

**Castle Pines Homes Association
Board of Directors**

Executive and Regular Meetings

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

Friday, July 18, 2014

ATTENDEES: Directors Linda Battin, President; Terry O'Connor, Vice President; Chuck Skinner, Secretary; Len Jacob, Treasurer; Al Dugan, Director. Present from the CPHA staff: General Manager Mark Larson, Accountant Carol Tilton, Administrator Lisa Goodwin, ES officers Phil Peterson, Bryan Penry, Carol Thompson, Sarah Bogart, Bill Williams and Gail Williams.

OTHERS PRESENT: Jon Gray, Metro District Engineer; Residents Tim and Michelle Ostrowski, Gene Roberts, Jim Kelly, Brian Hebbard, Vic Pluto, and Tracey McCarthy.

EXCUSED: N/A

MEETING AGENDA: See attached.

I. CALL TO ORDER / MODIFICATION OF AGENDA

The general meeting was called to order at 8:05 a.m.

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. MINUTES

(See Tab #1 of the July 2014 Board Package)

Motion

Upon motion duly made and seconded, the Board approved the June 2014 Board of Director meeting minutes with corrections as noted.

Director Battin abstained due to being absent at last month's meeting.

IV. FINANCIAL REPORT

Mr. Larson presented the June 2014 Financial Report and reported the following:
(See Tab #2 of the July 2014 Board Package)

- Regarding the Balance Sheet: A Certificate of Deposit account was reinvested at Champion Bank. Receivables for snow plowing are for two households on Ramshorn Drive.

- Regarding the Income Statement: the positive variance in custom lots is due to having budgeted for the 11 additional lots of the Sublette property, formerly referred to as the Kimball property, to begin payment in July but they actually began payment in June. DRC fees are tracking positive for the month and year.
- Transponder sales are lower than what we had anticipated. This will be the last year for the employee reimbursement program for the cost of the ballistic vests as we will begin to supply them to the officers without requiring a shared cost.
- The negative variance in Administrative Labor Expense is a timing issue due to temporary seasonal employees. Seasonal employees will continue working until October. This expense category is anticipated to be positive at year end.
- CPHA Building Expense is anticipated to come in on budget for the year.
- ES Operating Expense includes the cost for QuickPass to install new cameras at the VLFC.
- Emergency Services Payroll Expense reflects the additional cost to several new employees in training. For a patrol officer training is 90 days long.
- Design Review Committee Operating Expense will come in on budget at year end.
- Village Lake Labor Expense will have a slight positive variance by end of year and Village Lake Operating Expense will come in on budget.
- Community Operating Expense continues to have a positive variance due to cable.
- Landscape and Maintenance Expense includes the cost for the mulch project.
- Meadows Interchange Expense - the reimbursement for appraisal is still pending.

Motion **Upon motion duly made and seconded, the Board unanimously approved to accept the June 2014 Financial Report as presented.**

Mr. Larson presented a slide detailing the current list of reserve investments and their “due date” by quarter. (*See attached Handout of Slides*)

Director Jacob reported we are building our reserves for the next 15 years; we have several CD's coming due between now and next year. Director Jacob presented a slide on the CD “ladder” if we roll the two Certificates of Deposit that are coming due this year into two-year CD's. Director Dugan asked that the Long Range Planning and Finance Committee take an official position as to whether or not we should manage our CD's with a “ladder” concept.

Mr. Larson presented to the Board a resolution removing the CPHA's banking relationship with Solera Bank (*see attached handout*)

Motion **Upon motion duly made and seconded, the Board unanimously approved the resolution removing the Homes Association's banking relationship with Solera Bank.**

V. HOMEOWNER'S REQUEST TO BE HEARD: Items not on the agenda

Resident Jim Kelly, of 5179 LeDuc Lane, appeared before the Board regarding the Metro District's efforts to cut back the grass and the weeds. Mr. Kelly thanked the Metro District for their work on improving the appearance of the right of ways in the community. Mr. Kelly stated how nice the side of the roadway looks on Castle Pines Drive South and what a pleasure it is to drive through the area. Mr. Gray reported the District will do three to four native grass cutting projects a year. Director Dugan asked if Metro could do some weed control on the berm inside of Gate 3. Mr. Gray responded the landscaping on the berm is still developing and the Metro District will spray for weeds next year when the native grasses have become better established.

VI. MANAGEMENT/LIAISON REPORTS

A. Manager's Report – Mark Larson, General Manager

Mark Larson, General Manager of the Castle Pines Homes Association presented the Manager's Report. (*See Tab #3 of the July 2014 Board Package*)

Mr. Larson reported the Fourth of July events went extremely well and were very well attended.

