

**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, August 15, 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, and Administrator Lisa Goodwin.

OTHERS PRESENT: Paul Dannels, Metro District General Manager; Jon Gray, Metro District Engineer; Sean Owens, Douglas County Engineer; Residents Don Somsy, Gene Roberts, Charles Foster, Tim and Michelle Ostrowski, and Jim and Marilyn Jepson.

EXCUSED: N/A

MEETING AGENDA: See attached.

I. CALL TO ORDER / MODIFICATION OF AGENDA

The general meeting was called to order at 8:03 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 August 2014 Board Package)

Motion

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

IV. FINANCIAL REPORT

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

- We received \$120,000 from Ryan Homes for the annexation of the property once called the Kimball property. Along with some other offsets this will result in an overall \$100,000 positive variance for the year in total revenue.

- Regarding the Balance Sheet, presently all operating and reserve funding accounts are within the FDIC limit.
- Regarding the Income Statement, the negative variance under custom lots is due to the combination of two lots that occurred after the 2014 budget was established.
- Administrative Labor Expense shows a negative variance due to the summer seasonal landscape employees, those employees will continue their employment through mid-September.
- Administrative Operating Expense, Community Signage Expense includes the expense to install signs at the pools stating the facility's address in case of an emergency.
- Administrative Operating Expense, Other Services Expense includes the cost for the community shredding event that was held in July.
- Emergency Services Operating Expense, Equipment M&R Expense includes the cost to replace the security cameras at the Village Lake Fitness Center.
- Emergency Services Operating Expense, Uniforms Expense includes the cost to replace the shirts for the dispatch officers.
- Labor Expenses at the Village Lake Fitness Center will come in on budget for the year.
- Community events will come in on budget for the year.

Mr. Larson reported some of the trees in Haskins Gulch were washed away due to the big storm we had last month, and once the Metro District completes their flood repair work in that gulch we will need to replace some of those trees.

Mr. Larson reported we have still not received reimbursement from the Town of Castle Rock for the expense to conduct an appraisal of the CPHA property to be acquired by the Town for the Meadows Interchange project.

Motion

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

A. Discussion on Investment Laddering

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

Director Jacob reported on behalf of the Long Range Planning and Finance Committee's (LRP&F) position regarding the use of Investment Laddering for reserve funds' investments. Director Jacob reported the LRP&F's long term plan, while interest rates remain low, is to keep investments in short term vehicles instead of "laddering them out"; utilizing investment accounts between 12 and 18 months. Director Jacob reported the LRP&F will revisit this strategy when interest rates change.

The Board commended the LRP&F for providing them with thorough detail and clarity on this issue.

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

Resident Charles Foster of 5099 Ten Mile Place appeared before the Board regarding the issue of the Meadows Interchange. Mr. Foster agreed to participate in the discussion as an agenda item later in the meeting.

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 #4 of the August 2014 Board Package*)

Don Somsy and Douglas County Engineer Sean Owens provided an update to the Board on the Quiet Zone project. Mr. Owens reported work has begun to install the wayside horns with completion expected in the middle of next week. Mr. Owens reported Union Pacific (UP) will need to install warning signs and stop signs at the five private crossings within the Quiet Zone corridor in order to comply with safety requirements. Mr. Owens reported Douglas County's Traffic Engineering staff is working to install the rest of the warning signs in the Quiet Zone corridor.

Director Battin asked if the temporary crossing created for the interchange project would be included in the Quiet Zone. Mr. Owens stated that signs will need to be installed on that private crossing in order to be in compliance with the rest of the corridor. Mr. Owens added the crossing at the interchange will be removed when the bridge and the ramps are completed.

Mr. Larson reported the Happy Canyon Road fence installation project has begun. Mr. Larson reported Happy Canyon Road was closed temporarily two times because the contractor hit the same gas line two days in a row.

Mr. Larson reported the Communications Committee has set a tentative date of October 21, 2015 for the next Volunteer Recognition Dinner.

Mr. Larson reported the migration to the single computer server was discussed by the Technology Committee, and a capital request will be presented to the Board in September to begin this work in October.

