

**Castle Pines Homes Association
Board of Directors**

Executive and Regular Meetings

Castle Pines Homes Association
688 Happy Canyon Road Castle Rock, CO 80108
Friday, August 21, 2009

ATTENDEES: Directors Ed Will, President; Al Dugan, Vice President; Jim Walker, Secretary; Dan Roth, Treasurer; Kim Wagner, Director. Present from the CPHA staff: General Manager Mark Larson, Chief of Emergency Services Drew Grant, Accountant Carol Tilton, Standards Monitor Jo Lewis, Access Control Supervisor Ken Graham and Administrator Lisa Goodwin.

OTHERS PRESENT: Douglas County Commissioner Steve Boand. Jake Schroeder from Jack Vickers' office. Paul Dannels & Jon Gray from the Metro District. Residents: Marti Jones, Monica Flinner-Ross, Don Somsy, Laurie Brennan, Kim Higgins, Chuck Skinner, Craig Sundquist, Jack Hummel, Candy Clevenger, and Mike Lanam.

EXCUSED: N/A

MEETING AGENDA: See attached

I. EXECUTIVE SESSION

The Board of Directors met in an executive session and discussed legal and personnel matters and other topics. Several of these topics were discussed during the open session.

II. CALL TO ORDER

The general meeting was called to order at 8:10 a.m.

III. CONFLICT OF INTEREST DISCLOSURE

Board members should 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.

IV. MINUTES

Motion Upon motion duly made and seconded, the Board approved to accept the July 19, 2009 Board of Director meeting minutes with revisions as noted.

VI. HOMEOWNERS REQUEST TO BE HEARD: Items not on the agenda

Resident Don Somsy, 714 Golf Club Drive, asked to be heard by the Board regarding the issue of train whistles. Douglas County Commissioner Steve Boand was also in attendance to address the Board. Commissioner Boand stated that the County has commissioned a study on this issue. The County Commissioners are concerned about the number of coal trains traveling through Douglas County; the number of coal trains is expected to double over the next fifteen years. Commissioner Boand stated that they would be more than happy to work with the CPHA Board on this issue and will report back next month as to where they (the County Commissioners) are headed.

Mr. Somsy asked the Board if we can get a petition started to protest the train whistles. Mr. Somsy stated that he called the train companies and was told by Burlington Northern that their trains do not blow the whistle at a private crossing. Mr. Somsy added that it is only the Union Pacific trains that are blowing their whistles. Resident Mike Lanam stated that the only reason the Union Pacific trains blow their horns is because there is a sign posted at the private crossings telling the conductors to blow their horn; however, Union Pacific admits that these signs were put up in error. Mr. Somsy asked that the Board retain an attorney to help get these signs removed. The Board stated that it will take public pressure, such as a petition, to get the train companies to stop blowing their horns at the private crossings on Santa Fe. It was noted that if the conductor thinks there is a hazard at any crossing he or she has the right and the legal responsibility to blow the horn. The Board agreed to start the process of creating and circulating a petition. There was also discussion about including the Meadows community in the petition.

V. FINANCIAL REPORT

A. 2007-2008 Audit Report – Kim Higgins

Kim Higgins of the Long Range Planning and Finance Committee presented the Financial Statements and Independent Auditor's Report, For The Years Ended December 31, 2008 and 2007, issued by Mr. Guy Andrus, CPA. The Independent Auditor's Report is the opinion of the Auditor and the CPHA has received a "clean" opinion which is very positive. (*Copies of the Auditor's Report are available at the Homes Association Office.*)

Motion Upon motion duly made and seconded, the Board unanimously approved to accept the Financial Statement and Independent Auditor's Report for the years ended December 31, 2008 and 2007 as presented.

B. July 2009 Financial Report – Len Jacob

Len Jacob of the Long Range Planning and Finance Committee presented the July Financial Report. (*See Tab #2 of the August 2009 Board Package.*)

Motion Upon motion duly made and seconded, the Board unanimously approved to accept the July 2009 Financial Report as presented.