Mr. Larson reported the trees scheduled for removal from the area near the Meadows Interchange will be relocated to the berm inside Gate 3; this work should start next week.

Director Dugan asked when the Homes Association and Emergency Services servers would be migrated to a single server. Mr. Larson reported he is working with the Technology Committee to make sure the transition from two servers to one server goes smoothly and without work interruption. Mr. Larson added that he is being overly cautious so that we do not have any major problems in the transition.

Resident and Chair of the Parks and Recreation Committee (P&R), Vic Pluto, presented to the Board the Parks and Recreation Committee's request to install a records board for the CPV Stingrays Swim Team at the Canyon Club. Mr. Pluto stated the records board would acknowledge the team's accomplishments and foster team spirit. Mr. Pluto presented a slide showing two options for the records board; both are 4' x 6' and the sign would be permanent (*see attached handout*). The Board stated this project is representative of a first class community and that it is an excellent idea.

B. Emergency Services (ES) Report – Mark Larson

Mr. Larson presented the Emergency Services report. (*See Tab #3 of the July 2014 Board Package*.) Mr. Larson reported the following:

- There were 727 incident reports in June to include 8 medical assists.
- We have lost one Patrol Officer. Officer Valderrama was recently hired by the Denver Police department. Former employee AJ Woods has returned as a dispatcher.
- There were two gate arms damaged - Gates 2 and 3. It will take some time to replace the iron gates at Gate 4 as they are custom made and we are waiting for the insurance company to provide reimbursement. Officer Penry reported it will take approximately 4 to 6 weeks for the custom gates to be made.
- The thefts in the Summit area were investigated by Douglas County Sheriff's office without any resolution.

1) Recognition of the Officer of the Quarter, Sarah Bogart

Mr. Larson introduced Dispatch Officer Sarah Bogart as the current recipient of the Officer of the Quarter designation. Ms. Bogart reported she has been with Emergency Services for a little over two years. Director Battin presented Ms. Bogart with a plaque and a gift certificate. The Board thanked Ms. Bogart for her excellence in service.

2) Recognition of Carol Thompson for Twenty Years of Service

Mr. Larson introduced Gate Officer Carol Thompson as our organization's first 20-year veteran employee. Director Battin stated, on behalf of the CPHA board and the community, our appreciation to Ms. Thompson for her 20 years of excellent service. Director Battin stated Ms. Thompson has done an outstanding job and the Board appreciates all that she has done to help make this a world class community.

Ms. Thompson was presented with a commemorative trophy, a certificate and a gift certificate.

Mr. Larson reported there will be an appreciation luncheon for Carol after the Board meeting.

A. Castle Pines Metropolitan District (CPMD) Items –Paul Dannels, District Manager; Jon Gray, District Engineer.

Mr. Gray reported that speed monitoring devices have been deployed in various locations throughout the Village and the Metro District has hired a Traffic Safety engineer to assist with collecting and interpreting the data. Mr. Gray reported the overlay project is about to begin on Orofino Drive and Country Club Drive, and there are several maintenance projects slated for patching the curb and gutter throughout the community.

Mr. Gray presented a slide regarding the issue of drainage after a heavy storm on the south side of the Village near Tolland Court. Mr. Gray reported the following:

- During the recent storms there were several residents on the south side that experienced water coming across their property.
- Metro began an investigation and discovered a hidden drainage channel for the area that has silted in over time causing excessive rain water to divert across these properties. In addition, debris moving with the water plugged the drainage area and the water began to go out across the road.
- Metro is going to restore the drainage channel to its original design capacity. Since there are trees in the channel a survey will need to be done to help preserve the aesthetics of the area in addition to creating an efficient channel.
- During last weekend's rain storm we received approximately 3 1/2 inches of rain in less than an hour – what might be categorized as a “500-year” storm, and therefore much greater in volume than the rainfall attributed to a “100-year” level storm.
- The water moving from Haskins Gulch into Plum Creek was so high it washed out the Army Corps of Engineer's water gauge indicating an excess of 1,800 square feet of water per minute. Sections of Haskins Gulch were also washed away.
- At Castle Pines Drive South, near Red Pass Way, the drainage basin has been a problem in big storms. During the last storm a four foot wave came into that area. An engineering firm has been hired to evaluate the flood control in this area.
- The home at 513 Castle Pines Drive South is at the right elevation and was not in flooding danger. A pipe needs to go under the home's driveway to help divert the water, and the Metro District will install the pipe. Even with the pipe, if there is another 500-year storm, water will once again come into their yard.
- Metro is also researching if the development work by Taylor Morrison has contributed to the drainage problem around Castle Pines Drive South.

