

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF
THE BOARD OF DIRECTORS OF THE
BMR METROPOLITAN DISTRICT (THE "DISTRICT")
HELD
JANUARY 4, 2022

A regular meeting of the Board of Directors of the BMR Metropolitan District (referred to hereafter as the "Board") was convened on Tuesday, January 4, 2022, 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
Edward Ammon; Assistant Secretary/Treasurer

Also, In Attendance Were:

Josh Miller & Nic Carlson, CliftonLarsonAllen LLP
Tim Flynn; Collins, Cockrel & Cole PC
Tom Schubert; ORC Water Professionals Inc.
John McKillip, Jr.; APM
John Kulvelaye;
Doug & Kathy Sampson; 4601 High Spring Road

I. CALL TO ORDER

The meeting was called to order at 6:02 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.

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III. APPROVAL OF AGENDA

Following review, upon a motion duly made by Director Ammon, 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 provided his report to the Board as follows:

- All sampling was completed for the month.
- A flow meter, level transducer and high-level alarms sensors were installed in the backwash water storage tank. The tank level and alarm status are reflected on the PLC computer monitor. A level transducer was installed in the backwash pump sump pit in the treatment plant as well.
- The solenoid and the union were repaired on the two softeners that were out of service. All softeners are in service currently.
- The 24-volt power supply for the control panel failed and disabled the mounted HMI screen, the radio to the storage tank and the electronics in the plant finished water flow meter. A printed circuit board for the flow meter and a new HMI screen are on order.
- A repair or valve replacement is needed at the lower end of Glade Gulch where it meets Bell Mountain Drive. The operating nut came off the valve. It looks as if five homes will be out of water when this repair is made.
- The distribution system fire hydrant flushing was completed over a three-day period in December, using approximately 400,000 gallons of water.

VI. MANAGER'S REPORT/ ADMINISTRATIVE MATTERS

A. Review and Consider Approval of the December 7, 2021 Regular Meeting Minutes: Following review, upon a motion duly made by Bills, seconded by Director Strand and, upon vote, unanimously carried, the Board approved the December 7, 2021 Regular Meeting Minutes as presented.

B. Review and Consider Acceptance of Bill.com Claims for October 2021 Totalling \$36,827.57: Director Grant reviewed the Bill.com claims with the Board. Following review, upon a motion duly made by Director Bills, seconded by Director Strand and, upon vote, unanimously carried, the Board accepted the October 2021 Bill.com claims totaling \$36,827.57 as presented.

C. Review and Accept Cash Position Report as of January 2022: Director Grant reviewed the Cash Position Report with the Board. Following review, upon a motion duly made by Director Strand, seconded by Director Vlabel

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and, upon vote, unanimously carried, the Board accepted the January 2022 Cash Position Report 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 and discussion, upon a motion duly made by Director Ammon, seconded by Director Bills and, upon vote, unanimously carried, the Board accepted the reports.

E. Update on Residential Fire Protection System Backflow Preventer Inspections: Mr. Carlson provided an update to the Board noting that as of 12/31/21, 170 backflow preventer test reports were received by the District, representing a 52.63% compliance rate. CliftonLarsonAllen LLP will work with ORC to prepare a Tier 2 notice for the January billing cycle.

VII. 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: Mr. Flynn provided an update to the Board stating that the IGA has been accepted by both parties. He will continue to work on details of the petition with the District Court for dissolution.

B. Conduct Public Hearing for Amendment of BMRMD 2021 Budget, and Adoption of Resolution 2022-01-01, to Amend 2021 Budget – Director Grant: An amendment to the 2021 Budget was determined not necessary.

C. Discuss Metro District Representation at HOA Meetings: Director Grant provided an update to the Board stating he will plan to attend the next HOA meeting and afterwards the HOA is to refer all residents with District related matters directly to the District.

VIII. ATTORNEY MATTERS

A. Review of New Firm Announcement Letter and Consider Approval of Collins Cole Flynn Win Ulmer Engagement Letter: Mr. Flynn reviewed the announcement and engagement letter with the Board. Following review, upon a motion duly made by Director Ammon, seconded by Director Strand and, upon vote, unanimously carried, the Board approved the engagement letter with the exception that the late fee excerpt be stricken from the

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agreement.

B. Other: Upon a motion duly made by Director Strand, seconded by Director Bills and, upon vote, unanimously carried, the Board designated the website as the official posting location.

IX. OTHER
BUSINESS

None.

X. ADJOURNMENT

Director Grant adjourned the meeting at 7:13 p.m.

Respectfully submitted,

DocuSigned by:

Russell J Grant

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Secretary for the Meeting