VII. MANAGEMENT REPORTS

A. General Manager – General Manager Mark Larson

Mark Larson, General Manager of the Castle Pines Homes Association, presented his Management Report. *(See Tab #3 of the August 2009 Board Package.)*

Resident Chuck Skinner, Chair of the Parks and Recreation Committee stated to the Board that due to unexpected, additional costs for the Fourth of July event, and to get their budget back in line, they are considering removing the band for the Oktoberfest event. Mr. Skinner stated that it would cost approximately \$600 to \$800 for the band. The Board stated that this expense would be acceptable, and approved the additional expenditure.

Mark Larson stated that he and Director Ed Will, Paul Dannels from the Metro District and a small group of homeowners attended the recent Castle Rock Town Council meeting. Mr. Larson reported that the Town did not select a preferred alignment for the North Meadows Extension project. Citizen comments during the public hearing portion of the meeting urged the Council to continue to pursue an agreement with the Union Pacific Railroad to allow an at-grade intersection. The Mayor of Castle Rock, Randy Reed, stated at the meeting that the Town has not exhausted the at-grade option discussion with the railroads, and the Council voted to continue discussions with the railroad companies to see if they can secure an agreement for an at-grade alignment at Atrium. As a result, the Environmental Assessment will be delayed for several more months. The Board stated that this was a very positive development for the Village. Paul Dannels complimented Director Will for his comments to the Town Council on behalf of the Village.

Mark Larson informed the Board that the Parks and Recreation Committee's capital request for trail repair and improvement has not yet been revised; they are waiting on final cost numbers from the Metro District. At the last P&R meeting the committee discussed the proposed "pull-in" parking area for Equinox pocket park. It was also determined that further discussion would be needed with the Metro District.

B. Design Review Committee Report – Director Jim Walker, General Manager Mark Larson

Current DRC activity is entirely for modifications to existing homes. There was a final inspection of 2 Borealis but the homeowners have not yet gone through the County. The exterior of the home is complete but they still have interior work to do.

Director Jim Walker reported that the Golf Club is planning to rebuild their practice facility with the project scheduled to begin on September 17. The Country Club has also decided to re-do their practice facility. The two projects are tied together as the dirt that will be removed from the Golf Club will be transported to the Country Club. Therefore, there will be trucks moving between the two locations multiple times. The concepts of the project but not the final project have received DRC approval. The Board stated that we must notify the residents in the eblast and through the Village Reporter in October about this project. In addition, we should require that the trucks not

travel through the Village during school bus pick up and drop off times. Mark Larson stated that he will work with Keith Schneider on this.

C. Emergency Services Report – Drew Grant, Chief of Emergency Services

Drew Grant, Chief of ES, presented the Emergency Services report. (*See Tab #3 of the August 2009 Board Package.*)

There were 532 incidents in July – five were medical assists. A probationary dispatch officer was terminated and a patrol officer resigned.

Chief Grant said that parking continues to be an issue (further discussion on this issue occurred later on the agenda).

Gate 3 can now accommodate motorcycles attempting to exit the Village; the rest of the gates will be done soon.

VIII. ACTION ITEMS

A. HSS Contract – Craig Sundquist, Chair of the Emergency Services Committee; General Manager Mark Larson; Drew Grant, Chief of Emergency Services

Resident and Principal of HSS, Mike Lanam was present to address the Board. Mr. Larson stated that Chief Grant has worked with HSS to create a proposal to continue the current contract as written through the end of this year and through the year 2010 with no increase in hourly costs. Mr. Lanam stated that HSS has added higher quality security officers to the CPHA roster. Craig Sundquist stated that Mr. Lanam attended the last Emergency Services Committee meeting to discuss the contract proposal - the ESC's recommendation is to approve this proposal. The contract was not included in the Board package. (*See attached document – HSS proposal.*)

Motion Upon motion duly made and seconded, the Board unanimously approved to continue the current contract with HSS through the end of the year 2010 per the terms submitted in the proposal from HSS, and subject to being reviewed and approved by Director Dugan and Len Jacob, Chair of the LRP&F Committee prior to being signed.

