

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF
THE BOARD OF DIRECTORS OF THE
BMR METROPOLITAN DISTRICT (THE "DISTRICT")
HELD
MAY 4, 2021

A regular meeting of the Board of Directors of the BMR Metropolitan District (referred to hereafter as the "Board") was convened on Tuesday, May 4, 2021, at 6:00 p.m. at Lowell Ranch, 2330 S. I-25, Castle Rock CO. *Individual protective face masks were required for all attendees and social distancing of 6 feet was observed.*

ATTENDANCE

Directors In Attendance Were:

Russell Grant, President
Frank Strand; Secretary/Treasurer
Stephen Vrabel; Assistant Secretary/Treasurer

Also, In Attendance Were:

Denise Denslow & Nic Carlson; CliftonLarsonAllen LLP
Tim Flynn; Collins, Cockrel & Cole PC
Tom Schubert & Bob Clodfelter; ORC
Edward Ammon, 1728 Wildfire Circle
Ann Molner, 4219 Serenade Road
Larry Lomison, 501 Chandelle Road
Brian Harris, 426 Bell Star Circle

I. CALL TO ORDER

The meeting was called to order at 6:00 p.m. by Director Grant.

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

After each Director had summarily stated for the record the fact and nature of his or her respective private interest and stated that the determination to participate in voting or take any other action on any contract or other matter in which he or she may have a private interest would be made in compliance with Section 24-18-109(3)(a) and (b), C.R.S., on an *ad hoc* basis, the Board turned its attention to the remaining agenda items.

Disclosure of Potential Conflicts of Interest: All of the Directors had previously filed Disclosure of Potential Conflict of Interest Statements with the Board and the Secretary of State in accordance with statutory requirements. Such conflicts arise because each Director is also a Director on Consolidated Bell Mountain Ranch Metropolitan District. The BMR Metropolitan District has entered into and may from time to time enter into additional agreements with Consolidated Bell Mountain Ranch Metropolitan District.

RECORD OF PROCEEDINGS

All Disclosures of Potential conflict of Interest Statements whether filed for this meeting or previously filed are deemed continuing in nature and are incorporated into the record of this meeting. All Directors stated that the participation of at least three of them in the meeting was necessary to obtain a quorum of the Board or otherwise enable the Board to act.

Upon a motion duly made by Director Strand, seconded by Director Vrabel, and, upon vote, unanimously carried, the Board excused the absence of Director Bills.

Upon a motion duly made by Director Strand, seconded by Director Vrabel, and upon vote unanimously carried, the Board approved the Agenda as presented.

III. APPROVAL OF AGENDA

IV. COMMUNITY COMMENTS

Public Comment: None.

V. WATER OPERATOR

A. Monthly System Report: Mr. Schubert reviewed the following with the Board:

- All sampling was completed for the month.
- Mountain Peaks repaired the auto sample for the wastewater discharge needs repair. The flow meter built into the sampler did not reflect the volume of sample collected. After the first sample aliquot was collected, the sampler turned off and showed an error message that no sample was collected, and the sampler would not continue sampling.
- Completed verification of distribution pipe sizing per request by Russ Grant.
- Replacement filter media has been ordered from Evoqua for the water softeners.
- Continued looking into zero reads water meters. The homeowners have been contacted and appointments have been made to check the functionality of these meters.
- Responded to 1093 Night Wind Circle on Thursday, April 28th regarding a low-pressure report. It was determined the homeowner's pressure reducing valve (PRV) had failed.
- We are still waiting for the radiator for the generator at the well site. Power Systems West does not have a firm arrival date for the radiator.
- The softener heads are not functioning properly. There is a problem with the heads not communicating with each other. Steven Stuart with Evoqua was called and left a message for him to call back as we will need his help determining why the problems has occurred again. This seems as if it is the same type of malfunction that Evoqua repaired a

RECORD OF PROCEEDINGS

couple of months ago.

- Had issues with flow control valve on a booster pump. Correct adjustments have been made.
- The Denver Well X-Reporter software failed to collect data from 4/4/21 to-date. Mountain Peaks has been contacted and a technician will check the software within the next few days.
- The routine maintenance of valve exercising is continuing throughout the distribution system.

VI. ENGINEER ITEMS

None.

V. MANAGER'S REPORT/ ADMINISTRATIVE MATTERS

A. Review and Consider Approval of the April 6, 2021 Regular Meeting Minutes: Director Grant reviewed with the Board. Upon a motion duly made by Director Strand, seconded by Director Vrabel, and, upon vote, unanimously carried, the Board approved the April 6, 2021 Regular Meeting Minutes.

