

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

Held: Monday, December 14, 2020, 3:00 p.m. at 5880 Country Club Dr., Castle Rock, Colorado

A special 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, Carolyn Frainier, LeAnna Gonzales, Tracy Adams, Jason LeTellier, (District Staff); Jack Reutzel, District Counsel, Fairfield and Woods, P.C.; Mark Larson, General Manager, Castle Pines Homes Association (CPHA), Bill Calhoun, Cynthia Cerny, Kim Dadlani, Cici Holbrook, Jeff Messner, Tom Napolilli, (Residents).

Potential Conflict of Interest Disclosures

District Counsel Reutzel stated that no conflicts were identified.

The Board will consider the approval of the 2021 Budget and the approval of the November 25, 2020, Special Meeting Minutes. Director Huser has been made aware of an email sent by Ms. Cynthia Cerny to residents. The email created some misconceptions about the Budget. Director Huser said the email was not condoned or sanctioned by the District's Communications Committee, of which Ms. Cerny is a member.

Director Huser said that before the December 10th Regular Board Meeting, all iterations of this budget showed that the District is favorable in terms of our operational expenses. The budget showed that the District would use reserves/fund balance by \$2M and that cash was going towards funding many capital expenditure projects that are planned for 2021. These are not operational expenses, they are reserve funds for capital projects.

Director Huser stated that at the Regular Board Meeting on November 19th, the directors agreed to remove \$1.5M in revenue from the budget as it relates to a payment expected on January 3, 2021. Castle Pines Town Center Metropolitan District No. 1 is scheduled to make payment in conjunction with the purchase of wastewater capacity. The Board debated whether or not the revenue should be included. The Board is not predicting a deficit in the District's operational budget. In 2021, the Board is budgeting for \$4M in capital projects in the Enterprise Fund, which include funding an Arapahoe well and refurbishment of two other wells that are critical to our water supply. Director Huser stated that the District has \$11.5M in reserves in the

Enterprise Fund to cover these expenditures.

### Approval of the Agenda

Director Sundquist 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

Director Huser asked for comments from the community. Mr. Jeff Messner had concerns about the budget having too many projects and suggested that the budget only consists of basic items. He is very concerned about the election story he saw on Channel 7.

Director Lanam responded to Mr. Messner's concerns. Ms. Cerny said she would like to respond to Director Lanam's comments, and Director Huser said the board was not going to engage in a back and forth conversation.

Director Huser asked for any other comments pertaining to the Budget and there were none.

### Action Items

**Receive 2021 Budget and Approve 2021 Budget Resolutions** – Director Walden said that he, Director Huser, Director Lanam, and Staff spent a lot of time last weekend working on the Budget. He supports the 2021 Budget. He wants the residents to understand that he does believe the District can do a better job going forward, particularly with the methodology and how we arrived at the Budget. Director Walden will work with the Communications Committee to get the message out to residents. An overwhelming majority of the budget will be spent on infrastructure costs. There is \$300K in the Budget for water conservation and \$1.3M for street repairs. After the November 25th Special Meeting, a full-time position was added for water conservation efforts. Director Walden said the focus of the Budget is water and roads.

Director Huser made a motion, seconded by Director Sundquist to adopt Resolution 2021 – To Adopt Budget, the resolution summarizing the expenditures and revenues for each fund, and adopting the budget for the District for the fiscal year of 2021, as presented.

A vote was called and the motion passed unanimously.

Director Huser made a motion, seconded by Director Lanam to adopt Resolution 2021 – To Appropriate Sums of Money for the District in the amount and for the purposes set forth in the 2021 budget.

A vote was called and the motion passed unanimously.

**Approve the Minutes from the November 25, 2020, Special Board Meeting** – Director Walden made a motion to approve the minutes from the November 25, 2020, Special Board Meeting, seconded by Director Munday. Director Huser said there have been some changes by Director Walden and Mr. Kim Dadlani. Director Munday said there are lots of opinions about what needs to be done. The Water Committee is firming up plans that the Board can further approve. In the spring, the conservation program will be a benefit for the entire

Village for a long time to come. Director Walden said that he thinks that every citizen in the Village needs to read these minutes.

A vote was called and the motion passed unanimously.

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 3:26 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.

A handwritten signature in blue ink, appearing to be "J. Walden", written over a horizontal line.

Secretary