B. Emergency Services (ES) Report – Mark Larson

Mr. Larson presented the Emergency Services report. (See Tab #4 of the August 2014 Board Package.) Mr. Larson reported the following:

- The new Director of Emergency Services, Richard Plotke, will begin his duties on Monday, August 18th.
- The Metro District has placed their traffic monitoring equipment around the Village and we will start receiving that information.
- The hiring process for patrol officers continues with the goal of hiring three patrol officers to fill open positions within the organization.
- A Gate Officer that has been out for an extended period of time on a health issue (short term disability) is not scheduled to come back for a period of time so another Gate Officer was hired to help reduce overtime.

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

Mr. Dannels reported that a meeting was held last night in the CPHA Community Room regarding drainage issues on the south side of the Village. Information was presented to show the frequency of a rain storm based on the total amount of rainfall anticipated for that storm. The last big storm we had produced rainfall totals that placed the storm in the category of a 1,000-year (frequency) storm.

Mr. Dannels reported the Metro District is working on the following projects as a result of the recent heavy rain storms:

- (1) Remove the restrictor plate on the 24" bypass pipe installed under the road to divert water from the Taylor Morrison/Northstar project. During the last heavy storm this bypass pipe could not handle the large amount of rainfall. It was noted that the Argosy pond should be able to handle the increased flow once the restrictor plate is removed
- (2) Fix the damage done to Haskins Gulch.
- (3) Review and report on the photographs taken by an overhead drone to track the drainage problem areas, including both sides of I-25, and how it impacts the Village.

Mr. Gray reported the Metro District has begun work on the drainage problems affecting the Jepson property. Resident Michelle Ostrowski stated she is concerned that the pipe installed in that area will not handle the increased water volume. Mr. Gray agreed to meet with the residents to discuss the project and make adjustments if needed.

Mr. Gray reported to the Board on the Metro District's current drainage project. Mr. Gray reported the biggest resident concern from the meeting last night was the effect of the Taylor Morrison/Northstar project on drainage capacity in the surrounding areas.

Mr. Gray reported the District hired a photographer to fly drones over the affected areas in order to have aerial pictures that could be used to show how the drainage will work.

Mr. Gray reported the following:

- There is a series of ponds on the south side that water flows through, and even after a heavy storm it is still a very manageable flow rate into those ponds.
- The residents below the Taylor Morrison/Northstar development will always see water in their ditch after a heavy storm as that is the purpose the ditch is intended to serve.
- When Taylor Morrison/Northstar installed their 100-year drainage facilities on the property, this benefited the Village, and the District is confident that their work complies with the appropriate standards required.
- If Taylor Morrison had not developed the property and we had the big storms that we recently had, the drainage problems would most certainly have been worse as that area was undeveloped open space that did not have effective drainage coming off of it.
- There is a 100-year flood plain near Argosy Way. The residents in this area are encouraged to contact their insurance company regarding their requirements for flood insurance; the Metro District can provide documentation that will allow them to be exempt from having to purchase flood insurance for their home.
- Metro will be fixing some of the drainage behind several homes on Argosy Way.
- Some improvements will be done behind the Taylor Morrison/Northstar pond.
- Areas within Haskins Gulch will be repaired. When the flood from the last big storm came down through the golf course. it washed out all the sand from their sand traps. When this sand hit the gulch it caused the water level to rise up, which in turn eroded the banks of the gulch.
- Lagae pond will need repair as the slope of the pond was washed out.

Director O'Connor reported there is a culvert coming down off of I-25 that empties into the Village, and posed the concern about what will occur (regarding drainage) once the Canyons development begins.

Director Battin suggested the Metro District include an article in the Village Reporter regarding the importance of having your landscape plan evaluated with regards to potential drainage issues.

Mr. Gray reported the Metro District is ready to start paving targeted roadways in the Village and to do some trail installation.

IX. ACTION ITEMS

A. Consideration of the Possession Agreement with the Town of Castle Rock (See Tab #5 of the August 2014 Board Package)

Mr. Larson reported that at the time Board packets were distributed we were still in discussion with the Town of Castle Rock on the agreement. Mr. Larson handed out a copy of the amended agreement and reported the following:

- The agreement does not include a determination of value which will be established at a later date.
- The area near Santa Fe and Castlegate will be renamed North Meadows Drive.
- If the Board approves this agreement, the Town will take possession of these areas and begin work.
- The land totals about four acres for all of the locations. The biggest pieces are at the corner of Santa Fe and what will be North Meadows Drive.
- The negotiation of the value of that property will occur at a later date.

