

**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, October 19, 2012

ATTENDEES: Directors Al Dugan, President; Linda Battin, Vice President; Len Jacob, Treasurer; Terry O'Connor, Secretary; Chuck Skinner, Director. Present from the CPHA staff: General Manager Mark Larson, Chief of Emergency Services Drew Grant, CPHA Accountant Carol Tilton and Administrator Lisa Goodwin.

OTHERS PRESENT: Paul Dannels, General Manger and Jeff Coufal, Operations Manager for the Castle Pines Metropolitan District; Sean Owens from Douglas County; residents: Don Somsy, Marilyn Peters, Jack Hummel, Pam Pensoneau, Bridgette Haith.

EXCUSED: N/A

MEETING AGENDA: See attached.

I. EXECUTIVE SESSION

The Board of Directors met in executive session and discussed legal issues.

II. CALL TO ORDER / MODIFICATION OF AGENDA

The general meeting was called to order at 8:03 a.m.

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

(See Tab #1 of the October 2012 Board Package)

Motion Upon motion duly made and seconded, the Board approved the September 2012 Board of Director meeting minutes with corrections as noted.

VI. FINANCIAL REPORT – Director Jacob

(See Tab #2 of the October 2012 Board Package)

Director Jacob presented the September 2012 Financial Report.

- Regarding the Balance Sheet, we have started to charge interest to the ongoing snow removal receivable.
- Regarding Accounts Receivable, we have budgeted \$150,000 for uncollected funds however this could go as high as \$230,000 by the end of the year.
- The variance under the assessments for cluster lots is due to Paradise Villas not having combined two of their lots. We are presently back-billing for this over a period going several years back.
- Administrative Labor Expense is \$11,000 negative to budget year to date, however some of the negative variance is a timing issue and will recover by the end of year.
- Administrative Operating Expenses in total is approximately \$5,800 negative to budget primarily due to attorney's fees and bank charges. The Long Range Planning and Finance Committee is researching bank charges and exploring ways to reduce them.
- Emergency Services Labor Expense is \$21,900 positive to budget due primarily to having replaced contract labor with Homes Association employees.
- Emergency Services Operating Expense in total is expected to come in at approximately \$5,000 negative variance to budget with most of this attributed to equipment maintenance and repair.
- Parks and Recreation Committee Events Expense is \$1,000 negative to budget due to an additional resident event.
- Total Expenses are anticipated to be \$49,000 positive at year end.

Motion Upon motion duly made and seconded, the Board unanimously approved to accept the September 2012 Financial Report as presented.

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

NONE

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 October 2012 Board Package)

Douglas County Engineer, Sean Owens, and resident Don Somsy were present to provide an update on the train whistle/Quiet Zone issue. *(For previous discussion on this issue see the September 2012 Board Packet, VII. Management Report, Item A. "Manager's Report".)*

Mr. Owens reported the following:

- Douglas County has not yet submitted their application to the Public Utilities Commission (PUC) because Union Pacific Railroad (UP) is now stating they are in favor of the original agreements proposed by the County. The UP stated they will

not provide their construction estimates until January. Douglas County has determined they will submit to the PUC now using their own construction estimates and under protest by the UP.

- Douglas County's formal request to the UP asks for the removal of the whistle posts at private crossings. There currently are no requirements in either Colorado State law or Federal Railroad Administrative (FRA) regulations requiring that the trains blow their horns at private crossings. If Douglas County is successful in their bid for the removal of the whistle posts the establishment of the Quiet Zone may not be needed.
- The timeline for construction is to begin in the spring of 2013. The PUC application will go in now, the hearing will be held in January, agreements will be worked out with the railroad in February and March, and then construction will begin in the April/May timeframe.

Mr. Larson reported there is one correction to his Manager's Report: the Technology Committee met this past Tuesday and Chief Grant attended in Mr. Larson's absence.

Mr. Larson reported the Design Review Committee met on Wednesday and they continue to review requests for landscape and exterior modifications. Mr. Larson reported Richmond Homes sold one of their new homes and the new owners have already moved in.

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

Chief Grant presented the Emergency Services report. (*See Tab #3 of the October 2012 Board Package.*)

Chief Grant reported:

- There were 462 incidents in the month of September, and one medical assist.
- Reports from QuickPass indicate total entries have decreased.
- Regarding staffing levels, another patrol officer accepted a position with the Aurora Fire Department; two new patrol officers have been hired and are currently in training.
- A safe driving course conducted by the South Metro Fire District was held for all of the Patrol Officers.
- A class room course was held on the issue of liability and the use of force.
- There were three incidents involving damage to an entrance gate.
- Parking violations have increased due to increased overnight parking enforcement.
- The annual Pancake Breakfast is scheduled for Saturday, October 27th from 8 am to 11 am and will include representatives from the South Metro Fire and Rescue and Douglas County Sheriff's Office.
- ES has increased their patrol at the bus stops.
- This week's email blast will feature information about an upcoming "Stranger Danger" awareness class to be conducted by ES for both children and adults.

