

**Castle Pines Homes Association
Board of Directors**

Executive and Regular Meetings

Castle Pines Homes Association
688 W Happy Canyon Road Castle Rock, CO 80108

Thursday, January 24, 2019

ATTENDEES: Directors Len Jacob, President; Doug Cooper, Vice President and Assistant Treasurer; Chuck Skinner, Treasurer; Wendy Ingraham, Director. Present from the CPHA staff: General Manager and Assistant Secretary Mark Larson, Chief of Emergency Services Rick Plotke, Accountant Carol Tilton, Executive Assistant Lisa Goodwin.

OTHERS PRESENT: Jeff Coufal, Manager Castle Pines Metropolitan District. Marketing Consultants: Don Poole, Xuma Communications, Jackie Brown-Griggs, JBG Marketing, and Janet Jerde, See-Janet-Work. Residents: Frank Jacobsen, Mark Jost, Tim Ostrowski, and Joe Gschwendtner.

EXCUSED: Linda Battin, Secretary.

MEETING AGENDA: See attached.

EXECUTIVE SESSION: The Board of Directors met in an Executive Session on Wednesday, January 24, and discussed legal and personnel issues.

I. CALL TO ORDER / MODIFICATION OF AGENDA

The general meeting was called to order at 8:00 am.

Two discussion items were advanced on the agenda:

- VI. Information/Direction, A. Technology Committee Presentation.
- VI. Information/Direction, B. Marketing Committee Presentation.

II. CONFLICT OF INTEREST DISCLOSURE

Board members were requested to disclose any conflict of interest related to items on this month's agenda, or at any time during the meeting should a conflict of interest arise. No conflicts were identified.

III. DECEMBER 2018 MEETING MINUTES

(See Tab #1 of the January 2019 Board Package)

Motion

Upon motion duly made and seconded, the Board approved the December 2018 Board of Director meeting minutes with corrections as noted.

IV. HOMEOWNERS REQUEST TO BE HEARD

No homeowners were present to be heard before the Board.

ADVANCED ON THE AGENDA

VI. INFORMATION/DIRECTION

A. *Technology Committee Presentation*

Residents and Technology Committee members Tim Ostrowski and Mark Jost were present before the Board to provide a Technology Committee report regarding wireless and internet service in the Village. Mr. Ostrowski presented a slide (*see attached slide*) and reported the following:

- The Technology Committee has been looking at options to improve the wireless, internet, video and telecommunication services for residents in the community by exploring avenues to access to wireless services.
- The Technology Committee discussed possible solutions - the first step is to develop a network plan that will be reviewed by the Design Review Committee and the Homes Association.
- The selected contractor will build the infrastructure and pay for the installation of a state-of-the-art fiber network. The contractor would then lease capacity to the various wireless, cable and telecommunications companies thereby giving residents multiple options for service.
- The contractor will require a small space to house their “head end” equipment in order to allow the service provider to have access to and control of the network; the contractor would pay a percentage of the lease revenue as a licensing fee to The Village.
- The contractor would essentially become the wholesaler of the product – they would build the backbone that they can then sell to Comcast and/or other internet service providers. The result of this new infrastructure would be internet speed of a gigabyte or greater.
- Benefits would include potential long-term revenue sharing, promoting the community as having a state-of-the-art network with continuous stable connectivity, access to multiple service providers creating competition, reasonable pricing, and the latest service offerings and technology, and the availability of advanced wireless technology may increase property values.

- The next step is to obtain the Board's support to continue exploring the project and finalize a proposal for consideration.

Director Skinner stated the Board's effort to enhance the community's wireless service will appeal to residents and to prospective buyers who work from home. Director Skinner asked Mr. Jost to have the Technology Committee investigate options to improve the teleconferencing services in the Homes Association building; this would enable Board members, vendors, committee members, and others to participate remotely in meetings.

Motion

Upon motion duly made and seconded, the Board approved the Technology Committee's initiative to develop a proposal to improve the internet speed in the community.

