

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

Held: Tuesday, July 26, 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  
Kim Dadlani  
David King  
Tad Walden

Also present were: Josh Shackelford, 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; Will Koger, Forsgren & Assoc.; Eric Kirkpatrick, Mike Vernon, Dick Munday, Carl Pendleton, Doug Cooper, Cici Holbrook, 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 Agenda** – Director Huser made a motion to approve the Agenda, seconded by Director King.

A vote was called and the motion passed unanimously.

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

Action Items

**Approve the Minutes from the June 28, 2022, Regular Board Meeting** – Director Huser made a motion to approve the Minutes from the June 28, 2022, Regular Board meeting, seconded by Director Dadlani.

A vote was called and the motion passed unanimously.

**Approve June 2022 Payables and Review Revenue & Expense Report - Director Huser** made a motion to approve the June 2022 Payables of \$803,342.97 and accept the Revenue & Expense Report, seconded by Director Dadlani. Ms. Gonzales reported that staff met with Director Dadlani to review payables, payroll expenses, and manual checks totaling \$803,342.97. Ms. Gonzales reviewed and answered questions regarding invoices from the following vendors: Apex Pavement, Castle Pines Golf Club, CORE Electric, Culligan of Denver, ET Irrigation, Global Landscape, Harris Computer Systems, Instrument and Supply West, Quantum Pump, Singleton Electric, Timber Line Electric, Titan Machinery, and TREKK Design Group.

A vote was called and the Board unanimously approved payment of the June 2022 expenses in the following amounts: General Fund \$221,456.44, Enterprise Fund \$497,746.09, and Manual Checks \$84,140.44.

Ms. Mantz reviewed the Revenue and Expense Report for June 2022. In the General Fund, minor adjustments have been made to the total personnel, for the full-year forecast. The election expense was adjusted as discussed at the last Board Meeting. A couple of items have increased our actual expense on the Services – O&M line item; one was the epoxy coating for the shop floor which came in \$11K more than budgeted and the other is the board room projector for \$7K. This item will be moved to a capital expense. In Landscape ROW, the actual year to date is \$172K, and the annual budget is \$820K. This line item has the Metro irrigation upgrade for \$500K. We also have all the roadway work forecasted under Public Works with an increase to \$2.7M. Once we have the breakdown of types of work, the full-year forecast will be changed to match. Under Capital Contingency, we expensed the large format printer/scanner and the TV for Zoom in the Board Room. Currently, we have a negative ending fund balance of -\$195K, over budget.

In the Enterprise fund, we discussed which items will be moved to the new Rate Stabilization Fund. In column L, the variance for account number 4412, water service fees usage, and 4417, capital improvement fee, will be moved to the rate stabilization fund at the end of the year. We have updated the total personnel expense this month. Staff will continue to review expenses line-by-line to better reflect the actual year-to-date and full-year forecast. Currently, the Enterprise Fund has an ending fund balance of \$1.7M over budget due to projects that have been moved to 2023 or changes.

Ms. Mantz and Mr. Dadlani answered questions from the Board.

**Consider Appointment of a new Chairman and Member for the Water Committee -** Director Huser made a motion to appoint Eric Kirkpatrick as the Chairman and Matt Mathes as a member of the Water Committee, seconded by Director Dadlani. Director Dadlani said the committee has 2 openings since he and Director King joined the Board. Those positions will be filled by Eric Kirkpatrick, who will be the new chairman, and Matt Mathes, who will join as a committee member.

A vote was called and the motion passed unanimously.

**Consider Approval of Work Order #10 from Olsson for the 2022 Road Repairs and Surfacing Contract** – Director Huser made a motion to approve Work Order #10 from Olsson

for the 2022 Road Repairs and Surfacing Contract, seconded by Director King. Mr. Shackelford said the Board approved \$2.7M to complete the 2022 roadway project. This proposal from Olsson is for \$97,798 for reviewing all RFI submittals, responding to questions from the contractor, conducting two site visits each week, and attending all weekly construction meetings. Olsson's original contract was for \$35,500, which was only for design and bidding. This Work Order #10 would be the construction portion. Mr. Shackelford answered questions from the Board.

A vote was called and the motion passed unanimously.

### Committee Updates

**Liaison to PCWRA** – Mr. Munday said the original wastewater project that the Town of Castle Rock (TOC) was participating in is on hold. The County has requested the TOC to take the lead on the development of wastewater infrastructure and bring all the wastewater back to PCWRA.

