively searching for a Water Treatment Supervisor.

Ms. Mantz said that during the first three weeks of October, the District will be conducting the second Brush Cleanup for the year. Ms. Mantz noted that the 2021 Budget Schedule had been included in the board packet. The first draft of the budget will be provided at the September Board Meeting and a work session will take place between September and October. The Public Hearing for the budget will be on November 19, 2020.

**Water Usage Report** – Ms. Mantz reported that 65M gallons were used in July, the second-highest on record. Exhibit 6 of the report identified customer's year-over-year usage.

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

### Executive Session

At 7:35 p.m., Director Huser made a motion pursuant to C.R.S. §24-6-402 (4) (b) to confer with counsel for the purpose of receiving legal advice on specific legal questions relating

to the status of Mr. Bill Calhoun's lawsuit, seconded by Director Sundquist and unanimously carried. The motion was amended to include Ms. Marni Kloster, Mr. Reutzel, Mr. Knight, Ms. Mantz, and Ms. Frainier in Executive Session. A vote was called and the motion passed unanimously. Mr. Reutzel left the meeting after the motion passed.

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 8:32 p.m.

The Board of Directors approved the foregoing minutes on the 15<sup>th</sup> of September 2020. The preceding constitutes a true and correct copy of the minutes of the above-referenced meeting.

  
Secretary