ADVANCED ON THE AGENDA

VI. INFORMATION/DIRECTION

B. Marketing Committee Presentation

Jackie Brown-Griggs from JBG Marketing was present before the Board to provide a Marketing Committee report regarding the work conducted in 2018 for the Homes Association's Marketing Awareness program. Ms. Griggs made a slide presentation where she reported activities completed to include new collateral material featuring the revised logo, testimonial videos, a revised realtor marketing/open house policy, collaboration with the Village Marketplace shops, and realtor roundtable discussions. Ms. Griggs added that a realtor-specific marketing campaign will be implemented in 2019.

Janet Jerde from See-Janet-Work, a contractor of JBG and responsible for enhancing the search engine optimization (SEO) of the new website, reported the following:

- Efforts to generate better search engine optimization for the community began when the new website front page and new URL was launched in September 2018.
- The first step in SEO was to grow the presence and ranking of the new site throughout the various internet search engines. Google analytics provided the necessary data to determine where the website traffic was coming from.
- Going forward Google analytics will also help to determine the right content needed for maximizing SEO, and where to place media buying.
- Conversion code was added to the website in order to see viewing behavior.
- A list of 50 keywords was developed with the Marketing Committee's input. These keywords are currently utilized in text throughout the website to help drive SEO.
- Social media engagement has included a series of Facebook posts designed for reader engagement and links to the website.

Mr. Jacobsen stated the Marketing consultants have done an excellent job in 2018. Mr. Jacobsen reported the following:

- All the new collateral material ties in together, with an identical message and image in order to keep a uniform brand.
- Over 3,000 brochures and 2,000 stickers for cars have been handed out.
- The large brochure was modified to include a map on the back and re-ordered for use at the gates and for realtor purchase.
- A database of realtors with over 450 realtors was created by collecting business cards at the gates. The realtor database was recently utilized to send out over 400 Christmas cards. The database will be used in 2019 to send out a targeted “Did You Know” email campaign.
- A Top 50 realtor event will be held in 2019.
- The Marketing Committee is currently looking at options for an information center at the Homes Association office.
- The realtor landing page of the website will be redesigned to include facts from the small brochure and the large brochure.
- The two current CPHA websites will be combined into one; this project will start in the next few days.
- The social media campaign will be enhanced in 2019.

Regarding the “Did You Know” campaign, Don Poole reported the purpose of the campaign is to keep in front of Realtors, communicate the message, and to do so without losing their attention. To meet this objective a quick, easy read called the “Did You Know” campaign was created. The audience is primarily realtors but can also include the general public. The ads will go out every couple of weeks and feature an engaging visual and creative copy to intrigue the reader about specific features of The Village.

Mr. Jacobsen reported that homeowners will see these messages too as many do not know about some of the features, amenities, and events within the community. The campaign may also help in recruiting volunteers to the Homes Association. Mr. Jacobsen added that many of the community’s older residents do not wish to be on Facebook, but Facebook can be a powerful tool in promoting the community. The Board suggested offering a class to homeowners about how to participate on Facebook.

The Board thanked the Marketing Committee and the Marketing Consultants for their efforts.

V. ACTION ITEMS

A. Nominations for Homes Association Committee Membership

Mr. Larson reported resident Michael Porter has been nominated by the Long Range Planning Committee to join the Committee. Mr. Larson provided a copy of Mr. Porter's resume to the Board.

Motion Upon motion duly made and seconded, the Board unanimously approved the appointment of Michael Porter as a member to the Long Range Planning and Finance Committee.

B. Capital Requests

1) Regarding the capital request for Emergency Services cameras, Chief Plotke and Mr. Larson reported the following:
(See Tab #2 of the January 2019 Board Package).

- Last June it was discovered the analog cameras at the gates were not accurately capturing images of guest license plates. The gate equipment contractor, SMG, was asked to review this issue and provide options. A digital camera was installed at Gate 5 and the accuracy in obtaining a clear picture of the license plate is now 99%.
- dwellingLive has a recommended contractor that has cameras designed to work with their system.
- The proposed new digital cameras will replace all the cameras at the gates.

