

**Castle Pines Homes Association
Board of Directors**

Executive and Regular Meetings

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

Friday, January 15, 2010

ATTENDEES: Directors Ed Will, President; Al Dugan, Vice President; Dan Roth, Treasurer; Kim Wagner, Director. Present from the CPHA staff: General Manager Mark Larson, Chief of Emergency Services Drew Grant, Accountant Carol Tilton, and Administrator Lisa Goodwin.

OTHERS PRESENT: Paul Dannels and Jon Gray from the Metropolitan District; Jake Schroeder from Aslan/Riverdell; Residents: Craig Sundquist, Marti Jones, Monica Flinner-Ross, Mark Jost, Laurie Brennan, and Don Somsky.

EXCUSED: None

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 8:03 a.m. Mr. Larson requested that an additional action item be added to the agenda as item 'D' – Consideration of an Alternate for the Design Review Committee. Mr. Larson stated that discussion on the 401K, originally presented in the December 2009 Board packet, will be included on the agenda for the February 2010 Board meeting.

III. 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.

IV. MINUTES

Motion Upon motion duly made and seconded, the Board approved to accept the December 18, 2009 Board of Director meeting minutes with modifications as noted.

V. FINANCIAL REPORT – Mark Larson, General Manager

Mr. Larson presented the December Financial Report. (See Tab #2 of the January 2010 Board Package)

Mr. Larson reported:

- Two Certificates of Deposit in the Homes Association reserve account that matured in December were reinvested at current rates.
- The Homes Association has slightly more than \$2.1 Million in reserves ending 2009.
- Administrative operating expenses at year end posted a negative variance of \$63,000; Attorney's fees for the King Hunting issue, and bad debt expenses exceeded the amount budgeted for those line items.
- Total community operating expenses were negative at year end due to an adjustment to the expense for cable TV services.
- Further examination will be conducted regarding the higher than anticipated utilities expense from IREA.
- Total expenses for the year came in at a positive variance of \$61,000.

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

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

No homeowners requested to be heard.

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 January 2010 Board Package)

Mr. Larson reported that a verdict of guilty on all counts was handed down in the trial regarding the murder of a Village resident that occurred in January 2008 at the intersection of I-25 and Happy Canyon Road.

Mr. Larson reported that the Technology Committee is researching alternatives to telephone land lines connecting resident alarm systems to Emergency Services dispatch. Chief Grant stated that alarm transmittal systems are typically shut off by the resident as a home goes into foreclosure. Therefore, ES does not know for certain how many homes are not being monitored. Director Will stated that a total of eight homes in the Village were flooded this winter due to frozen pipes; he expressed concern for homes that do not have alarm or sprinkler service during the upcoming summer fire season.

Mr. Larson stated that a copy of the letter sent to the Douglas County Commissioners, opposing the installation of a sewer line down Happy Canyon Road, was attached to his Manager's report. The Board stated that the letter was very well written. Director Walker stated that the Golf Club has also expressed interest in sending a letter of protest.

B. Design Review Committee (DRC) Report – Jim Walker, Chairman DRC

Mr. Walker reported that the DRC continues to meet one time per month. Activity has been picking up but it is mostly for smaller remodels. DRC did review one new home this month.

C. Emergency Services (ES) Report – Drew Grant, Chief of Emergency Services (ES)

Chief Grant presented the Emergency Services report. (*See Tab #3 of the January 2010 Board Package.*)

In addition to his written report Chief Grant reported that overall 2009 activity was up 2.5% over 2008 totals. In the month of December there were five medical assists. Chief Grant further reported that ES has eight employees certified as Emergency Medical Technicians, and the organization is fully staffed in dispatch, the gates, and patrol with a total of 26 employees. Chief Grant stated that he will soon be opening up promotion opportunities for two Sergeant positions.

Chief Grant reported that beginning in February vacation checks will be added to the activity report. The vacation check officer is now monitoring homes where ES is aware the home is vacant. An external check of the home is conducted to check for signs of flooding or other issues that may be hazardous to the community. Chief Grant reported that there were 17 interior and exterior water line breaks at residential properties last month. The ES Administrator has been assigned the task of calling the banks of foreclosed homes asking that they monitor the homes, and to keep the heat turned on and up.

