

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

Held: Tuesday, February 22, 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:

Rick Huser
Mike Lanam
Dick Munday
Craig Sundquist
Tad Walden

Also present were: Sue Mantz, Jason LeTellier, LeAnna Gonzales, District Staff; Tracy Adams; David Samuel, Anpassa Custom Inc.; Tom George, Spencer Fane, LLP; Mark Larson, General Manager, Castle Pines Homes Association; Josh Shackelford, Olsson; Cassie Vetter, Infrastructure Committee Chairperson; Kim Dadlani, Chairperson and David King, Water Committee; Cici Holbrook, Chuck Schlosser, Karen Woods, Eric, and David, 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, subject to the following amendment: add an Executive Session after item 3C, to confer with counsel regarding the Well A10 rehab project. Following Executive Session, we will return to Regular Session and add an Action Item that would be to consider a change order regarding Well A10. This motion was seconded by Director Sundquist.

The Board unanimously approved the agenda as amended.

Guest Introductions / Comments from the Community – there were no comments.

Consent Agenda

Director Huser made a motion to approve the Consent Agenda as amended: to remove

Item 3B and move it to an Action item, seconded by Director Sundquist. The following items are included in the Consent Agenda.

Approve the Minutes from January 25, 2022, Regular Board Meeting, as amended.

Designate the District's Newspaper of "General Circulation" - Ms. Mantz said the *Douglas County NewsPress* will be the District's Newspaper of "General Circulation" and if the *NewsPress* can't be used, the Denver Post will be used instead.

The Board unanimously approved the Consent Agenda, as amended.

Executive Session

At 9:37 a.m., Director Huser made a motion to enter into an executive session pursuant to C.R.S. § 24-6-402 4(b) for purposes of conferencing with the District's legal counsel and to receive legal advice on specific legal questions regarding matters concerning the District's Well A10 Rehab Project, seconded by Director Sundquist.

A vote was called and the motion passed unanimously.

The Board left the executive session and the Regular Session resumed at 9:55 a.m.

Action Items

Consider Approval of Reduction of Surety for Sanitary Sewer for Filing 41, Phase 2 – Director Huser made a motion to approve the reduction of surety for the Sanitary Sewer, Filing 41, Phase 2, seconded by Director Munday. Director Huser asked if the final review has happened, and Mr. LeTellier and Ms. Mantz affirmed. Director Huser asked for clarification on the amount of requested surety. Ms. Mantz said that the memo as presented is correct, the full amount of surety is \$2,548,066.50, and they are requesting the first reduction of \$777,011 which will leave their total surety of \$1,771,055.50.

A vote was called and the Board unanimously approved the motion.

Consider Approval of Change Order of Well A10 Rehab Project – Director Huser made a motion to approve the change order for \$68,100, to Colorado Pump and Supply for the Well A10 Rehab Project, seconded by Director Sundquist. Mr. Shackelford noted that when Colorado Pump was onsite, they found additional issues with the rehab that need to be addressed as identified below:

- Replace the submersible cable, 1,700 feet, with #2 cable, \$21,656.00
- Replace 17 stainless steel couplings, \$17,608.00
- Change the couplings with stainless couplings, \$2,650.00
- Replace pipe threads on the mount, \$2,096.00
- Modify the shroud pub, \$7,819.00
- Replace the stainless-steel check valve, \$4,643.00

- Conduct an acoustic casing log and report, \$6,574.00
- Replace the chemical injection tube, \$2,460.00
- Complete additional brushing and bailing, \$2,080.00
- Additional video after brushing them out, \$514.00

Mr. Shackelford said Well A10 is one of our largest and most important wells in our system and from a timing perspective we need to make sure we can get it online as soon as possible.

A vote was called and the Board unanimously approved the motion.

Approve December 2021 #2 Payables - Director Huser made a motion to approve the December 2021 Payables of \$206,152.59, seconded by Director Sundquist. Ms. Gonzales reported that staff met with Director Lanam to review the 2nd set of December payables, totaling \$206,152.59. Ms. Gonzales reviewed and answered questions regarding invoices from the following vendors: Metro Pavers Inc. and Outdoor Property Services.

A vote was called and the Board unanimously approved payment of the December 2021 #2 expenses in the following amounts: General Fund \$54,332.05 and Enterprise Fund \$151,820.54.

Approve January 2022 Payables - Director Huser made a motion to approve the January 2022 Payables of \$736,052.86, seconded by Director Sundquist. Ms. Gonzales reported that staff met with Director Lanam to review payables, payroll expenses, and manual checks totaling \$736,052.86. Ms. Gonzales reviewed and answered questions regarding invoices from the following vendors: Chatfield Reservoir Mitigation Co, Inc., eLogger, Holland Signs Inc., Layne Christensen Company, Magellan Strategies, RubinBrown, and Colorado Special District Association.

A vote was called and the Board unanimously approved payment of the January 2022 expenses in the following amounts: General Fund \$154,716.83, Enterprise Fund \$391,124.67, and Manual Checks \$190,211.36.

Consider Approval of Municipal Advisor – Director Huser made a motion to approve North Slope Capital Advisors as the District’s Municipal Advisor, seconded by Director Sundquist. Director Huser said we created a committee to interview and discuss with various entities the provision of municipal and financial advisory services to assist the District and help develop plans for bond issues and to raise capital to pay for our various projects. Director Huser, Director Lanam, Mr. George, Mr. Shackelford, Ms. Mantz, Mr. Dadlani, and Mr. King all participated in the vetting process. Mr. Shackelford said the District received 2 proposals and the committee chose North Slope Capital Advisors. Their proposal is all-encompassing with a fiduciary requirement to the District and a contingent fee proposal of \$65,000, which is an all-in fee. Mr. George noted they are regulated by the SEC and that the fee they quoted is contingent upon and can be paid from the proceeds of a bond issuance. Mr. Shackelford answered questions from the Board.

