

# 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  
SEPTEMBER 6, 2022

A regular meeting of the Board of Directors of the BMR Metropolitan District (referred to hereafter as the "Board") was convened on Tuesday September 6, 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  
Ed Ammon; Assistant Secretary/Treasurer

Director Bills was absent and excused.

### Also, In Attendance Were:

Nic Carlson, CliftonLarsonAllen LLP ("CLA")  
Tim Flynn; Collins Cole Flynn Winn & Ulmer, PLLC  
Eric Sztanko; 1756 Wildfire Circle  
Mike Mysliwicz; 4275 Bell Mountain Drive  
Joanne Carr; 3195 Glade Gulch

## 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.

## RECORD OF PROCEEDINGS

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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 Strand, seconded by Director Vrabel and, upon vote, unanimously carried, the Board approved the Agenda as presented.

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.

### IV. COMMUNITY COMMENTS

**Public Comment:** Ms. Carr questioned the pink flags throughout the community. The Board explained that these were related to the gas utility.

### V. WATER OPERATOR

**A. Monthly System Report:** ORC was not present to present a report. Director Grant discussed several items relative to water system operations.

1. There have been several complaints regarding the amount of sediment in the water. ORC has been flushing the water lines serving the problem areas. Director Grant believes that an insufficient amount of sodium silicate being added to the water may be the problem. Sodium silicate helps keep the iron in the water in solution, rather than precipitating out and causing visible sediment. He will discuss this with the ORC operations manager.
2. There were three “no reads” from water meters installed over 10 years ago. Chances are that the batteries in the remote sending units may need to be replaced.
3. The frac tank will need to be emptied on a continuing basis until the new water main is connected to Castle Rock and the BMR Water Plant is placed in “stand by” status.

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

**A. Review and Consider Approval of the August 2, 2022, Regular Meeting Minutes:** Following review, upon a motion duly made by Strand, seconded by Director Vrabel and, upon vote, unanimously carried, the Board approved the August 2, 2022, Regular Meeting Minutes as presented.

**B. Review and Consider Acceptance of the August 2022 Bill.com claims report totaling \$53,282.03:** Director Grant reviewed the August 2022 Bill.com claims 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 Bill.com claims report totaling \$53,282.03 as presented.

**C. Review and Accept Cash Position Schedule as of September 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 September 2022 Cash Position Schedule as presented.

## RECORD OF PROCEEDINGS

---

### **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 Grant and, upon vote, unanimously carried, Board accepted the reports.

**E. Update on Residential Fire Protection System Backflow Preventer Inspections – Director Grant:** Mr. Carlson reviewed noting the total of 51 reports (15%) have been received.

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

**A. Status of the BMR-TCR Water Main Connector Construction Update – Director Grant:** Director Grant provided an update to the Board noting that earth work has begun. The Town of Castle Rock contractors plan to continue work through the winter season with an estimated completion date for connection construction of June 1, 2023.

1. **Pipeline Project.** A pre-construction conference was held regarding this project on 23 August 2022. The Notice to Proceed has yet to be issued, pending finalization of the formal easements for the pipeline routing. The easements are on track to be completed by the end of October. The pipeline work is scheduled to be completed by June 2023.
2. **Tank Construction Project.** Site work grading and excavation is underway. The tank is scheduled to be complete by the end of April 2023; however, no water can flow until the pipeline work is completed.
3. **Open House.** An Open House was held on 30 August at the Castle Rock Town Hall. The Open House was attended in person by about 30 people and about another 10 remotely on-line. The status of the construction projects and construction schedules was discussed. In addition, the plan for transitioning billing from the BMRMD to Castle Rock Water was discussed. Lastly, numerous questions posed by the attendees were answered by Castle Rock Water staff members and the President of the BMRMD. The Castle Rock Project Manager, Matt Hayes, stated that he is available to answer questions and can be reached by phone at 720-733-6000 or by email at [water@ergov.com](mailto:water@ergov.com).

## RECORD OF PROCEEDINGS

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### VIII. ATTORNEY MATTERS

**A. Update on Status of BMR Metro District Dissolution Agreement – Mr. Flynn:** Mr. Flynn updated the Board stating that work is underway on the documents between Consolidated Bell Mountain Ranch and the Town of Castle Rock. Mr Flynn has completed an Assignment Agreement to transfer the existing BMRMD contract with ORC to the Town of Castle Rock. The agreement has been sent to ORC and the Town for review. He continues to work with the SDA Pool on the final insurance and final auditing. Mr. Flynn also stated that he is preparing temporary easements for the Town to use the land parcels that will eventually become Town property under the terms of the IGA with the Town.

**B. Conduct Public Hearing to Consider Adoption of BMRMD Resolution 2022-09-01 to Amend 2022 Budget:** Mr. Flynn reviewed the budget amendment with the Board and explained that this is needed because the initial budget was written only for the first quarter of 2022; however, since the actual BMRMD operation has extended into the third quarter of 2022, a budget amendment has become necessary.

Upon a motion duly made by Director Ammon, seconded by Director Strand and, upon vote, unanimously carried, the Board opened the public hearing for the amended budget at 6:39 p.m., notice of which had been published in accordance with the Colorado Local Government Budget law.

There being no public comments, upon a motion duly made by Director Ammon, seconded by Director Strand and, upon vote, unanimously carried, the Board closed the public hearing at 6:40 p.m.

Upon a motion duly made by Director Ammon, seconded by Director Strand and, upon vote, unanimously carried, the Board approved the 2022 Budget Amendment and Adoption of Resolution 2022-09-01 to Amend the 2022 Budget.

**B. Other:** None.

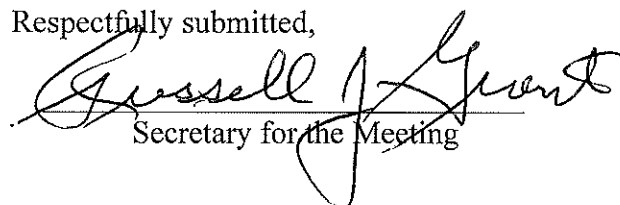
### IX. OTHER BUSINESS

**A. Confirm Quorum for October 4, 2022, Board Meeting:** The Board confirmed that a quorum should be available for the October 4, 2022 Board meeting.

### X. ADJOURNMENT

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

Respectfully submitted,

  
Secretary for the Meeting