PCWRA needs new infrastructure to deliver effluent to the four golf courses. The infrastructure in place today was built 30 years ago. They have been looking at the costs for the reuse rehab project which will potentially be \$5-\$8M. They will also start planning on recovering money for future needs.

**CPHA Liaison** - Mr. Larson said their Board meeting is this Thursday at 8:00 a.m. He thanked both Boards for the combined Board meeting earlier this month. Some of that discussion was working with CSU about getting an evaluation of our trees and the health of our forest.

Last night there was a water leak on the south side and he thanked the District for their work on restoring water to the residents.

**Infrastructure Committee Update** – Mr. Shackelford said the first couple of weeks of the roadway project has been completed. The traffic safety study is progressing. This will lead to the development of a traffic safety plan that will include a list of traffic safety recommendations, proposed District-wide standards, and a list of recommended traffic safety projects. The draft report is due at the beginning of September, with the final report due at the end of September, and part of the project includes hosting a public forum on traffic safety.

**Water Committee Update** – Director Dadlani said we are close to completing the enterprise bond offering. We also have almost 50% of residents having an irrigation analysis. We initiated a Water Budget Resolution Committee, that will be chaired by Matt Mathes. We are finalizing the policy and procedures of the irrigation efficiency program.

### Discussion Items

**Update on Status of Series 2022 Bonds** – Director Dadlani said we are on track to close on the bonds this Friday and the funding will be in the bank next week. The total funding is

\$24.6M. Director Dadlani thanked Ms. Mantz and Mr. Shackelford for all their hard work on the bond project.

**Confirm Tuesday, August 23, 2022, Regular Board Meeting at 9:30 a.m.** – the Board confirmed Tuesday, August 23, 2022, Regular Board Meeting at 9:30 a.m.

**Discuss SDA Conference: September 13-15, 2022, in Keystone** - Ms. Mantz said four Board members are attending, as well as Ms. Mantz and Mr. Shackelford.

### Staff Reports

- **District Report** – Mr. Shackelford said well A10 is back up and running. The equipment for the 3 new wells will be rebid in August. We have spent a lot of time on the irrigation efficiency program and have approved 41 rebates of 57 that have been submitted.
- **Safety & Operations Report** – Mr. LeTellier said they did complete bear safety due to recent bear sightings in the Village. We are moving into week 3 of the road work. All the software projects are moving into the phase where we are receiving a lot of data enabling us to start to run reports. Cartegraph is fully operational and we are now taking old data and inputting it into the system. The emergency trailer is almost complete, it will help us be completely sustainable at an emergency water leak. Mr. LeTellier updated the Board on a water leak that required repair last night. Mr. LeTellier said that meters larger than 1” have not been upgraded, and staff is working on identifying which of these meters require replacement and will be getting those on order. There was a Board discussion and Mr. LeTellier answered questions regarding unaccountable water. On the TENORM project, they have done multiple tests at the WTPs and have identified that we do not have enough radioactive material to meet the requirements of TENORM to register with the State of Colorado.
- **Administration Report** – Ms. Mantz said VR articles will be put together this week, which include an article on our new District Manager, an update on the bond project, the roadway project, Metro picnic, and irrigation efficiency update.  
We are currently looking for a Project Manager and a Maintenance Tech position. Noah Walker and his wife welcomed a baby girl this week. We had two workers’ compensation claims this month.  
Staff continues to work on the new billing software, Invoice Cloud and Water Smart.  
We are recommending a proposed budget adjustment which would move \$1.6M of expense from the enterprise fund to the general fund for the Rebate Program, Irrigation Analysis and the Water Budgets.  
The 2021 Comprehensive Annual Financial Report (CAFR) is still being completed and Ms. Mantz has filed the paperwork with the State for a 60-day extension, now due by September 30, 2022.

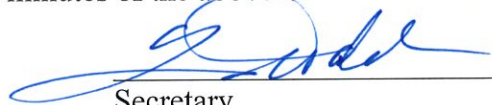
The new Rate Stabilization Fund may be put in a restricted account instead of a separate fund.

- **Water Usage Report** – Ms. Gonzales reported that the District billed 60.2M gallons in June.
- **Attorneys Report** – Nothing to report.

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 11:45 p.m.

The Board of Directors approved the foregoing minutes on the <sup>23<sup>rd</sup></sup> of August 2022. The preceding constitutes a true and correct copy of the minutes of the above-referenced meeting.

  
Secretary