Mr. Tim Owstrowski stated his concern that heavy equipment working behind his home to fix the drainage channel will destroy trees and reduce property values. Mr. Gray responded they do not use heavy equipment unless they absolutely have to; typically opting to employ a subcontractor that provides “hand dig” work. Mr. Gray added that it is more time consuming and expensive to hand dig, but it works best to preserve the aesthetics of the area and to make sure that underground utility lines are not damaged.

Resident Gene Roberts stated that Hidden Pond was almost to overflow after last weekend's storm. Mr. Roberts asked why there is a 30" pipe entering the pond and an 18" pipe leaving the pond. Mr. Gray responded that Hidden Pond is a detention pond that will store water and release it at the historical rate of the 5-year storm. Mr. Gray added the 100-year storms were not anticipated when the pond was created. Mr. Gray reported these storms come in, then back up against the mountains, causing the storms

to come back into the Valley and get stuck; the storms then sit over the Village until they dissipate. Mr. Gray stated that overflow from a detention pond is a balancing act. There is an emergency overflow from Hidden Pond, however we want that pond to fill up with water, hold that water and release it slowly.

Mr. Ostrowski stated the added noise from I-25 has become a problem and asked how the Board might deal with this. Director Skinner stated the Board has received several options to present to CDOT for mitigation barriers. The Board stated they would like to hold a follow up meeting with concerned residents to discuss options to mitigate the noise from the highway and invited Mr. Ostrowski to attend.

Director Battin reported there are two areas the Board is reviewing for mitigation efforts. This includes the homes near the new overpass at Santa Fe and Castlegate and homes near the new I-25 interchange.

IX. ACTION ITEMS

D. Capital Request New Trail Installation

(See Tab #7 of the July 2014 Board Package)

Advanced on the agenda

Mr. Larson reported the trail inside of Gate 3 will be modified from a crushed asphalt trail to a hard asphalt trail. A hard asphalt trail will also be installed near the Summit Club. Mr. Larson reported the cost for the project came in lower than anticipated for both trails. Resident and Chair of the Parks and Recreation Committee Vic Pluto presented the request from the P&R Committee.

Director Dugan requested that part of the trail closest to Gate 3 should be relocated and lowered in height so that a child on a bicycle doesn't come off of the trail and end up in the road.

Mr. Pluto reported the portion of the trail project near the Summit Club is the next phase of the Parks and Recreation Committee's 5-year plan to circumnavigate the Village with trails. Mr. Pluto noted that updating the trail inside of Gate 3, while not a part of the original trail plan, is fully supported by the Parks and Recreation Committee.

Motion

Upon motion duly made and seconded, the Board unanimously approved the Parks and Recreation's Capital request of \$285,000 for the trail installation project as presented.

A. Consideration of the Possession Agreement with the Town of Castle Rock

(See Tab #4 of the July 2014 Board Package)

Mr. Larson presented a slide showing the areas near the North Meadows Extension project that the Town of Castle Rock is making an effort to purchase from us through

the condemnation process.

Mr. Larson reported the Town has the ability to go to court and get possession for use of the property through a court order, and without having to provide the final determination for the value of that property. Mr. Larson stated that we can enter into an agreement with the Town to allow them to take possession of the property while we continue to negotiate a final purchase agreement.

Mr. Larson reported the final agreement may involve a three-party negotiation to include an agreed upon compensation from Douglas County and an agreed upon compensation from the Town of Castle Rock. Director Battin reported it will take several months to get the final agreements signed. Further she stated we do not want to have a court order forced upon us, and we want to be cooperative. This agreement is not a final agreement as it does not include the details of the final negotiation. Mr. Larson and Director Battin asked the Board to enter into such an agreement in the next two weeks, provided that there is agreement by the Board on the agreement wording.

Mr. Larson reported the draft included in the Board packet was sent to the two parties and returned to us with their changes. Director Dugan stated that it is the Board's understanding that our negotiating team on this issue is to include Director Battin, Director O'Connor and Mr. Larson for all discussions.

Director O'Connor asked for clarification that the request to the Board is to obtain the Board's authorization to go back to the Town of Castle Rock and inform them that we do not have a substantive problem with this two-party draft, and that we are willing to sign the draft and provide authorization to enter the property as long as all of the other requests that we put on the table will be put into the binding agreement.

Mr. Larson reported that entering into a possession agreement will not cause us to give up any rights we have to the final compensation received for the subject property. Mr. Larson further stated that he forwarded the Board's concerns and requests to the Town of Castle Rock for their review.

Mr. Larson asked the Board for permission to contact the County and be involved in the design process for the landscape plan. The Board agreed that Mark Larson should be involved in this effort.

The Board requested that a cover page be included in the Board packet indicating that the Board did not act on this document and it was not approved.

