

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF
THE BOARD OF DIRECTORS OF THE
BMR METROPOLITAN DISTRICT (THE "DISTRICT")
HELD
APRIL 5, 2022

A regular meeting of the Board of Directors of the BMR Metropolitan District (referred to hereafter as the "Board") was convened on Tuesday, April 5, 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
Frank Strand; Secretary/Treasurer
Steve Vrabel; Assistant Secretary/Treasurer
Edward Ammon; Assistant Secretary/Treasurer (via telephone)

Also, In Attendance Were:

Nic Carlson, CliftonLarsonAllen LLP ("CLA")
Tim Flynn; Collins Cole Flynn Winn & Ulmer, PLLC
Tom Schubert; ORC Water Professionals Inc.
Jerry Dye; 1443 Cactus Rose
Dave Martin; 3211 Autumn Sun Circle
Eric Bransky; SEFNCO

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

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

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III. APPROVAL OF AGENDA

Director Grant reviewed with the Board and requested an addition to the Agenda of Item VII B- to discuss May meeting time. Following review, upon a motion duly made by Director Bills, seconded by Director Ammon and, upon vote, unanimously carried, the Board approved the Agenda as amended.

IV. COMMUNITY COMMENTS

Public Comment: None.

V. WATER OPERATOR

A. Monthly System Report: Mr. Schubert provided his report to the Board as follows:

- All sampling was completed for the month.
- The backwash cycle did not shut off at the correct time on Softener A3. There did not appear to be anything wrong with it mechanically. The softener was manually reset and has been running correctly to-date. We are still trying to diagnose the exact cause.
- A new alarm to alert ORC if the pumps to the frac tank are running for 2 hours or more indicating a problem, more specifically a softener may be stuck in backwash.
- The frac tank level sensor was recalibrated and verified that it is alarming on high level.
- New water meters were installed at 3203 Topside Drive and at 1609 Dusty Rose Court (Stevens Ranch parcel on Bell Mountain Ranch).
- 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.
- Mountain Peaks installed the 24-volt power supply for the finished water distribution meter and is back in service.
- The repair or valve replacement needed at the western intersection of Glade Gulch Rd and Bell Mountain Drive still needs to be done. While the needed repair is being made, five homes will have their water service shut off. CBS has yet to schedule this work.

VI. MANAGER'S REPORT/ ADMINISTRATIVE MATTERS

A. Review and Consider Approval of the March 1, 2022, Regular Meeting Minutes: Following review, upon a motion duly made by Strand, seconded by Director Bills and, upon vote, unanimously carried, the Board approved the March 1, 2022, Regular Meeting Minutes as presented.

B. Review and Consider Acceptance of the March 2022 Bill.com claims report totaling \$22,670.21 Director Grant reviewed the March 2022 Bill.com claims with the Board. Following review, upon a motion duly made by Director Strand, seconded by Director Bills and, upon vote, unanimously carried, the Board accepted the March 2022 Bill.com claims report totaling \$22,670.21.

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C. Review and Accept February 28, 2022, Unaudited Financial Statements:

Director Grant reviewed the February 28, 2022, Unaudited Financial Statements with the Board. Following review, upon a motion duly made by Director Strand, seconded by Director Bills and, upon vote, unanimously carried, the Board accepted the February 28, 2022, Unaudited Financial Statements.

D. Review and Accept Cash Position Schedule as of April 1, 2022:

Director Grant reviewed the Cash Position Schedule with the Board. Following review, upon a motion duly made by Director Strand, seconded by Director Bills and, upon vote, unanimously carried, the Board accepted the April 1, 2022, Cash Position Schedule as presented.

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 the reports with the Board. Following review, upon a motion duly made by Director Strand, seconded by Director Bills and, upon vote, unanimously carried, Board accepted the reports. Mr. Schubert confirmed that ORC would repair/analyze the one outstanding nonreading meter.

E. Update on Residential Fire Protection System Backflow Preventer Inspections: Mr. Carlson provided an update to the Board noting that he has received a total of seven inspections for the year as of April 1st.

VII. DIRECTOR ITEMS- ACTION

A. Update on Status of the BMR-TCR Water Main Connector Design Status

– Director Grant: Director Grant informed the Board that a meeting was held on April 5th for siting of a new water tank. Jim Mill, WSB Sr Project Manager, showed a 3-D video portrayal of how the new tank will be sited with a new berm design to shield the tank from view from the BMR Community. The proposed berm slope of 2:1 (run to rise) and the drainage plan will need to be approved by Douglas County. Castle Rock Water typically requires not more than a 3:1 slope. The routing for the connecting water main is being revised. Distribution of the 90% design drawings is expected on or about 11 Apr 2022.

VIII. ATTORNEY MATTERS

Update on Status of BMR Metro District Dissolution Agreement – Mr.

Flynn: Mr. Flynn provided an update to the Board informing them that the hearing on the Petition for Dissolution occurred last week. The order for the dissolution has been entered by District Court. The election will occur in late May or early June. He stated that after the election occurs, simultaneous closings will

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occur between and among the Town of Castle Rock, BMR Metropolitan District and the CBMR Metropolitan District, whereby the BMR Metropolitan District water system and related assets will be transferred to the Town of Castle Rock in exchange for a Perpetual Water Service Agreement with CBMR Metropolitan District for the Bell Mountain Ranch Community.

B. May Meeting Time: The Board discussed the May meeting time and determined it will be at 7:15 p.m. Director Grant suggested moving the start time to 7:15 p.m. due to the CBMR election. Following discussion, upon a motion duly made by Director Strand, seconded by Director Bills and, upon vote, unanimously carried, the Board approved the May meeting time of 7:15 p.m.

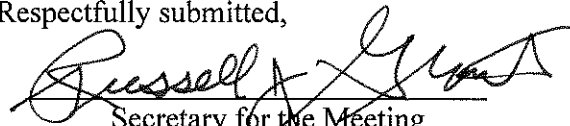
IX. OTHER BUSINESS

None.

X. ADJOURNMENT

Director Grant adjourned the meeting at 6:44 p.m.

Respectfully submitted,


Secretary for the Meeting