Motion Upon motion duly made and seconded, the Board unanimously approved the Emergency Services Capital Request in the amount of \$18,633.00 plus a 10% contingency for a maximum expenditure of \$20,496.30 for the purchase of five, digital license plate reader cameras to be installed at the gate houses.

2) Regarding the capital request for metal gate panel replacement at the gate houses, Chief Plotke and Mr. Larson reported the following:
(See Tab #3 of the January 2019 Board Package)

- The request is to replace the current metal gates with gate panels that feature the new Village logo on both sides.
- The new gates will be brown, heavier and feature a gold background behind the logo.
- The new gates should be installed by the end of March.

- Competitive bids were not obtained per the requirements of the CPHA Purchasing Policy which allows for the use of an existing contractor.

Motion Upon motion duly made and seconded, the Board unanimously approved the Emergency Services Capital Request in the amount of \$99,000.00 plus a 10% contingency for a maximum expenditure of \$108,900.00 for the purchase of replacement steel gate panels to include the new Village emblem at Gates 2, 3, 4 and 5.

3) Regarding the capital request for the purchase of new computer tablets for access control at the gates, Chief Plotke reported the following:

(See Tab #4 of the January 2019 Board Package)

- Each gate house currently has a Surface Pro tablet; however, the tablets do not have enough battery life to run for 12 hours or more.
- The tablets allow the Gate Officer to come out of the gate house and greet guests outside as they arrive.
- Purchasing an additional tablet will accommodate the need to have a tablet in operation for the operating hours of the gate.
- The Surface Pro is the only hardware that will work with the dwellingLive software.
- Proposed New Capital in the 2019 budget allows for a total expenditure of \$7,500.00 for new tablets.

Motion Upon motion duly made and seconded, the Board unanimously approved the Emergency Services Capital Request in the amount of \$7,316.30 plus a 10% contingency for a maximum expenditure of \$8,047.93 for the purchase of five new tablets to be used for access control at the gate houses.

4) Regarding the capital request for the replacement of the spa heater at the Village Lake Fitness Center, Mr. Larson reported the following:

(See Tab #5 of the January 2019 Board Package)

- The Homes Association's pool contractor, Front Range Aquatics, has indicated that this new heater will work correctly in the spa, and will come with a 10 year warranty.
- This is the second time that the spa heater has come up for replacement. The first time, repairs were done in lieu of replacement.
- The current heater cannot be repaired as parts are no longer available.

Motion Upon motion duly made and seconded, the Board unanimously approved the Parks and Recreation Capital Request in the amount of \$5,045.00 plus a 10%

contingency for a maximum expenditure of \$5,200.00 for the purchase of a new spa heater at the Village Lake Fitness Center.

C. Ryan Homes Agreement Modification Request (Chris Sublette)

(See Tab #6 of the January 2019 Board Package)

Mr. Larson reported that Mr. Sublette was present before the Board at the December 2018 Board meeting to request a modification to the Ryan Homes Agreement - to remove the minimum square footage requirement. Mr. Larson was directed by the Board to discuss this issue with the homeowners of The Settlement and report back to the Board. Mr. Larson reported he spoke with the three homeowners of The Settlement. All were provided a copy of the agreement for their review. Two homeowners have responded they have no problem with the removal of the square footage requirement. The third homeowner has not yet replied. Mr. Larson requested that given the new concerns that have surfaced since last month's discussion, this decision should be postponed until the February Board meeting. The Board agreed and tabled the discussion and decision until the February Board meeting.

D. Consideration of the Conflict of Interest Policy

(See Tab #7 of the January 2019 Board Package)

Mr. Larson and Director Cooper reported the following:

- Director Cooper drafted the proposed Conflict of Interest policy.
- The policy is designed to recognize significant actions, not actions that are typical in the daily course of business, that would be of a significant financial benefit and could, therefore, be construed as impacting the decision-making process.

The Board discussed the dollar threshold of the policy and agreed to reduce it to \$100.00. Director Skinner asked that the text in the policy specifically state "Committee Member".