Director O'Connor stated the Board in the past has discussed ES being chronically understaffed and constantly having new staff in training, and Director O'Connor asked

how this was being addressed for the future. Mr. Larson reported the draft budget for 2013 allows for an additional ES patrol officer authorization to help with short staffing due to turnover.

C. Metropolitan District Items – Paul Dannels, District Manager

Mr. Dannels reported that Metro is experimenting with a new maintenance product on the roads that is designed to both increase the roads life span and to improve their appearance. Mr. Dannels reported that this product called a slurry seal was recently used on Paragon Way as a test.

Mr. Dannels further reported Metro is going to install a pedestrian walkway between the two trails at Gate 2, and they are also planning on doing additional road striping in that area at a later date. In addition, Mr. Dannels reported that Metro will be installing walkways on both sides of the bridge at Gate 4.

VII. ACTION ITEMS

A. ES Capital Request – Vehicle Replacement (See Tab #4 of the October 2012 Board Package)

Chief Grant presented a Capital Request from Emergency Services to replace an Emergency Services patrol vehicle.

Motion Upon motion duly made and seconded, the Board unanimously approved the appropriation of \$25,290 for the purchase of a replacement vehicle for Emergency Services Patrol.

B. Selection of Date/Location of 2013 Annual Meeting of the Members

Mr. Larson requested the Board of Directors approve the date and location for the 2013 Annual Meeting of the Members. Mr. Larson stated that the governing documents of the Homes Association require that the Annual Meeting of the Members be held during the first 90 days of the calendar year. He further stated that the date had been selected as to not conflict with spring break of the local schools.

Motion Upon motion duly made and seconded, the Board unanimously approved the date of March 11, 2012, at Cielo at Castle Pines, for the Annual Meeting of the Members.

C. Selection of Board of Directors Election Nominating Committee

Mr. Larson reported the Board seat currently filled by Director Jacob will be up for election at the next Annual Meeting of the Members. In accordance with the governing documents of the Homes Association the Board of Directors is required to appoint a Nominating Committee. The task of the Nominating Committee is to review the qualifications of interested candidates for the open Board position and to make recommendations to Board of Directors on potential candidates for inclusion on the

election ballot. Mr. Larson further reported that historically the Nominating Committee consists of the Board members whose seats are not up for election.

Motion Upon motion duly made and seconded, the Board unanimously approved the motion to appoint Al Dugan, Linda Battin, Chuck Skinner and Terry O'Connor to the Nominating Committee.

VIII. Information/Direction

A. Forest Stewardship Committee Update – Jack Hummel, Chairman of Forest Stewardship Committee and Dave Cooper, CPHA Landscape Technician.
(See attached handout of slide show presentation)

Mr. Hummel and Mr. Cooper reported the following:

- The main focus of the Forest Stewardship Committee (FSC) has been to conduct community-wide beetle inspection.
- The 2012 inspections have been more thorough than in years past and also included the golf courses.
- In 2011, there were 60 attacks of Ips beetle; in 2012, there were only 5 attacks.
- Mountain Pine beetle attacks have increased since 2008 with the peak number of attacks occurring in 2011. In 2011, 130 trees were attacked and 100 of those were infected to the point that the tree needed to be removed. In 2012, the number of attacks reduced to 83 trees with only 46 needing to be removed.
- The number of pine beetle attacks was reduced in 2012 due to spraying and removing trees that were attacked so that the beetle brood would not hatch and fly to neighboring trees in the late spring, early summer.
- We may have “turned the tide” on the beetle infestation, but we will not know this for certain until next spring. At that time the FSC will conduct further inspections of the trees in the Village to determine the effectiveness of their increased efforts to counter the Mountain Pine Beetle issue.
- There are Mountain Pine Beetle in some of the trees/forest that is contiguous to the Village. Along Daniels Park Road near Swandyke 10 trees were attacked in 2012. The County had removed 6 trees from this same area in 2011. It is expected that the County will also remove these 10 trees before next year’s beetle fly.
- West of I-25 and south of Happy Canyon Road there are approximately 20 trees that are infested with beetle. These trees are bordering the R47/49 property. The owners of these trees in this area have stated they would have them removed.

Mr. Larson stated the FSC’s aggressive efforts on this issue have significantly helped preserve our forest, however, he stressed that we will not know the full effect of FSC’s efforts until spring of next year. Director O’Connor stated this is excellent news as this is the most serious issue the Village is facing.

Jeff Coufal from the Castle Pines Metropolitan District reported they have doubled their spraying efforts and they are also adding 20-30 additional trees annually. The Metro District has also changed their process of “chip mulching” by chipping wood picked up during their spring clean up to earlier in the season to help prevent the spread of the beetles.

Mr. Cooper reported there were quite a few trees on Mr. Vickers' property that were infected with beetle and because it was too expensive to physically remove these trees from their location, the trees were instead cut and covered with plastic, or had their bark stripped off, in order to destroy the habitat for the beetle brood to develop and emerge.

Mr. Hummel showed a map that was "pinned" with all the locations in the Village that currently have beetle trees. Director Battin asked for a copy of this map to include in the next Village Reporter.

Director O'Connor asked if Mr. Larson could contact the General Manager at the Ridge golf course about this issue. Mr. Larson responded he would report back on this at the next Board meeting.