Chief Grant stated that Mr. Lanam has agreed to and written into the contract a 30 day notice of cancellation should we desire to terminate the agreement.

B. Kimball Property – General Manager Mark Larson, Chris Sublette

Chris Sublette, the developer of the Kimball property, requested from the Board approval of an amendment to the annexation agreement for the Kimball property signed by the Board in March 2007. Mr. Sublette stated that he is within six months of receiving the County's approval of his development plans. According to the original annexation agreement, once the plat is recorded, the financial obligation to the CPHA begins. At the same time there is a taxation that goes into effect with the County. Mr.

Sublette stated that these financial obligations will become a serious constraint to the completion of his project given today's unfavorable real estate market conditions.

The County has indicated to Mr. Sublette that they want to complete the approval process for this project and may allow him a five year term to record the plat, thereby allowing him to time the project's completion to favorable conditions in the real estate market for selling the properties. Mr. Sublette has submitted to the CPHA Board for their approval an amendment to the annexation agreement that will revise the timing of payments to be made to the CPHA.

The Board stated that in concept they support the amendment but must defer approval until such time as they can have the CPHA's attorney thoroughly review the document. The Board will meet in a working session and address the issue at the September Board meeting.

(See Tab #4 of the August 2009 Board Packet.)

C. Sales Office at Gate 1 – General Manager Mark Larson

The lease for the sales office at Gate 1 expired one year ago. A one year extension was granted that expires on August 31, 2009. Jack Vickers III will be moving his office to another location but has asked for a one month extension on the lease to September 30, 2009. The requirements for restoration of the site by the tenant are required to be completed by the end of October. Mr. Vickers has stated that he will be able to complete the restoration within that time period and has come to the DRC for approval of a site improvement plan. Director Jim Walker stated that the DRC plans to visit the site once the building has been removed and then make a final decision as to what actions need to be taken to restore the site back to its natural state.

Other considerations by the DRC that will directly or indirectly affect the restoration of that area include the future of the pond at Gate 1, the roundabout tentatively planned for Happy Canyon Road in front of Gate 1, and the trail system. Chuck Skinner, Chair of the Parks and Recreation Committee, stated that the Parks and Recreation Committee would like to extend the trail that goes around the pond behind the property so that it will connect to the current parking lot.

(See Tab #5 of the August 2009 Board Packet.)

Motion Upon motion duly made and seconded, the Board unanimously approved the request to extend the one month extension for the lease of the property at Gate 1, location of the realty office, for an additional month expiring on September 30, 2009 and at the current rental fee of \$1500 per month. The requirements for completion of the restoration of the property by the tenant shall remain as October 31, 2009.

D. 2010 Board Election – General Manager Mark Larson

Director Ed Will's seat on the Board of Directors will come up for election at the 2010 Annual Meeting of the Members. An article will be included in the next edition of the Village Reporter about the open Board seat. Mr. Larson discussed the proposed proxy ballot and an instruction sheet on how to complete the form. A slide was shown of a timeline for the election process (*see attached document*). The Board stated that the proxy ballot should include a statement that Class B votes are no longer in existence. In addition, the Board directed that proxy voting procedures be established to address potential proxy availability.

(See Tab #6 of the August 2009 Board Packet.)

E. Parking Rule Revision – Craig Sundquist, Chair of the Emergency Services Committee and Drew Grant, Chief of Emergency Services

Chief Grant stated that our rules and regulations do not adequately accommodate our residents' need for additional parking beyond their driveway; particularly for service providers or visitors to the home. It was noted that the rules were written at a time when there were far fewer homes in the Village. Mr. Sundquist stated that the Emergency Services Committee has created a draft policy regarding vehicle parking and is asking the Board to approve the policy as an amendment to the current rule regarding parking within the Village.

The Board stated that while the policy addresses parking for contractors there also needs to be a statement regarding parties and social events. Mark Larson stated that the current rule requires residents to contact the Chief of ES for approval of parking and for special events and parties. The question arose as to how ES will be able to enforce this policy. It was stated that residents must be educated on the process so that we are not always working to repair areas damaged from roadside parking. The Board requested that an article be included in the next Village Reporter explaining the parking rule. The Board requested that the Committee modify the policy revision to address special event parking and bring the issue back to the Board for action.