Motion Upon motion duly made and seconded, the Board unanimously adopted the Conflict of Interest and Ethical Conduct Policy with modifications as noted.

Additional Discussion Item Added to the Agenda

Review of the Historical Project in the Community Room

Joe Gschwendtner was present before the Board to discuss the Historical Project. Mr. Gschwendtner presented a slide presentation (*see attached handout of slides*). The Board visited the Community Room to view several storyboards for the project. The Board stated they were very impressed with the curated items to be placed into the room. The Board thanked Mr. Gschwendtner for his work on this project.

VI. INFORMATION/DIRECTION

C. 2018 Village Access Recap

Regarding gate access into the Village in 2018, Chief Plotke presented a slide presentation (*see attached handout of slides*). Chief Plotke reported the following:

- Prior to changing to the dwellingLive access control system, the QuickPass system would inadvertently count multiple guest entries for a single vehicle if the vehicle was in the guest lane for any length of time, for example, if the guest spent time speaking with the Gate Officer. This resulted in an erroneous count for guest entries into the community.
- The dwellingLive system has produced more accurate results for gate entries.
- Gate 1 continues to be the busiest gate for guest entries, followed by Gates 5, 3,4, and 2 in that order.

VII. MANAGEMENT/LIAISON REPORTS

A. Metropolitan District – Jeff Coufal

Mr. Coufal provided an update regarding the activities of the Castle Pines Metropolitan District and reported the following:

- The Summit Club field improvements will start when the ground has sufficiently thawed – most likely near the end of the March.
- New staff members are currently in training for snow plowing.
- The District has purchased property from Mr. Vickers on the North side of the Village for the installation of a new storage tank. This purchase will allow for the tank to be located near the District's water treatment plant.
- The developer of Filing 43 (at the corner of Happy Canyon Road and Santa Fe) is scheduled to begin site improvement in February.
- The property outside of Gate 5 off Lagae Road will undergo construction soon. The first development will be the commercial area. There will also be a Metro District on the property.
- The District will improve a section near the corner of Happy Canyon Road and Santa Fe Road and the pocket park at Equinox with new flower planters.

B. General Manager – Mark Larson

Mr. Larson, General Manager presented the Manager's Report. (See Tab #8 of the January 2019 Board Package).

In addition to his written report, Mr. Larson reported the following:

- The Annual Meeting will be held on March 11 at Cielo at Castle Pines, beginning at 6:30 pm to 7:30 pm for a reception with informational stations to include Douglas County, South Metro Fire, Parks and Recreation, and the Country Club. There will be information on future development in the Village. The Business Meeting will begin at 7:30 pm. Food and refreshments will be served throughout the evening.
- Computershare is providing both proxy validation and ballot tallying services for the Annual Meeting. New this year, Computershare will be utilizing an electronic method to tabulate the proxies. Computershare will provide us with both the proxy form and the return envelope.
- The Annual Meeting packets will be mailed out to the community at the beginning of February. This mailing is timed to coincide with the arrival of the Village Reporter and the Meet the Candidate event.
- The Village Reporter is scheduled for mailing the first week in February. The Meet the Candidate event is scheduled for February 4 at 6:30 pm in the Community Room.
- The Homes Association is working with Flying Horse Catering to obtain better pricing on all catered events in exchange for doing several Homes Association events.
- Apparel and mug sales will require storing inventory and a place to sell the items. Hats and possibly also golf towels will be purchased by the Homes Association and sold at some of the events.

C. Emergency Services (ES) Report

Rick Plotke, Chief of Emergency Services presented the Emergency Services report. (See Tab #8 of the January 2019 Board Package).

In addition to his written report, Chief Plotke reported the following:

- ES responded to 1,340 incidents in December; there were eight medical events.
- dwellingLive numbers indicate 99,000 total visitors were processed through the gates in December.
- ES continues to hire and is currently staffed at 38 officers. Gate strikes dropped significantly in December.
- ES Patrol Officers have been visiting the gates to assist in informing guests and residents about safe entry and exit through the gates.
- Theft incidents include watches that were stolen from 611 Cliffgate Lane. A wildlife camera was stolen from outside of a home.