B. Review and Consider Approval of CRR for March 2021 Totaling \$35,789.50: Director Grant reviewed with the Board. Upon a motion duly made by Director Strand, seconded by Director Vrabel, and, upon vote, unanimously carried, the Board approved the March 2021 CRR Totaling \$35,789.50.

C. Review and Accept Cash Position Report as of May 2021: Director Grant reviewed with the Board. As of 4 May 2021, funds available for operations are \$916,925.45. Upon a motion duly made by Director Strand, seconded by Director Vrabel, and, upon vote, unanimously carried, the Board accepted the May 2021 Cash Position Report.

D. 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 with the Board. The Board accepted the reports.

E. Update on Backflow Preventer Inspections: Mr. Carlson reviewed the report with the Board and noted 24 total backflows haven submitted to BMRMD. Mr. Carlson has drafted correspondence that will be sent via email next week.

RECORD OF PROCEEDINGS

F. Update to the AP Process: Ms. Denslow reviewed with the Board noting that the Accounts Payable services will begin coverage under the engagement of Simmons & Wheeler, P.C. Mr. Flynn will follow up on the letter of engagement and determine a start date.

G. Approval Audit Engagement Letter with Wipfli to Prepare 2020 Audit - \$3850: Ms. Denslow reviewed with the Board. Upon a motion duly made by Director Grant, seconded by Director Strand, and, upon vote, unanimously carried, the Board approved the engagement letter with Wipfli to conduct the 2020 Audit for the District.

VIII. DIRECTOR ITEMS- ACTION

A. Status of Proposed City of Castle Rock Water Supply for BMR – Directors Vrabel and Grant: A draft Intergovernmental Agreement is still in the process of being modified. Detailed discussion was deferred to the Executive Session.

B. Update on Needed Repairs to the Arapahoe Well – Director Grant: Director Grant reported that a contract has been awarded to Colorado Pump Service & Supply in the amount of \$112,692.00. The repair includes replacement of the well pump and all ancillary parts and controls. The new pump will be only be used for emergency service, but will be able to continuously pump 200 gpm, with a maximum capability of 250 gpm for approximately 3 days. The Board had previously approved an expenditure for \$100,000 for repair of the Arapahoe well using emergency contracting procedures. Hence, an increased amount to \$112,692 needed to be ratified.

Upon a motion duly made by Director Strand, seconded by Director Vrabel, and, upon vote, unanimously carried, the Board ratified the contract with Colorado Pump Service & Supply for \$112,692 to repair the Arapahoe well.

C. Other: Upon a motion duly made by Director Grant, seconded by Director Vrabel, the Board temporally recessed this meeting at 6:32 pm with the understanding that the meeting would be reconvened at the time and as part of the Consolidated Bell Mountain Ranch Metropolitan District Executive Session for purposes of discussing the Castle Rock Water Service Agreement and BMR Dissolution Agreement.

The BMR Meeting was reconvened at approximately 7:55 pm.

IX. ATTORNEY ITEMS

A. Executive Session, called in accordance with 24-6-402 (4) (b) for the purpose of receiving legal advice for legal counsel relating to the Water Service Contract with Castle Rock and the BMR Dissolution Agreement.

Upon a motion duly made by Director Grant, seconded by Director Vrabel, the Board entered into Executive Session at 7:55 p.m. and adjourned out of

RECORD OF PROCEEDINGS

Executive Session at 8:45 p.m. The Executive Session was conducted but not recorded because it was held solely for the purpose of obtaining advice from legal counsel.

No formal actions were taken during the Executive Session.

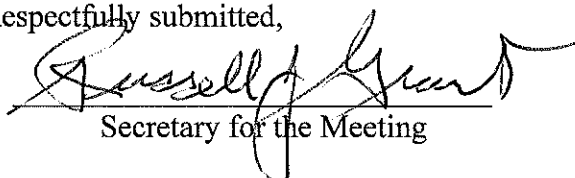
X. OTHER BUSINESS

None.

XI. ADJOURNMENT

Director Grant adjourned the meeting at 8:45 p.m.

Respectfully submitted,


Secretary for the Meeting

ATTORNEY STATEMENT

Pursuant to Section 24-6-402 (2) (d.5) (II) (B) C.R.S., I Timothy J. Flynn, state that I am General Counsel for the BMR Metropolitan District and that I was present at the time the Board convened in Executive Session on Tuesday, May 4, 2021 at approximately 7:55 pm. I further state that the Executive Session was not recorded because it constituted a privileged attorney client communication and that no electronic record thereof was necessary. The Board did not adopt any proposed policy, position, rule, regulation or take any formal action during the Executive Session.

Date: May 3, 2021

Signature: Timothy J. Flynn
Timothy J. Flynn