In response to a statement by Director Dugan that traffic enforcement numbers are down in the second half of the year, Craig Sundquist, Chair of the Emergency Services Committee, stated that there was a 205% increase in traffic citations issued in 2009 compared with 2008.

Jon Gray from the Metropolitan District stated that they would put together a pricing matrix for damages to roadways so as to help ES in their enforcement of the parking rules. Chief Grant stated that ES is actively enforcing the parking rules however their first priority is to educate the Homeowners and Contractors that a parking plan is required for construction projects and homeowner parties.

VIII. ACTION ITEMS

A. Bank Relations Resolution

(See Tab #4 of the January 2010 Board Package)

Mr. Larson reported that one of the banks the Board had approved for establishment of banking relations at the November 2009 Board meeting was not able to provide the Homes Association adequate internal control measures, and as a result a Certificate of Deposit had not been opened with that bank. At that time the Board requested that Mr. Larson prepare a resolution removing the Bank of Choice from the approved banking relations list, and present the resolution for Board consideration at the January 2010 monthly Board meeting.

Motion Upon motion duly made and seconded, the Board unanimously approved the resolution to remove the authorization to establish a banking relationship with the banking institution Bank of Choice in Parker, Colorado.

B. Lot Line Adjustment

(See Tab #5 of the January 2010 Board Package)

Director Walker reported that the DRC had approved the proposed lot line adjustment for properties 1043 Meteor Place and 1045 Meteor Place.

Motion Upon motion duly made and seconded, the Board unanimously approved the request for a lot line adjustment for properties 1043 Meteor Place and 1045 Meteor Place.

C. Railroad Noise Petition

Discussed later on the agenda

D. Consideration of an Alternate for the Design Review Committee

Advanced on the agenda

This item was added to the agenda during the Call to Order/Modification of Agenda.

Director Walker stated that there are five members of the Design Review Committee. Three are appointed by the Homeowners and two are appointed by Jack Vickers. Of the first three, one is consultant and architect Greg Cook, and the other two are residents Chris Younger and Jim Walker. The one current alternate is Alan Forker. Chris Younger has stated that he will be leaving the Committee. The request to the Board was to approve an additional alternate, resident Jim Huffman. One of the two alternates will then be replacing the seat vacated by Chris Younger at the Annual Meeting of the Members in March. A resume of Jim Huffman was handed out to the Board. *(See handout attached to the minutes)*

Motion Upon motion duly made and seconded, the Board unanimously approved the appointment of James C. Huffman as an alternate to the Design Review Committee.

IX. INFORMATION/DIRECTION

Advanced on the Agenda

A. Nominating Committee Report

Director Wagner reported that two candidates had come forward to run for the open Board position, incumbent Ed Will and resident Mark Jost. Both candidates were reviewed and approved by the Nominating Committee.

B. Construction Deposit

Mr. Larson made a presentation to the Board on the proposed issue of requiring a construction deposit. (*see attached handout of the presentation slides*)

The proposed concept was to require a \$5,000 security deposit prior to beginning any exterior construction, major landscape project, or major interior remodel project. The deposit would be returned after project completion and/or after a Certificate of Occupancy has been issued, or a letter of completion received from the DRC for landscaping projects. All or a portion of the deposit would be forfeited should it be determined there was damage to the roadway, trails, road side or if there were unpaid violations of the Association's Rules and Regulations. Prior to the start of the project the Contractor would be required to sign an agreement outlining potential penalties for violations.

Based upon the type of project, the proposed process would be as follows:

1. New Construction/Major Project
 - a. DRC approval of building plans
 - b. Approval of parking plan by ES
 - c. Site meeting to review condition of site prior to the start of the project (take pictures of surrounding area)
 - d. Deposit of \$5,000

2. Major Landscaping Project
 - a. DRC approval of landscape plan
 - b. Approval of parking plan by ES
 - c. Site meeting to review condition of site prior to the start of the project (take pictures of surrounding area)
 - d. Deposit of \$5,000

Mr. Larson requested guidance and direction from the Board regarding the issue of requiring a construction deposit; specifically if this is a desired program, and if so what

type of projects would necessitate a deposit, and what deposit amount would be required.