- The Emergency Services Committee is working with the Technology Committee to obtain accurate reporting regarding homes that are not connected to dispatch (ie: alarm systems).

Mr. Larson reported the Compliance Coordinator position has been posted with a deadline of January 31 for applications.

VII. FINANCIAL REPORT: DECEMBER 2018

General Manager Mark Larson presented the December 2018 Financial Report and reported the following: *(See Tab #9 of the January 2019 Board Package).*

Capital Projection

- All but one item is designated as completed, deferred or scheduled for 2019.
- The pool covers for the Canyon Club and the Village Lake Fitness Center will need to be replaced in 2019.
- This year a Reserve Study will be done; deferred projects will be reviewed in the study.

Actual/Projected Budget

- To better align with the overall budget, the Board discussed raising the contingency for unpredictable expenses.

Balance Sheet:

- Four Certificates of Deposit will mature this year. The first one to come due will be reinvested. The others will be considered for reinvestment closer to maturity.
- The allowance for Bad Debt Expense was budgeted at over \$100,000 as a result of one developer; since the approval of the 2019 budget these accounts have either been paid or resolved. The budget for 2019 is done, however the amount charged to the balance sheet can be adjusted before the budget is closed for the year.

Income Statement:

- The positive variance for custom lots is due to the lots inside of Gate 3, near the Infinity Development, having been platted.
- DRC fees came in positive for the year.
- ES Revenue came in positive for the year as a result of the RFID tag revenue.
- Miscellaneous Income includes a one-time rebate from the Homes Association's insurance carrier.
- Administrative Labor Expense includes an adjustment in bonuses and pay increases.
- Mileage Registration Expense includes the new pickup truck purchased in 2018.

- The Historical Project came in under budget with the remaining balance included in the 2019 budget for the project.
- Building Maintenance and Repair expense was adjusted for 2019.
- Emergency Services Labor Expense came in positive for the year.

Director Cooper asked if the Holiday Fund should be distributed through a separate entity for the purpose of not incurring payroll taxes. Director Cooper asked if a trust account could be set up. Ms. Tilton stated that she would research this issue and report back.

Chief Plotke presented the Financial Report for Emergency Services Operating Expenses, and reported the following:

- Gate Maintenance and Repair expense is ongoing. A new company has been hired to do the repairs and is anticipated to be more cost-effective than the previous company.
- Vehicle M&R expense includes replacement of catalytic converters on the patrol vehicles.
- Recruiting expenses have been ongoing as open positions need to be filled.

Mr. Larson continued the financial report, and reported the following:

- Design Review Operating Expense came in on budget for the year.
- Community Operations Expense came in over budget due to additional homes this year that were not originally included in the budget.
- Janitorial Services Expense includes the added service to clean the Canyon Club Pavilion.
- Parks and Recreation events exceeded their budget due to additional attendance at several events.

Motion Upon motion duly made and seconded, the Board unanimously accepted the December 2018 Financial Report as presented.

IX. REVIEW OF BOARD DIRECTIVES

Mr. Larson provided a review of the tasks/directives assigned to him by the Board during the meeting:

- The Technology Committee to investigate video conferencing.
- Set up a meeting with Adam Contos for the Marketing Committee.
- Review options for processing the Holiday Gift Fund.

X. IMPORTANT MEETING DATES

Mr. Larson reported the February 2019 Board Meeting will be held on February 28, 2019, in the Castle Pines Homes Association Community Room located at 688 W. Happy Canyon Road; 7:00 am - Executive Session, 8:00 am - Regular Meeting.

The Meet the Candidate event will be held on February 4, 6:30 pm in the Community Room.

XII. ADJOURNMENT

Motion

Upon motion duly made and seconded, the Board unanimously approved to adjourn the January Board of Directors meeting at 11:55 am

Respectfully Submitted by,

Lisa Goodwin
Senior Administrator