Director Skinner stated that if residents take down beetle trees, cut them up and put them on the street, next May during the spring brush clean up event, the Metro District will come and take them away.

The Board thanked Mr. Hummel and Mr. Cooper, and the entire Forest Stewardship Committee, for their hard work and dedication to fighting this issue.

B. Annual Meeting/Board Election Timeline – Mark Larson
(See attached handout of slide show presentation)

Mr. Larson presented a slide show on the timeline for the upcoming election. Director Dugan stated the performance of ComputerShare at the last election was unacceptable; and they need to collect signatures earlier. Mr. Larson stated that we would address that issue with ComputerShare and insure they were more timely.

Mr. Larson reported the deadline to receive candidate applications and information is December 10th. Director Jacob stated that the Board had previously discussed having the candidates speak at a "Town Meeting" in late January, early February. Mr. Larson stated he would organize that forum as part of the election process.

**C. Resolution Wording for Change to Homes Association Assessment
Delinquent Collection Policy – Mark Larson**

Director Jacob on behalf of the Long Range Planning and Finance Committee presented a resolution to modify the current Delinquent Collection Policy changing the date for imposing late fees and interest from the end of the delinquent month to the 15th day of the delinquent month. Director Jacob reported we are imposing late charges and interest at the end of the month which ends up creating more work for accounting and causing confusion for the residents about whether they have a late charge for last month or the current month.

Director O'Connor stated that while he supports this change he felt that the implementation of this change should be delayed until April 1st of next year in order to provide sufficient notification to the community. Mr. Larson reported that if the resolution is adopted the notice would go out in the Annual Meeting packet that is sent

to all residents; it would also be published in the next two issues of the Village Reporter. Mr. Larson added that if the Board accepts the language of the resolution this item would move to an “action item” for final Board consideration at next month’s Board meeting.

Director Dugan requested that the language include the statement that it will go into effect on April 1, 2013. Director Dugan asked Ms. Tilton if she could track and find the residents that routinely pay after the 15th. Ms. Tilton stated she could do this. Ms. Tilton reported the assessment coupon currently states that assessments become delinquent after the 30th so therefore the coupons will need to be changed. Director Dugan stated it is important we start publicizing this change soon.

The Board of Directors asked that the resolution be moved to an action item for the December Board of Directors meeting.

D. Access Control Update – Mark Larson
(See attached handout of slide show presentation)

Mr. Larson presented slides showing the total traffic at all entrances from the period of July through September 2012, along with a comparison of traffic counts for the first quarter of 2012 and the third quarter of 2012. Mr. Larson reported that total traffic counts increased by 21% with Gate 1 showing the largest increase in traffic.

Director O’Connor asked to see the same quarter last year. Mr. Larson responded that data is not available and/or comparable because we did not have all gates operational at the same time last year due to the construction of the roundabouts and the new Gate 1 gate house. Mr. Larson stated we are just now building our database of information over the course of a full year.

Mr. Larson’s presentation also showed the call volume into dispatch, number of guests arriving at the gates prior to being cleared by the homeowner, the number of residents who have logged on to the QuickPass system, and the average processing time for visitors at the gates.

The Board thanked Mr. Larson for providing a detailed report.

E. North Meadows Extension Update – Mark Larson
(See attached handout of slide show presentation)

Mr. Larson reported the Town of Castle Rock project to provide access from the Meadows housing development west of Highway 85 to Interstate 25 continues to remain in the design phase. Mr. Larson reported the construction is scheduled to begin in the summer of 2013 and will take two years for completion of the full length of the roadway. Mr. Larson related that in his discussions with Town of Castle Rock officials they stated that initially the roadway will be two lanes and expanded to four lanes in the future. He further reported that the intersection at I-25 will be an underpass and the intersection at Highway 85 will be an overpass.

Mr. Larson reported the fourteen-acre parcel bordering the Village has been surveyed and the Town of Castle Rock continues to view that parcel as potential commercial property. Mr. Larson added that while the roadway itself will impact the Village, the fourteen-acre parcel has the potential to be a larger negative impact to Village properties that border or look down on that area.

Director Battin stated we need to be very active in the review process or potential rezoning process for this parcel. Mr. Larson stated that right now it is zoned as “residential with supporting commercial”.

Mr. Larson ended his update by stating that Director Battin and he were scheduled to meet with a representative from Douglas County to continue to request their help with this issue.

X. IMPORTANT MEETING DATES

Mr. Larson reported the November, 2012 Board Meeting will be held in the Castle Pines Homes Association Conference Room located at 688 W Happy Canyon Road, Castle Rock on Friday, November 16, 2012, 7:00 am Executive Session, 8:00 am Regular Meeting.

The next Castle Pines Metropolitan District Board meeting will be held on Thursday, November 15, 2012 at 7:30 am.

The December Board meeting is moved to December 14th.

XI. ADJOURNMENT

Motion Upon motion duly made and seconded, the Board unanimously approved to adjourn the October Board of Directors Meeting at 10:30 am.

Respectfully Submitted by,

Lisa Goodwin