Director Will stated that the Cliffs Homeowners Association has a compliance deposit for construction projects. Director Will reported that it was difficult to collect a deposit from a contractor, but they had much better success when requiring the deposit from the homeowner and then have both the homeowner and the contractor sign the agreement. The Cliffs' architectural review board also meets with the adjoining neighbors to inform them of the project scope and duration. Director Walker stated that it would be more appropriate use the term "compliance" deposit instead of "security" deposit. The Board agreed and added that before and after pictures of the site should be taken. Director Roth added that the homeowner and the contractor should also be required to sign-off on the photos.

The Board stated we must first answer the following questions:

- What is considered a "major" landscape project?
- Since towing of contractor vehicles is not a viable option for penalizing violations or noncompliance, should we instead deny the contractor gate access?
- Who will be responsible for the deposit? The contractor, the homeowner or both?
- What level of interior remodel would require a deposit?

The Board stated that it was their intention to have a proper parking plan adhered to, and to protect the surrounding areas. The Board further agreed that the compliance deposit would be a tool to encourage compliance with Association Rules and Regulations.

VIII. ACTION ITEMS

C. Railroad Noise Petition

Resident Don Somsy reported to the Board that in the beginning of February he will be hand delivering the railroad noise petition to each of the Colorado State Senators' offices.

Mr. Somsy asked the Board for any feedback regarding the cover letter he has drafted to go with the petition (*See Tab #6 of the January 2010 Board Package*).

The Board stated that the cover letter was fine as presented and thanked Mr. Somsy for all of his hard work on this issue. The cover letter will be signed by Mr. Somsy.

IX. INFORMATION/DIRECTION

C. Metropolitan District Items

Paul Dannels, District Manager of the Castle Pines Metropolitan District, reported that resident Jack Ostrowski, who has reached term limits for his Metro Board seat, has

resigned his Board position. Mr. Ostrowski has since signed an agreement with the District to work as a consultant regarding water acquisition issues.

Mr. Dannels reported that several members of the Metro District and Board met with the Douglas County Commissioners to discuss the potential of roundabouts in two locations on Happy Canyon Road. Residents of Sedalia who also attended the meeting were in opposition to the proposed roundabouts. They were concerned over the possible privatization of Happy Canyon Road. Mr. Dannels reported that the District received general support from the County Commissioners and there will be two public hearings held on this issue, one for Sedalia residents and one for CPV residents.

Jon Gray, engineer for the Castle Pines Metro District, reported that the original County plan for Happy Canyon Road called for signalized intersections in the locations where the Metro District plans on installing roundabouts. He further reported that roundabouts are a more efficient means of controlling traffic while maintaining the current posted speed limit of 35 mph. Traffic will enter the roundabouts about 15 mph and traffic engineers have calculated a driver will experience an additional 20 seconds to their trip up or down Happy Canyon Road.

Mr. Gray also reported that there was great response from residents during the recent open house and presentation of the ongoing Metro traffic mitigation study. Residents who attended the meeting were able to identify locations where they felt traffic speed was a safety issue. Mr. Gray stated that physical engineering would be explored as a solution coupled with additional enforcement by ES. There are several engineering options which include widening the road, signs, photo cameras and striping which can assist in slowing traffic speed in these locations. Director Dugan expressed concern over the possibility of additional speed tables being installed in the Village. He stated that numerous speed tables throughout the Village are not the type of appearance that the community is interested in. Director Dugan further stated that speed tables make snow removal more difficult and can adversely affect emergency response times by Emergency Services and South Metro Fire District. Mr. Dannels and Mr. Gray both stated that while speed tables are a traffic slowing alternative, many other options would be explored to assist in reducing speed on Village roadways.

Additional Discussion

Mr. Larson reported that two of the four connected trailers comprising the sales office at Gate One have been removed. The remaining two trailers are anticipated to be removed by early next week and landscaping of the area will be accomplished as weather permits.

X. IMPORTANT MEETING DATES

Mr. Larson reported that the February 2010 Board Meeting will be held in the Castle Pines Homes Association Conference Room located at 688 Happy Canyon Road, Castle Rock on Friday, February 19, 2010, 7:00 am Executive Session, 8:00 am Regular Meeting.

The next Castle Pines Metropolitan District Board meeting will be held on February 25, 2010

XIII. ADJOURNMENT

Motion Upon motion duly made and seconded, the Board unanimously approved to adjourn the January Board of Directors Meeting at 10:00 am.

Respectfully Submitted by,

Lisa Goodwin
Administrator