

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF
THE BOARD OF DIRECTORS OF THE
BMR METROPOLITAN DISTRICT (THE "DISTRICT")
HELD
APRIL 6, 2021

A regular meeting of the Board of Directors of the BMR Metropolitan District (referred to hereafter as the "Board") was convened on Tuesday, April 6, 2021, at 6:00 p.m. at Lowell Ranch, 2330 S. I-25, Castle Rock CO. *Due to the current Douglas County COVID-19 restrictions, 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
Calvin Bills; Vice-President
Frank Strand; Secretary/Treasurer
Stephen Vrabel; Assistant Secretary/Treasurer

Also, In Attendance Were:

Josh Miller & 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

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Metropolitan District has entered into and may from time to time enter into additional agreements with Consolidated Bell Mountain Ranch Metropolitan District.

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.

III. APPROVAL OF AGENDA

The Board requested the addition of Item VIII-C, Update on Discharge Permit and Item VII-H, Update on Fraudulent Checks. Upon a motion duly made by Director Strand, seconded by Director Bills, 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 reviewed the following with the Board:

- All sampling was completed for the month.
- On March 25th Power Systems West repaired and serviced the generator at the water treatment plant. Their only recommendation was to replace the batteries and the air filter at the time of the next service. The technician ran the generator multiple times to insure functionality. We are still waiting on a radiator for the generator at the well site.
- Power outage at the treatment plant due to snowstorm. Reset the treatment plant equipment and the facility was put back in service.
- 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 problem has occurred again. This seems as if it is the same type of malfunction that Evoqua repaired a couple of months ago.
- The auto sampler for the wastewater discharge needs repair. It has a flow meter built into the sampler that is supposed to control the volume of sample collected. When you start the sampler now after it collects the first sample, the sampler has an error message that says no sample collected and the sampler stops and flashes a warning message. We contacted Mt. Peaks to come see what can be done.
- We will begin flushing fire hydrants in the distribution system. We need to purchase large diameter hose to avoid washing away the dirt bank that was repaired in Glade Gulch. We need approximately 100' of 5" hose to be able to discharge the water from

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the fire hydrant directly into Glade Gulch. The 2-1/2 inch hose that is at Bell Mountain wouldn't move a sufficient quantity of water to adequately flush the distribution system. 100 feet of 5" hose is approximately \$1,000. Director Grant instructed Mr Schubert to proceed with acquiring the needed 5" hose.

- Installed a new water meter at 3064 Topside Drive.
- 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 March 29, 2021 and March 2, 2021 Special Meeting Minutes: Director Grant reviewed with the Board. Upon a motion duly made by Director Strand, seconded by Director Bills, and, upon vote, unanimously carried, the Board approved the March 29, 2021 and March 2, 2021 Special Meeting Minutes.

B. Review and Consider Approval of CRR for February 2021 Totaling \$37,870.09: Director Grant reviewed with the Board. Upon a motion duly made by Director Strand, seconded by Director Bills, and, upon vote, unanimously carried, the Board approved the February 2021 CRR Totaling \$37,870.09.

C. Review and Accept February 28, 2021 Financial Statements: Director Grant reviewed with the Board. Upon a motion duly made by Director Strand, seconded by Director Bills, and, upon vote, unanimously carried, the Board accepted the February 28, 2021 Financial Statements.

D. Review and Accept Cash Position Report as of April 2021: Director Grant reviewed with the Board. Upon a motion duly made by Director Strand, seconded by Director Bills, and, upon vote, unanimously carried, the Board accepted the April 2021 Cash Position Report.

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 with the Board. Upon a motion duly made by Director Strand, seconded by Director Bills, and, upon vote, unanimously carried, the

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Board approved the monthly water reports summary.

F. Update on Backflow Preventer Inspections: Mr. Carlson reviewed with the Board and stated the 20 backflow preventer reports have been received to date. The Board directed CLA to draft an additional correspondence to homeowners.

G. Update to the AP Process: Mr. Miller provided an updated to the Board. CLA proposes to transfer AP processing to Simmons & Wheeler to simplify the process, as well as conform with CLA internal operating procedures. The Board directed CLA to solicit a proposal from Simmons & Wheeler PC for additional AP work.

H. Update on Fraudulent Checks: Mr. Miller updated the Board on bill.com and noted the multiple levels of security that are in place. He stated this will continue to be monitored. The District has not lost any money as a result of the checks that were fraudulently presented to bill.com for payment but which were not approved by any District Board member.

VIII. DIRECTOR ITEMS- ACTION

A. Status of Proposed City of Castle Rock Water Supply for BMR – Directors Vrabel and Grant: Director Grant reviewed with the Board. The IGA will undergo an additional round of revisions by Mr. Flynn before meeting with the City of Castle Rock on April 30th.

B. Update on Needed Repairs to the Arapahoe Well – Director Grant: Director Grant reviewed with the Board informing the Board that the analysis confirmed that the Arapahoe Well can operate at 200gpm continuously with the installation of a new pump. Director Grant will solicit a proposal from Colorado Pump for installation on an emergency basis of a new pump and associated piping/equipment, which is expected to cost approximately \$100,000.

C. Update on Discharge Permit: Director Grant provided an update to the Board noting that the State (CDPHE) has granted an administrative extension of the current Discharge Permit for the Water Treatment Plant scheduled to expire on 30 April 2021. The extension will be valid during the review process, which will probably not exceed 180 days.

IX. ATTORNEY ITEMS

Executive session was not necessary.

X. OTHER BUSINESS

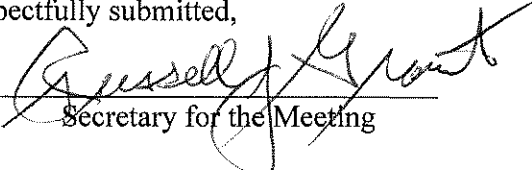
None.

XI. ADJOURNMENT

Director Grant adjourned the meeting at 7:26 p.m.

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Respectfully submitted,


Secretary for the Meeting