

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

Held: Thursday, December 17, 2020, 10:00 a.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, Jason LeTellier (District Staff); Jack Reutzel, District Counsel, Fairfield and Woods, P.C., Jack Vickers, President, Castle Pines Town Center, Kim Dadlani, Co-Chair, Water Committee.

Potential Conflict of Interest Disclosures

District Counsel Reutzel stated that no conflicts were identified.

Director Huser said that in the interest of time the Board would not hear comments from the community.

Approval of the Agenda

Director Huser made a motion to approve the agenda, seconded by Director Lanam. The Board unanimously approved the agenda, as presented.

Discussion

Director Huser introduced Mr. Jack Vickers, President of the Board for the Castle Pines Town Center Metropolitan District No. 1 (CPTCMD No.1 or Town Center). Mr. Vickers was at the meeting to discuss a potential amendment to an Intergovernmental Agreement (IGA) dated November 19, 2018, and other related issues. Mr. Vickers said that the second payment for the IGA for wastewater capacity is due on January 3, 2021, and he is requesting an extension for that payment. He had discussed the request with Mr. Knight, and Mr. Reutzel drafted the amendment to the agreement for the extension. The amendment will not be considered for approval until the Town Center's board meeting on December 28, 2020. (Note: Mr. Vickers said during the meeting that their Board meeting was January 28, but he later corrected that statement to reflect

the December 28 date.) Mr. Vickers said there have been COVID-19 related delays and he is trying to work out sewer infrastructure issues with Castle Pines North Metropolitan District (CPNMD). The third component was that CPTCMD No. 1 would endeavor to work with CPNMD to allow sewer capacity to be used in the Happy Canyon line in order to get wastewater from I-25 and Happy Canyon road to PCWRA. Mr. Vickers recently spoke with Mr. Dave McEntire, President of the Board of Directors at CPNMD, who said they are on track to get the agreement completed in the near term or early part of 2021. Mr. Knight said that this issue will be discussed in Executive Session. Director Lanam asked Mr. Vickers to clarify the “second takedown.” Mr. Vickers said that the Town Center’s agreement provides for 300,000 gallons per day (gpd) in wastewater capacity at PCWRA. Two years ago, CPTCMD No. 1 paid for 150,000 gpd and the second installment for the remaining 150K gallons per day is due on January 3, 2021.

Mr. Vickers talked about the infrastructure discussions between he and Mr. Knight regarding the Aslan tank, which is jointly shared by the District and Town Center. Mr. Vickers would like to clean up the arrangement. Mr. Vickers has some concerns over the collective capacity in the tank. Mr. Knight and Mr. Vickers have discussed the possibility of the District buying CPTCMD No. 1’s capacity in the tank and he would build a new storage tank for the Town Center.

Mr. Knight approached Mr. Vickers approximately 30 days ago about the possibility of a well site located just west of the District next to Country Club Drive. There is currently an Aslan Denver Well located there and Mr. Knight inquired if an Arapahoe Well could be drilled at that site. Mr. Vickers said he is in the process of finalizing deals for the Summit project, where there is a 20-foot easement running down to the District’s WTP2 that includes a water pipeline. Construction of the Summit will begin soon. Mr. Vickers would amend the 1.2-acre well tract into two separate .5 acre tracts, for the District Arapahoe Well site, if an agreement can be completed. Mr. Vickers will meet with the Summit group to see if they will agree to another well site for the District. Mr. Knight has expressed an alternate site for the well near the Summit Club, but it is 3,000 feet further away from the District. The existing easement from the .5 acre well site could be provided to the District in good faith if the District releases the 41 lien assessment taps to be used outside the lien assessment areas, but within the District boundaries. Director Sundquist asked Mr. Vickers when he wanted a response about the lien taps. Mr. Vickers said at the same time he provided the well site easement.

Mr. Vickers analyzed the restricted taps of those related to the Glen project. It was 9 taps more than the plat and 28 taps total. The Golf Club assigned them to the Glen Project as they went along. The Glen Project ultimately platted 19 lots and then 2 lots were vacated. Mr. Vickers said The Golf Club could not tell him for sure that the taps were assigned to the Glen Project. Nine taps were not accounted for. These are not part of the 41 taps discussed previously. Mr. Vickers sent a draft to Mr. Knight on how a simple agreement on the 41 lien taps request might work. Mr. Vickers would prefer the transaction be simultaneous. Director Lanam asked if there was a price difference between a lien assessment tap and an unrestricted tap. Mr. Vickers said the cost for both types of taps is approximately \$18K. On behalf of the Board, Director Huser thanked Mr. Vickers for his presentation.

Executive Session

At 10:29 a.m., Director Huser made a motion to convene into Executive Session pursuant to C.R.S. §24-6-402 (4) (b) and (e) (I) to receive legal advice on specific legal questions and to instruct negotiators for the purpose of determining positions relative to matters that may be subject to negotiations; developing strategy for negotiations; and instructing negotiators relating to: (a) a proposed amendment to an existing intergovernmental agreement with the Castle Pines Town Center Metropolitan District No. 1 and matters related thereto, seconded by Director Sundquist and unanimously carried. Mr. Reutzel, Mr. Knight, Ms. Mantz, and Mr. LeTellier were invited to remain.

The regular session resumed at 12:55 p.m.

Action Items

Consider Approval of Amendment to an Intergovernmental Agreement dated 11/19/18 with the Castle Pines Town Center Metropolitan District No. 1 –

Director Huser made a motion to approve and accept an amendment to the Intergovernmental Agreement dated 11/19/18 with the Castle Pines Town Center Metropolitan District No. 1, seconded by Director Lanam. There was no additional discussion.

A vote was called and the motion passed unanimously.

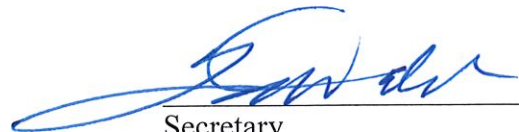
Mr. Reutzel reminded the Board that there was some confusion about when the other party to the IGA would take action. Director Huser amended the motion subject to the full execution of the amendment by both parties before January 3, 2021, seconded by Director Lanam.

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 1:00 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