(See Tab #7 of the August 2009 Board Packet.)

IX. INFORMATION/DIRECTION

A. School Bus Stops – General Manager Mark Larson

A handout was provided of emails received from several residents along with a written request from residents in the Summit area on the issue of school bus stops (*see attached document*).

Mr. Larson stated there are two bus stop locations that, due to safety concerns, require attention: (1) Equinox and Country Club Parkway, and (2) the Summit Club. The trail to the Summit Club has been completed and the cross walk at Huron will be done today. Several residents from the Summit attended the last Parks and Recreation Committee

meeting and drafted a letter to the Board requesting that additional stops be added in that area.

Mr. Larson stated that the DCSD transportation office have informed us they will not add, move, or change any stops county-wide. Mr. Larson suggested that we go back to the DCSD one last time with requests for changes and additions that will fit within their current bus routes.

In an effort to reduce the number of vehicles waiting at the bus stops, bike racks have been installed at the Equinox stop, the Summit Club, the Canyon Club and the bus stop south of Remington Place. A resident located next to the stop at Lost Trail has agreed to allow a bike rack to be installed on the back of their property. Director Kim Wagner and Mark Larson will request a meeting with Steve Herzog, Director of Operations for the DCSD for one final attempt to request changes to the bus stops within the Village.

B. Access Control – Drew Grant, Chief of Emergency Services

Chief Grant stated that we are still behind in the sales of transponders. Gate 4 will have the main gates installed very soon with additional landscaping to follow immediately after. We are also working with Metro to put a “cut through” in the median at Gate 2; the call box would be moved back so that vehicles not authorized entry can turn around and leave without having to back up onto Happy Canyon Road and/or enter through the gate first. The Emergency Services Committee and Metro are working on this and they will come back to the Board with a proposal.

C. Metro District Items – Paul Dannels, General Manager CP Metro District

Mr. Dannels stated that they will be starting on the road overlay project within the next couple of weeks. The Board stated that the trail at the Summit pocket park is very nice and thanked the Metro District for their efforts.

D. Comcast Update – General Manager Mark Larson

Mr. Larson stated that we are prepared to inform Comcast that we accept billing at the agreed upon number of 1462 homes. The current contract with us expires March, 2010 and Comcast has informed us that they wish to start the process of negotiating a new agreement. The Board stated that we should also look into satellite service and speak with Qwest for alternative TV service options.

E. Hunting Issue on the King Property – Director Ed Will & General Manager Mark Larson

Mr. Larson stated he and Director Will were in court for two days in July. A third day was scheduled for August 27. The Judge called counsel for both parties and asked if they could enter into mediation for a resolution prior to the next scheduled court date on August 27. A mediator was selected with a mediation session scheduled for today, August 21, 2009.

Additional Discussion

Director Dan Roth asked as a procedural question if it would be possible to add another ballot issue to the upcoming election of a Board Director. Mr. Larson stated that this could be done. Director Roth stated to the Board that in light of the litigation with Joyce Homes, we should consider including a ballot initiative to amend the CCR's so that decisions of the DRC are within the direct oversight of the Board of Directors. It was noted that presently DRC appeals go to the Enforcement Committee and further appeal from that decision would then go to the Board of Directors. Director Will stated that considering what has occurred throughout the litigation with Joyce Homes, this issue should be thoroughly reviewed and discussed.

X. IMPORTANT MEETING DATES

The September 2009 Board Meeting will be held in the Castle Pines Homes Association Conference Room located at 688 Happy Canyon Road, Castle Rock on Friday, September 19, 2009, 7:00 am Executive Session, 8:00 am Regular Meeting.

XIII. ADJOURNMENT

Motion Upon motion duly made and seconded, the Board unanimously approved to adjourn the August Board of Directors Meeting at 11:08 am.

Respectfully Submitted by,

Lisa Goodwin
Administrator