

**Castle Pines Homes Association  
Board of Directors**

*Executive and Regular Meetings*

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

**Wednesday, November 16, 2016**

**ATTENDEES:** Directors Terry O'Connor, President; Chuck Skinner, Vice President; Linda Battin, Secretary; Al Dugan, Director. Present from the CPHA staff: General Manager Mark Larson, Director of Emergency Services Rick Plotke, and Senior Administrator Lisa Goodwin.

**OTHERS PRESENT:** Jeff Coufal, Castle Pines Metropolitan District Manager; Residents: Tim and Colleen Williams, Tim Ostrowski, Gary Kirschke, Liz Lively, John Hermann, Jim and Marilyn Jepson, Doug Cooper, Craig Sundquist, Dan Price, Brian Hebbard, Bill Smith.

**EXCUSED:** Len Jacob, Treasurer.

**MEETING AGENDA:** See attached.

**EXECUTIVE SESSION:** The Board of Directors met in an executive session prior to the Board meeting and discussed legal and personnel issues.

**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. OCTOBER 2016 MEETING MINUTES**

*(See Tab #1 of the November 2016 Board Package)*

**Motion**

Upon motion duly made and seconded, the Board approved the October 2016 Board of Director meeting minutes with corrections as noted.

**Director Dugan voted in favor of Board minute approval for the portion of the minutes where he was in attendance at the meeting. Due to prior commitments Directors Dugan left the October meeting early.**

#### **IV. FINANCIAL REPORT: OCTOBER 2016**

Mr. Larson presented the October 2016 Financial Report and reported the following:  
(See Tab #2 of the November 2016 Board Package)

- Regarding the Income Statement: we have been running a positive variance in alternative lots due to the acquisition of lots by Adamo.
- Regarding the DRC, Design Review Fees: there are currently four new houses in the Design Review Process.
- Regarding CPHA Building M&R expense: this account includes several repairs done this month, however the account will come in on budget for the year.
- Regarding Emergency Services Labor Expense: we have worked with the Emergency Services Committee (ESC) and the Long Range Planning and Finance Committee (LRP&F) to adjust the budget accordingly for next year.

Chief Plotke presented the Financial Report for Emergency Services Operating Expenses, and reported the following:

- Regarding ES Operating Expense, Radio Maintenance: the account reflects the cost to repair several radios.
- There was a voice shot expense to inform the community about the Gate 3 closure.
- Additional expenses were incurred in October for psychological testing of new employee hires.

Mr. Larson continued the Financial Report, and reported the following:

- Village Lake Fitness Center Operating Expense includes the cost to repair exterior lighting.
- Community Operating Expense includes the cost for additional watering of the new trees installed for screening of the North Meadows Extension.
- Canyon Club Operating Expense, Building M&R expense includes the cost for repairs done over the year, and the addition of new tennis benches at the new tennis court; this account will come in slightly over budget for the year.

**Motion** Upon motion duly made and seconded, the Board unanimously approved to accept the October 2016 Financial Report as reported.

## **V. HOMEOWNERS REQUEST TO BE HEARD**

Residents Tim and Marilyn Williams of 494 Tolland Drive, Tim Ostrowski of 570 Tolland Drive, Gary Kirschke of 493 Tolland Drive, John Hermann of 567 Tolland Drive, Dan Price of 6877 Northstar Court and Jim and Marilyn Jepson of 591 Tolland Drive were present before the Board to discuss the issue of traffic noise from I-25.

Mr. Larson reported this issue was to be discussed during his Management Report and would therefore be advanced on the agenda.

Mr. Ostrowski presented to the Board the audio results of a sound study he conducted on Tolland Drive/Tolland Court regarding the traffic noise from I-25. Mr. Ostrowski played for the Board an audio sample of the sound of traffic at approximately 65 decibels, and then reduced that noise level to approximately 50 decibels so the Board could experience the difference in sound. Mr. Ostrowski reported the group of residents concerned about this issue would like help from the Board to determine what can be done going forward to mitigate the highway noise.

Mr. Larson reported that yesterday he received a letter from Art Griffith from Douglas County stating the County had rejected our request for an additional noise study along the I-25 corridor where it borders the Village. Mr. Larson provided a copy of that letter to the Board and the residents in attendance (*see attached handout*). Mr. Larson also reported that in his discussions with Douglas County staff, if Castle Pines Village provided the funding for the noise study, the County would still not conduct the review.