Director Battin handed out a copy of a letter from Douglas County entitled a Memo of Understanding (*see attached handout*). Director Battin reported this memo includes the County's decision to fund a portion of the costs to restore and enhance visual screening associated with the North Meadows Extension project.

Motion

Upon motion duly made and seconded, the Board unanimously agreed to enter into an agreement with the Town of Castle Rock regarding the possession by the Town of CPHA property that borders the North Meadows Extension project.

Director Jacob stated the County has been very supportive of our community. The Board thanked the Douglas County Commissioners and their staff for their efforts to help minimize the impact of the roadway on our community; special mention was made of Art Griffith and Doug Deborg. The Board stated that all funding received will go towards mitigation efforts.

X. INFORMATION/DIRECTION

A. North Meadows Extension Update

Mr. Larson presented a slide showing an aerial photograph of the project (*see attached handout*). Mr. Larson reported the following:

- There are three areas along the North Meadows Extension that will require consideration for mitigation:
 - The corner of Santa Fe and Castlegate (to be renamed North Meadows

- Drive)
 - The 13-acre parcel to the north of the North Meadows Drive that borders the Village.
 - The new intersection at Interstate 25.
- Money from the condemnation value of the property and the contribution from Douglas County will go toward these mitigation efforts.
- To maintain the berm located near the corner of Santa Fe and Castlegate additional landscaping efforts will be required.
- The Town of Castle Rock now owns the 13-acre parcel created by the new roadway. We do not know what will be done to that property or how it will be maintained.

Resident Charles Foster of 5099 Ten Mile Place was present to state his concerns to the Board regarding the new roadway and the Promenade development. Mr. Foster reported that he went to the public meeting held by Alberta Development regarding their plans for the Promenade development. Mr. Foster reported they presented a plan to put in a grocery store and a large shopping area that he is concerned will be very visible to the residents of the Village. Mr. Foster asked for a neighborhood meeting with the affected owners to understand what is happening to date with the North Meadows Extension and the Promenade Development. Mr. Foster also stated what is planned for the Happy Canyon Interchange will have significant impact on our community.

B. Discussion on Nonresident Cyclists in the Village

Mr. Larson reported he continues to receive comments from residents about this issue. Mr. Larson stated that it is difficult for us to determine who is and who isn't supposed to be in the Village. Mr. Larson reported the following:

- There are several places where cyclists are entering the Village, including Gates 1, 3 and 5.
- A Patrol Officer has been posted at Gate 5 on the weekends to turn away nonresident cyclists.
- Gate 1 has the emergency access road to the side of the gate and the gate arm doesn't go all the way across the roadway. This also occurs at Gate 3 and at the emergency vehicle entrance at the top of the Village where the exit lanes are 14' wide for oversized vehicles.
- The Gate Officers can't always see what is happening when a cyclist attempts to enter the Village.

Mr. Larson reported this issue was discussed with the Emergency Services Committee and it was determined that modifications can be made to those gates to deter entry by cyclists, including cables attached to pillars to help narrow the emergency entrance gate lane that can be removed when necessary. Mr. Larson asked the Board for permission

to do modifications at the gates. The modifications will not be expensive and the costs can be absorbed into the operational budget.

Director Jacob stated he supports making the modifications to the gates, and in addition, requiring bicyclists to check in with the Gate Officers.

Director O'Connor asked for signage at the gates that is specific to bicyclists.

Director Dugan stated the intensity of the complaints is increasing and we have to get serious about it. The only way to do this is to have Douglas County Sherriff's officers cite nonresident cyclists for trespassing.

Director Skinner stated that once you are in our Village you have access to all of our amenities, and it is our responsibility to protect that. We need to stop access at the perimeter.

Mr. Larson reported we will need to spend approximately \$6,000 to modify the gates.

XI. IMPORTANT MEETING DATES

Mr. Larson reported the September 2014 Board Meeting will be held on Friday, September 19, 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, September 18, 2014 at 7:30 a.m.

XII. ADJOURNMENT

Motion **Upon motion duly made and seconded, the Board unanimously approved to adjourn the August Board of Directors Meeting at 10:11 am**

Respectfully Submitted by,

Lisa Goodwin