B. Consideration of the Fence Maintenance Agreement with the Golf Club
(See Tab #5 of the July 2014 Board Package)

The Board reviewed and discussed changes to the proposed agreement.

Director Dugan stated he would like to have the agreement include that any new fence

will be installed in the same place as the current fence; as it reads now the fence could be 30 feet from the property line thereby removing our easement. Mr. Larson reported he would include in section 1 of the agreement that we want 25 feet from either side of the fence line.

Director Dugan stated he wants included in the agreement some flexibility in the future that if lumber standards change, or the composite of lumber standards change, that we do not have to utilize antique lumber to repair or replace the fence. Mr. Larson responded that he added this provision on last page of the agreement by stating that the fence will conform to the standards as instituted by the Association's Design Review Committee.

Director Dugan stated that he would like to change the fence company's requirement to enter into a separate agreement with each entity from 14 days to 45 days. Director Dugan also requested that a statement regarding mutual indemnification be added.

Motion

Upon motion duly made and seconded, the Board unanimously approved the Fence Maintenance Agreement with the Golf Club, subject to the changes as noted.

C. Capital Request Emergency Services Vehicle

(See Tab #6 of the July 2014 Board Package)

Sergeant Phil Peterson presented to the Board on the Emergency Services request to purchase a new patrol vehicle as a replacement to one of the existing patrol vehicles. Sergeant Peterson reported the following:

- ES Patrol vehicles are typically evaluated to be replaced once they reach 100K miles.
- The Chevy Traverse currently has 93,000 miles however extensive repair costs are needed to put this car back into service.
- Potential vehicles for replacement were considered based upon what local police departments are currently using.
- After reaching out to Douglas County Sheriff's Office for assistance we were able to receive their approval to buy a police-interceptor type of vehicle through their purchasing department. This will provide us with a significant cost advantage, and a vehicle that is better suited to our needs.
- Police-Interceptor type vehicles are built for long days of idling, they have a better suspension, and their engine and battery can sustain our emergency lighting systems.
- The vehicle will be 95% completed with the light package thereby saving on installation costs. To prepare the vehicle for use by Castle Pines Village, the Emergency Services decals, emergency light bar, radio system and Knox box

key container would be installed.

The Board commended Sergeant Peterson for an excellent and thorough report.

Motion

Upon motion duly made and seconded, the Board unanimously approved the Emergency Services Capital request of \$23,400 for the purchase of a new patrol vehicle as presented.

X. INFORMATION/DIRECTION

A. CPHA Website Upgrade

Resident and Village Communications Committee (VCC) member Tracey McCarthy and CPHA Senior Administrator Lisa Goodwin presented to the Board on the VCC's request to upgrade the CPHA's website.

Mrs. Goodwin presented several slides. Mrs. Goodwin reported the following:

- Originally designed in 2007, the website is written in outdated code that does not support current technology for updating web features and has become susceptible to script errors, viruses, and other bugs.
- Website is not mobile optimized.
- Many frequently used features are not functioning correctly and/or need to be updated: including the resident's page, the photo gallery, the search function and the calendar function.
- The overall look and navigation of the site is outdated and the pages are too "text heavy" in content.

The Communication's Committee reported the approximate cost for the website upgrade is approximately \$3,500 to \$4,000 and presented their recommendations moving forward:

- Engage Enternet Designs to update the website.
- VCC to work with all CPHA committees to update their respective pages.
- VCC to work with Wildlife Committee to include photo collection on resident's page.
- Enternet to consolidate web domain and host to one provider.

The Board requested the VCC present this plan to the Technology Committee for their input and feedback, and should the Technology Committee be in support of the upgrade, the Board is also in full support.

The Board requested the upgrade include the following:

- The look of the front page should be representative of a world class community – so that is has a marketing focus as well as an informational focus.
- The front page content should focus on popular searches such as current events, trash and recycling dates, and easy access to commonly used forms; and that these forms be web enabled.

- The site be enabled to report on usage and other website analytics.

B. North Meadows Extension

Discussion on this item occurred earlier on the agenda.

XI. IMPORTANT MEETING DATES

Mr. Larson reported the August 2014 Board Meeting will be held on Friday, August 15, 2014 in the Castle Pines Homes Association Conference Room located at 688 W Happy Canyon Road; 7:00 a.m. Executive Session, 8:00 a.m. Regular Meeting.

The next Castle Pines Metropolitan District Board meeting will be held on Thursday, August 21, 2014 at 7:30 a.m.

XII. ADJOURNMENT

Motion Upon motion duly made and seconded, the Board unanimously approved to adjourn the July Board of Directors Meeting at 11:30 am

Respectfully Submitted by,

Lisa Goodwin