Mr. Larson reported the following additional information:

- If we go out and do our own noise study, any improvements suggested as a result of that study would have to be done within the Colorado Department of Transportation's (CDOT) right of way.
- The County has indicated to us that CDOT would not accept our study as they feel that they have already done their due diligence for noise studies.
- If we offer to fund the improvements on CDOT's right of way they will still not allow us to build on their right of way because they are required by law to maintain the improvement. CDOT cannot delegate the maintenance of that improvement on their right of way to another entity.
- The noise studies conducted as part of the Environmental Impact Study for the North Meadows Extension were readings done as 24 hour "average" readings. The results of those studies discussed in last month's Board meeting do not indicate noise levels that exceed the federal standard for mitigation consideration.

- The Town of Castle Rock still has on their punch list to repair the height of the berm and to fill the “depression area” that was discussed at last month’s Board meeting.

Mr. Ostrowski stated the current berm has had no maintenance and asked if CDOT would be adverse to us adding to the berm. Director O’Connor reported that to increase a berm’s height you also have to increase its slope (base) which would require the berm to encroach upon private property.

Mr. Larson stated that in his discussions with Douglas County officials, their position is that studies have been conducted and we have been provided the results of those studies. The studies do not indicate noise levels that exceed the federal standard at locations along I-25 where the interstate borders the Village.

Mr. Ostrowski stated his frustration, and that of his fellow neighbors, that additional mitigation for that area is not being considered. Resident Tim Williams asked if we can revisit this issue with the County if traffic increases. Mr. Larson responded that CDOT conducts noise studies when there is change to the interstate, examples of that are the installation of an additional traffic lane or adding an exit or entrance ramp. Increases in the volume of traffic or changes in the road surface are not considered impacts that warrant a new noise study. Mr. O’Connor stated that the Board felt they had studied this issue fully and had exhausted the avenues available to us. Mr. Ostrowski thanked the Board for their time on this issue.

## **VI. MANAGEMENT/LIAISON REPORTS**

### **A. General Manager – Mark Larson**

Mark Larson, General Manager of the Castle Pines Homes Association, presented the Manager’s Report. (*See Tab #3 of the November 2016 Board Package*).

Mr. Larson presented several slides on the renovation of Gate 3 (*see attached handout of slides*). Mr. Larson reported the following:

- The inbound lanes have been removed and the pavers will soon be put in place.
- We are trying to get the project done as quickly as possible, particularly given the good weather we have been having.
- Emergency Services has escorted the school busses through the construction zone.

Mr. Larson reported regarding the project on Castle Pines Drive North, they have maintained a single lane, and are expected to finish their work this week. Mr. Coufal reported the Metro District approved the developer’s plans but the developer did not communicate with Metro or the Homes Association regarding the start of the work.

Director Dugan asked if there are any other construction issues coming up that will create a lane closure in the near future. Mr. Coufal reported that Infinity builders will soon be cutting in utilities across Castle Pines Drive North before the intersection of Castle Pines Parkway; they are going to attempt to do as much work as they can while Gate 3 is closed but they can only do up to what they have been approved to do by Douglas County. Mr. Coufal further reported that the curb and gutter work at Gate 3 should be completed tomorrow, the asphalt patching will be done on Friday and the rest of the work left to be done is by the Contractor.

Next Thursday is Thanksgiving Day and the Administrative Office will be closed in observance of the holiday. The Administrative Office will have limited staffing on the day after Thanksgiving. Emergency Services will be staffed throughout the holiday weekend. The gates will be staffed from 9 am to 9 pm on Thanksgiving Day.

### **1) I-25 Highway Noise Presentation**

This issue was discussed earlier.

### **B. Emergency Services (ES) Report**

Rick Plotke, Director of Emergency Services, presented the Emergency Services report. (See Tab #3 of the November 2016 Board Package.)

Chief Plotke reported the following:

- ES had 11 medical assists, and a total of 720 incidents for the month of October.
- There were 11 broker accesses for October.
- Regarding the Activities Report there was a traffic accident where a distracted driver struck the bridge at Gate 1.

### **A. Metropolitan District Items – Jeff Coufal, District Manager**

Mr. Coufal provided an update from the Castle Pines Metropolitan District (CPMD). Mr. Coufal reported the following:

- The work being done on Castle Pines Drive South for drainage improvements will be completed within the next two weeks.
- The new two million gallon water storage tank and pump house to be constructed at the Summit Club is still in the planning phase. After engineering is completed and required approvals and easements are granted installation of the tank will begin in spring of 2017 and take approximately a year to complete.