A vote was called and the motion passed unanimously.

Consider Approval of Custom Home Assessment Proposal from ET Irrigation – Director Huser made a motion to approve the Custom Home Assessment Proposal from ET Irrigation, as amended, seconded by Director Sundquist. Mr. Shackelford said this was presented last month and was brought back this month for approval. This is for ET Irrigation to complete our irrigation analyses at \$375 per assessment for a minimum of 300 homes. Mr. Shackelford will request that the contract be amended to remove the year “2022” so in case we do not meet the 300 minimum, it could be rolled to 2023. Mr. Shackelford and Mr. Dadlani answered questions from the Board.

A vote was called and the motion passed unanimously.

Committee Updates

Liaison to PCWRA – Director Munday said they had a report from Castle Pines North Metro District (CPNMD) that their inclusion into Parker Water was withdrawn by the same. CPNMD has indicated that this agreement has been terminated.

There was a discussion of the establishing agreement with PCWRA on how this agreement should be modified to reflect the current state. Director Munday and Mr. Shackelford answered questions from the Board.

They talked about direct potable reuse and the state plans to have a draft for comment sometime in March. Those regulations will cause a change in the flows that we send to PCWRA. Director Munday said it will change what we can send in terms of waste to PCWRA. Director Munday asked that they keep us informed of the process.

The State will be creating regulations of Maximum Contaminant Levels for PFAS.

Mr. Munday said he is considering remaining as the liaison to PCWRA after his term on the Metro Board ends, and with that being said, there needs to be another board member attending

CPHA Liaison - Mr. Larson said he has been meeting with Mr. Shackelford and Mr. Dadlani on fire mitigation issues. They have been working on some Village-wide standards and recommendations for fire mitigation and response to fire. The City of Castle Pines and the Town of Castle Rock are also putting together a fire mitigation plan. The annual meeting is on March 7th, 6:30 p.m. at Cielo. Director Huser thanked Mr. Larson for his work on fire mitigation. They are planning to bring the sub-associations together after the water symposium and the CPHA annual meeting to get their feedback on the two meetings.

Infrastructure Committee Update – Ms. Vetter said the snow removal agreement has gone through some legal processes, it currently resides with the Homes Association and is being reviewed by them. The committee reached out to some of the sub-associations that are currently getting a rebate from the district for snow removal on how it is working for them.

Water Committee Update – Mr. Dadlani said he and Mr. King have been working with Director Walden on the presentation for the Water Symposium. The area they are focused on is

onboarding the rate and tier analysis. They have been working on a set of educational classes for next year around landscaping and optimizing our water consumption. Mr. Dadlani reiterated what Mr. Larson said about their work around fire mitigation. Mr. Dadlani answered questions from the Board.

Discussion Items

Confirm Tuesday, March 22, 2022, Regular Board Meeting at 9:30 a.m. – the Board confirmed Tuesday, March 22, 2022, Regular Board Meeting at 9:30 a.m.

Staff Reports

- **District Report** – Mr. Shackelford reported the Water Symposium is tomorrow, February 23, at 6:30 p.m. at Cielo. We completed drilling and pump testing of Well A8 and have initiated drilling of De14. We are going to initiate the bidding process for the installation of well equipment for LDA8, LDA14, and De14. Director Walden recommends getting Board approval for the project as soon as it is available, and Mr. Shackelford affirmed. Mr. Shackelford said we have finalized the RFP for the sanitary sewer monitoring project and the TENORM project. We have started the design on the Crestone project and should have the design finalized in the next 30 days. 2022 road maintenance project will be bid out with the Crestone project.
- **Safety & Operations Report** – Mr. LeTellier reported that Layne Christensen is setting up at the well 14 site to start drilling wells De14 and LDA14. We are expecting to issue a notice to proceed by the end of February for the De10 and LDA10 rehab projects after finalizing the contract with Colorado Pump.

There is a new report in the packet with our sanitary sewer system. This has all our historical data since 2013. This report is telling us that we have typical maintenance issues with our sanitary sewer system and that our I&I problems are associated with the manholes. This year manholes are included with our sewer system inspections.
- **Administration Report** – Ms. Mantz reported that we have a new hire, Noah Walker as a Maintenance Tech 1. We also had a Water Treatment Plant operator, Steve Grainier, give notice and we are currently recruiting for that position.

The staff has been reviewing new billing software since BillMaster is no longer being supported. We consulted the neighboring Districts on what they use. inHance, owned by Harris Utilities, is the product we are looking at and it is compatible with Water Smart (On-line Customer Portal). Implementation is about 4-6 months. We have a contract that has been given to legal for review.

We have interviews scheduled on Thursday for the Billing Specialist position.
- **Water Usage Report**– Ms. Gonzales reported that billed gallons for January were 8.1M, right at budget.

- **Attorneys Report** –Nothing to report.

Executive Session

At 11:30 a.m., Director Huser made a motion to enter into an executive session pursuant to C.R.S. § 24-6-402(4)(e) for purposes of discussing matters subject to negotiations, developing negotiation strategies, and directing negotiators regarding the District’s water and sewer Rate Tier Analysis, the upcoming Water Symposium, and related matters, seconded by Director Sundquist. Ms. Mantz, Mr. LeTellier, Ms. Gonzales, Mr. Shackelford, Mr. George, Mr. Dadlani, and Mr. King were invited to stay.

The Board left the executive session and the regular session resumed at 12:50 p.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 12:50 p.m.

The Board of Directors approved the foregoing minutes on the 22nd of March 2022. The preceding constitutes a true and correct copy of the minutes of the above-referenced meeting.


Secretary