

# RECORD OF PROCEEDINGS

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MINUTES OF A REGULAR MEETING OF  
THE BOARD OF DIRECTORS OF THE  
BMR METROPOLITAN DISTRICT (THE “DISTRICT”)  
HELD  
JUNE 7, 2022

A regular meeting of the Board of Directors of the BMR Metropolitan District (referred to hereafter as the “Board”) was convened on Tuesday, June 7, 2022, at 6:00 p.m. at Lowell Ranch, 2330 S. I-25, East Frontage Road, Castle Rock, CO 80104.

## ATTENDANCE

### Directors In Attendance Were:

Russell Grant; President  
Calvin Bills; Vice President  
Frank Strand; Secretary/Treasurer (virtual)  
Steve Vrabel; Assistant Secretary/Treasurer  
Edward Ammon; Assistant Secretary/Treasurer

### Also, In Attendance Were:

Josh Miller and Nic Carlson, CliftonLarsonAllen LLP (“CLA”)  
Tim Flynn; Collins Cole Flynn Winn & Ulmer, PLLC  
Dave & Becky Martin; 3211 Autumn Sun Circle  
Steve Williams; 1062 Glade Gulch Road

## I. CALL TO ORDER

The meeting was called to order at 6:01 p.m. by Director Grant.

## II. DECLARATION OF QUORUM/ DIRECTOR QUALIFICATIONS/ POTENTIAL CONFLICTS OF INTEREST

**Disclosures of Potential Conflicts of Interest:** All Directors previously filed Potential Conflict of Interest Disclosure Statements with the Board and the Secretary of State. Such disclosures were filed because: (i) each Director is a Director of the Consolidated Bell Mountain Ranch Metropolitan District; and (ii) the functions of each District overlap at times, and there are now and may be in the future intergovernmental agreements between the two Districts. All Potential Conflict of Interest Disclosures whether filed for this meeting or previously filed are deemed continuing in nature and are incorporated into the record of this meeting.

**Confirm Quorum and Location of Meeting:** All Directors stated that the participation of at least three (3) Board members in the meeting was necessary to obtain a quorum of the Board or otherwise enable the Board to act. The Board confirmed a quorum and the location of the meeting.

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### III. APPROVAL OF AGENDA

Director Grant reviewed the Agenda with the Board. Following review, upon a motion duly made by Director Ammon, seconded by Director Bills and, upon vote, unanimously carried, the Board approved the Agenda as amended to add consideration of the 2021 Audit Engagement Letter under Director Items VII-B.

### IV. COMMUNITY COMMENTS

**Public Comment:** None.

### V. WATER OPERATOR

**A. Monthly System Report:** ORC did not attend, and Director Grant reviewed the enclosure provided to the Board as follows:

- All sampling was completed for the month.
- ORC completed flushing all hydrants during the month of May. The total gallons used during the flushing is 346,000.
- Mountain Peaks changed the signal from the flow meters from a pulse signal to a milliamp signal to increase the accuracy of the flow data collected by the SCADA.
- Mountain Peaks has not received the printed circuit board for the flow meter and a new HMI screen, and will schedule a repair data as soon as it is received.
- Received a quote from Elite Surface Infrastructure for the repair of the valve, valve box and asphalt at the lower end of Glade Gulch where it meets Bell Mountain Drive. If the Board approves the repair, ORC will notify ESI to proceed.

The Board accepted the report. Following review, upon a motion duly made by Director Vrabel, seconded by Director Bills and, upon vote, unanimously carried, the Board approved a proposal from ESI for the valve box repair in the amount of \$13,650.00.

### VI. MANAGER'S REPORT/ ADMINISTRATIVE MATTERS

**A. Review and Consider Approval of the May 3, 2022, Regular Meeting Minutes:** Following review, upon a motion duly made by Ammon, seconded by Director Bills and, upon vote, unanimously carried, the Board approved the May 3, 2022, Regular Meeting Minutes as presented.

**B. Review and Consider Acceptance of the May 2022 Bill.com claims report totaling \$28,226.00:** Director Grant reviewed the May 2022 Bill.com claims with the Board. Following review, upon a motion duly made by Director Ammon, seconded by Director Bills and, upon vote, unanimously carried, the Board accepted the May 2022 Bill.com claims report totaling \$28,226.00.