## **VII. ACTION ITEMS**

### **A. SMG and DwellingLive Contract Agreements**

Mr. Larson presented a slide presentation (*see attached handout of slides*)

Mr. Larson reported the following:

- Recurring operational issues and increased costs with QuickPass prompted the action to research other options for our gate access service.
- A working group consisting of representatives from the Emergency Services, Technology, and Long Range Planning and Finance Committees worked with the Emergency Services staff to evaluate this issue. Several different vendors and references were collected.
- Pending Board approval, the transition from QuickPass to DwellingLive would occur in the spring of 2017.

Chief Plotke reported the following:

- DwellingLive has been in business for 10 years and serves 650 communities within the country.
- SMG is a company that partners with DwellingLive for the installation and maintenance of the required hardware. SMG is located in Denver.
- Total costs for the hardware and software update is \$84,000.00.
- Access control costs would be approximately \$209,000.
- The current vehicle transponders will continue to work with the new system and will not need to be replaced.
- The proximity cards used at the CPHA building and all of the access cards for the Fitness Center will have to be replaced. The cost to residents for the new Fitness center access card will continue to be \$5.00.
- Following Board approval, any resident that comes in for an access card before the transition to DwellingLive will not be charged. We receive about 30 requests a month for Fitness Center cards. Our cost is about \$2.50 per card plus related labor expense. We have been trimming our access control inventory down in anticipation of this transition.
- The new upgraded system will provide telephone and pin code capability at Gates 2, 3, 4 and 5 for use when those gates are not staffed.
- We will offer training sessions and provide video training for residents on the new DwellingLive website.
- All of the residents' current information will be transferred over to the DwellingLive system.
- Once the software goes live, residents will need to create new account access credentials for logging into the software.

- DwellingLive will significantly increase the speed of guest processing through the gates.

Mr. Ostrowski stated that it would be beneficial to the community to provide a bulleted list of the improvements that we will receive by moving to the DwellingLive gate access system. Chief Plotke reported the transition will cost us approximately \$209,000.00 in 2017. Mr. Larson reported we plan on making the transition to DwellingLive on the first of March. DwellingLive agreed to six months free use for their software as a part of contract negotiations.

Mr. Larson reported that in a cost comparison between QuickPass and DwellingLive, given QuickPass' annual cost increase of 9% and the cost of fees and maintenance to continue with QuickPass, there is a savings of \$82,752 per year to move to DwellingLive. It will take 2.5 years to break even on the installation and equipment costs.

Director Dugan asked why there is no operating cost reduction included in the summary of the Capital Request. Mr. Larson replied he would make that correction. Director Dugan asked how we will know that the new system will not cause a major disruption to access to the community. Mr. Larson replied that DwellingLive and the group of residents identified as the Village working group have been conducting tests of the system with our current transponder systems. In addition, the working group has had discussions with other gated communities that have made the transition from QuickPass to DwellingLive. The feedback from those communities on the transition was positive. Director Dugan asked that the signature lines on the Capital Request include a printed name line.

Director Battin asked that the next issue of the Village Reporter include a summary of the change that will be coming. Mr. Larson reported that we have budgeted for a special mailing on this issue after the first of next year.

Director Dugan asked to defer the approval to next month's Board meeting. Mr. Larson replied that in so doing the new service will begin in April instead of March. Mr. Larson stated that Doug Cooper from the Emergency Services Committee could provide the Board with an overview of the agreement and answer any questions.

The Board agreed to review the contract in further detail in a working session and then revisit the agreement for consideration at the December Board meeting. The Board thanked Mr. Cooper for his time and effort at reviewing, revising and negotiating the agreement with DwellingLive.

## **B. 2017 Homes Association Budget**

Mr. Larson presented a slide presentation (*see attached handout of slides*) and reported the following:

- There will be no change to assessments for 2017.
- All budget numbers include pass through revenue and expense.
- The Infinity lots are scheduled for review and approval by the county in December.

**Motion** Upon motion duly made and seconded, the Board unanimously approved the 2017 Homes Association expense Budget of \$4,651,700.00 as presented.

## **VIII. INFORMATION/DIRECTION**

### **A. North Meadows Extension (NME) Update**

Mr. Larson reported that work continues for the installation of the trees and to finish the berms.

## **IX. IMPORTANT MEETING DATES**

Mr. Larson reported the December 2016 Board Meeting will be held on Friday, December 16, 2016 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, December 8, 2016 at 7:30 a.m.

## **X. ADJOURNMENT**

**Motion** Upon motion duly made and seconded, the Board unanimously approved to adjourn the October Board of Directors Meeting at 10:34 am.

Respectfully Submitted by,

Lisa Goodwin  
Senior Administrator