

## 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  
AUGUST 2, 2022

A regular meeting of the Board of Directors of the BMR Metropolitan District (referred to hereafter as the "Board") was convened on Tuesday August 2, 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  
Steve Vrabel; Assistant Secretary/Treasurer

Director Vrabel was absent and excused.

#### Also, In Attendance Were:

Nic Carlson, CliftonLarsonAllen LLP ("CLA")  
Tim Flynn; Collins Cole Flynn Winn & Ulmer, PLLC  
Tom Schubert; ORC

### 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 Bills and, upon vote, unanimously carried, the Board excused the absence of Director

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Vrabel.

### III. APPROVAL OF AGENDA

Director Grant reviewed the Agenda with the Board. Following review, upon a motion duly made by Director Strand, seconded by Director Bills and, upon vote, unanimously carried, the Board approved the Agenda as presented.

### IV. COMMUNITY COMMENTS

**Public Comment:** None.

### V. WATER OPERATOR

**A. Monthly System Report:** Mr. Schubert reviewed the enclosure provided to the Board as follows:

- All sampling was completed for the month.
- Well #1 flow meter was removed and taken in to be calibrated. A bypass pipe was installed. However, the Total Production gallons for the month of July was not recorded. When calibration is completed, the meter will be installed and the flow meter for the distribution system will be removed and taken in for calibration.
- On Thursday (7/21) the isolation valve for PRV#4 was repaired by ESI. This necessitated digging up the street and turning off the water along a section of Old Gate Road adjacent to 3847 Old Gate Road, Marvin Williams' residence. The Williams were not home to notify them that their water may be affected. The short notice from ESI didn't give anyone time to notify the affected residents in advance. Mr. Williams notified CLA that he had rusty water. ORC flushed distribution lines until the water was clean and rust free.
- We will continue to leave the water softeners in timer mode for backwashing. It appears as if the amount of backwash water used has lessened for the month of July. This was the intent of putting the softeners in timer mode. We did not receive any complaints from residents regarding water quality and the laboratory samples reflect good water quality as well. We remain optimistic, yet we will continue with process control sampling to monitor if there are any changes with the water quality in a negative way and adjust the backwash accordingly.
- Mountain Peaks has not received the printed circuit board for the flow meter and a new HMI screen and will schedule a repair date as soon as it is received.

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

**A. Review and Consider Approval of the July 6, 2022, Special Meeting Minutes:** Following review, upon a motion duly made by Strand, seconded by Director Bills and, upon vote, unanimously carried, the Board approved the July 6, 2022, Special Meeting Minutes as presented.

**B. Review and Consider Acceptance of the July 2022 Bill.com claims report totaling \$51,388.70:** Director Grant reviewed the July 2022 Bill.com claims

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with the Board. Following review, upon a motion duly made by Director Vrabel, seconded by Director Bills and, upon vote, unanimously carried, the Board accepted the July 2022 Bill.com claims report totaling \$51,388.70 as presented.

### **C. Review and Accept July 31, 2022 Unaudited Financial Statements:**

Director Grant reviewed the July 31, 2022 Unaudited Financial Statements with the Board. Following review, upon a motion duly made by Director Strand, seconded by Director Vrabel and, upon vote, unanimously carried, the Board accepted the July 31, 2022, Unaudited Financial Statements as presented. Director Grant pointed out that the BMRMD budget was only originally written for expenses to cover the first quarter of 2022, assuming that Castle Rock Water would take over the BMR water system on 1 May 2022. However, since the system will not actually be turned over to Castle Rock Water until on or about 1 Nov 2022, the 2022 budget will need to be modified before the District is dissolved.

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

**F. Update on Residential Fire Protection System Backflow Preventer Inspections – Director Grant:** Mr. Carlson provided an update to the Board noting that three additional tests have been received for a total of 24 to-date for 2022.

## **VII. DIRECTOR ITEMS- ACTION**

**A. Status of the BMR-TCR Water Main Connector Design Update – Director Grant:** Director Grant provided an update to the Board. Velocity Constructors has mobilized and now has construction equipment on site. They hope to achieve substantial completion of the new water tank by the end of November. Work on the pump station

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cannot be done until Toll Brothers finishes the earthwork for the pump station site. The package pump station will be installed in the spring.

ESI has not yet been issued a Notice to Proceed for the pipeline work because the property easements have not yet been finalized.

### VIII. ATTORNEY MATTERS

**A. Update on Status of BMR Metro District Dissolution Agreement – Mr. Flynn:** Mr. Flynn updated the Board stating that he is finalizing the date of closing with the Town of Castle Rock and Consolidated Bell Mountain Ranch Metropolitan District (CBMR) and anticipates a closing date of 10/21/22.

**B. Other:** None.

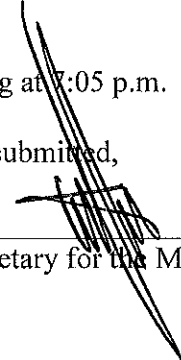
### IX. OTHER BUSINESS

**A. Confirm Quorum for September 6, 2022 Board Meeting:** The Board confirmed that a quorum should be available for the September 6, 2022 Board meeting.

### X. ADJOURNMENT

Director Grant adjourned the meeting at 7:05 p.m.

Respectfully submitted,

  
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Secretary for the Meeting