**C. Review and Accept April 30, 2022 Unaudited Financial Statements:** Director Grant reviewed the April 30, 2022 Unaudited Financial Statements with the Board. Following review, upon a motion duly made by Director Ammon, seconded by Director Vrabel and, upon vote, unanimously carried, the Board

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accepted the April 30, 2022 Unaudited Financial Statements as presented.

**D. Review and Accept Cash Position Schedule as of June 2022:** Director Grant reviewed the Cash Position Schedule with the Board. Following review, upon a motion duly made by Director Ammon, seconded by Director Vrabel and, upon vote, unanimously carried, the Board accepted the June 2022, Cash Position Schedule as presented.

**E. Monthly Water Reports Summary:**

- **Consumption & Charges Report:**
- **High Consumption Water Usage Report:**
- **Leak and Landscaping Credit Approval Reports:**
- **Zero and No Read Meter Reports:**
- **Watch List:**
- **Tap Fee Tracking:**

Mr. Carlson reviewed the reports with the Board. Following review, upon a motion duly made by Director Vrabel, seconded by Director Bills and, upon vote, unanimously carried, Board accepted the reports.

**F. Update on Residential Fire Protection System Backflow Preventer Inspections:** Mr. Carlson provided an update to the Board noting that 16 total reports for 2022 have been received. Director Grant pointed out that due to the transfer of the water system to the Town of Castle Rock residents risk having their water shut off if they fail to get their backflow preventers inspected by the end of 2022.

**VII. DIRECTOR  
ITEMS- ACTION**

**A. Update on Status of the BMR-TCR Water Main Connector Design Status – Director Grant:** Director Grant reviewed the bid opening results with the Board.

Formal bids were opened on 6 May for the two construction projects associated with the Town of Castle Rock providing water service to Bell Mountain Ranch. There are two separate construction projects. One project provides a new 400,000 gallon water tank adjacent to the existing water storage tanks on Bell Mountain as well as a booster pump station that will be constructed in The Ridge (part of Crystal Valley Ranch). The second project provides a 12” water main to connect from The Ridge water system (which will be owned and operated by Castle Rock Water) to the BMR water storage tanks. The low bid results were:

Booster Pump Station, Velocity Construction:

Total Bid	BMRMD Share	The Ridge Share
\$721,988.00	\$505,391.60	\$216,596.40

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Contingency (15%)	<u>75,808.74</u>	<u>32,498.46</u>
Total Obligation:	\$581,200.34	\$249,094.86

### Water Tank, Velocity Construction:

Total Bid:	BMRMD Share	The Ridge Share:
\$2,135,429.00	\$0	\$2,135,429.00
Contingency (10%)	0	<u>213,542.90</u>
Total Obligation:	\$0	\$2,348,971.90

### Pipeline, Elite Surface Infrastructure:

Total Bid:	BMRMD Share:	The Ridge Share:
\$2,364,200	\$1,654,940	\$709,260
Contingency (10%)	<u>165,490</u>	<u>70,926</u>
Total Obligation:	\$1,820,434	\$780,186

Total BMRMD Cost Share (both projects): \$2,401,634.34

Total "The Ridge" Cost Share (both projects): \$3,378,052.76

Acquisition of the property easements needed for construction of the new water main is in progress. Construction of the pipeline is scheduled to be completed by the end of the 2022. Estimated construction completion for both projects is mid 2023.

**B. Wipfli 2021 Audit Engagement Letter:** Director Grant reviewed the engagement letter with the Board. Following review, upon a motion duly made by Director Grant, seconded by Director Ammon and, upon vote, unanimously carried, the Board approved the Wipfli 2021 Audit Engagement Letter for an amount of \$4,000.

## VIII. ATTORNEY MATTERS

**A. Update on Status of BMR Metro District Dissolution Agreement – Mr. Flynn:** Mr. Flynn updated the Board noting that the election is June 7, 2022. He stated subsequent to the election results, a motion for dissolution will be filed with the District Court. Once the order is entered a closing can be set under the IGA with Castle Rock. The target date for closing is September 1, 2022. The Board directed CLA to begin discussions with TCR Water for billing transfer purposes.

## IX. OTHER BUSINESS

**A. Discuss Alternative July 6, 2022 Board Meeting Date:** Following discussion, upon a motion duly made by Director Ammon, seconded by Director Bills and, upon vote, unanimously carried, the Board approved changing the July meeting date to July 6, 2022.

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X. ADJOURNMENT

Director Grant adjourned the meeting at 6:45 p.m.

Respectfully submitted,

  
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Secretary for the Meeting