

## RECORD OF PROCEEDINGS

---

MINUTES OF A REGULAR MEETING OF  
THE BOARD OF DIRECTORS OF THE  
BMR METROPOLITAN DISTRICT (THE "DISTRICT")  
HELD  
DECEMBER 7, 2021

A regular meeting of the Board of Directors of the BMR Metropolitan District (referred to hereafter as the "Board") was convened on Tuesday, December 7, 2021, at 6:00 p.m. at Lowell Ranch, 2330 S. I-25, Castle Rock, CO.

### ATTENDANCE

#### Directors In Attendance Were:

Russell Grant; President  
Calvin Bills; Vice President  
Frank Strand; Secretary/Treasurer  
Steve Vrabel; Assistant Secretary/Treasurer

The absence of Director Ammon was excused.

#### Also, In Attendance Were:

Denise Denslow, CliftonLarsonAllen LLP  
Tim Flynn; Collins, Cockrel & Cole PC  
Tom Schubert; ORC Water Professionals Inc.

### I. CALL TO ORDER

The meeting was called to order at 6:04 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 made 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. 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.

**Quorum and location of meeting:** 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 Ammon.

## RECORD OF PROCEEDINGS

---

### III. APPROVAL OF AGENDA

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 amended with the addition under Legal Matter of approval of Resolution 2021-12-2, authorizing designated board members to approve payment of District payables between regularly scheduled Board meetings.

### IV. COMMUNITY COMMENTS

**Public Comment:** None.

### V. WATER OPERATOR

**A. Monthly System Report:** Mr. Schubert provided his report to the Board as follows and then exited the meeting afterwards:

- All sampling was completed for the month.
- Continued looking into zero reads water meters. The homeowners have been contacted and appointments have been made to check the functionality of these meters.
- ORC installed two pumps and power supply panel to be used to pump backwash water to frac tank. The piping was completed to the frac tank and the backwash water is being pumped to the frac tank starting October 26<sup>th</sup>.
- The routine maintenance of valve exercising is continuing throughout the distribution system. When completed, a full report will be provided with observations, issues and corrective actions.
- The flow directional valves were replaced on all of the softeners. These valves are made of brass and need to be replaced every 1 ½ years or so due to corrosion of the brine.
- The distribution system will be flushed starting Wednesday, December 8<sup>th</sup> and should be completed by the 8<sup>th</sup> or 9<sup>th</sup> of December at the latest.

### VI. ENGINEER ITEMS

The Board requested this item be removed from future agendas.

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

**A. Review and Consider Approval of the November 2, 2021 Regular Meeting Minutes:** Mr. Flynn stated he sent revisions to the Minutes late that afternoon. Following review, upon a motion duly made by Vrabel, seconded by Director Bills and, upon vote, unanimously carried, the Board approved the November 2, 2021 Regular Meeting Minutes as amended.

**B. Consider Approval of CliftonLarsonAllen LLP Master Service Agreement and Related Statement(s) of Work:** Following discussion and review, upon a motion duly made by Director Vrabel, seconded by Director Bills and, upon vote, unanimously carried, the Board approved the CliftonLarsonAllen LLP Master Service Agreement and Related



## RECORD OF PROCEEDINGS

---

Statement(s) of Work.

**C. Review and Consider Approval of Bill.com Claims for September 2021 Totaling \$45,676.56:** Director Grant reviewed the 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 approved the September 2021 Bill.com claims totaling \$45,676.56 as presented.

**D. Review and Accept October 31, 2021 Unaudited Financial Statements:** Following review, upon a motion duly made by Director Vrabel, seconded by Director Bills and, upon vote, unanimously carried, the Board accepted the October 31, 2021 Unaudited Financial Statements as presented.

**E. Review and Accept Cash Position Report as of December 2021:** Director Grant reviewed the Cash Position Report 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 December 2021 Cash Position Report as presented.

**F. 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:**

Following review and discussion, the Board accepted the reports.

**G. Update on Residential Fire Protection System Backflow Preventer Inspections:** Director Grant briefed a status report to the Board. As of 3 December, only 147 approved reports have been received, which equates to 45% of the total number of backflow preventers that need to be tested. Hence, the Board will continue to press homeowners to have their backflow preventer tested as soon as possible and have the results forwarded to CLA.

### VIII. DIRECTOR ITEMS- ACTION

**A. Update on Status of the Intergovernmental Agreement (IGA) with Town of Castle Rock for Water Service and Improvements for BMR – Director Grant:** Director Grant updated the Board on the status of the IGA. The IGA has been approved by both Parties. The Petition to Dissolve BMRMD is being finalized by Mr. Flynn for submission to the Douglas County District Court in January, 2022. Upon approval of the Court and the

## RECORD OF PROCEEDINGS

---

dissolution of BMRMD, the IGA will be implemented. It is anticipated that this will occur before 30 April 2022.

**B. Schedule a Public Hearing for Amendment of BMRMD 2021 or 2022 Budget – Director Grant:** Following discussion, upon a motion duly made by Director Strand, seconded by Director Vrabel and, upon vote, unanimously carried, the Board approved a public hearing to be held on 4 January 2022 at the January 2022 BMRMD meeting to consider amendment to the 2021 or 2022 Budget.

### IX. ATTORNEY MATTERS

**A. Consider Approval of Resolution 2021-12-1, Calling May 3, 2022 Directors' Regular Election:** Mr. Flynn reviewed the resolution 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 Resolution 2021-12-1, "A Resolution Calling for the 2022 Regular District Election and Appointing a Designated Election Official". The election is scheduled for May 3, 2022; however, if the BMRMD is dissolved before that date, no election will be necessary.

**B. Consider Approval of Resolution 2021-12-2, to Delegate Authority to Approve Claims to Directors Designated in Bill.com Review/Approval Process:** Mr. Flynn reviewed the resolution 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 Resolution 2021-12-2, "A Resolution Authorizing Designated Board Members to Approve Payment of District Payables Between Regularly Scheduled Board Meetings." This authorization will only apply to invoices not exceeding \$75,000.

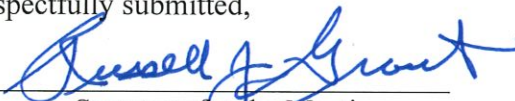
### X. OTHER BUSINESS

None.

### XI. ADJOURNMENT

Director Grant adjourned the meeting at 7:07 p.m.

Respectfully submitted,

  
Secretary for the Meeting