

**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, July 15, 2011**

**ATTENDEES:** Directors Al Dugan, President; Jim Walker, Vice President; Len Jacob, Treasurer; Kim Wagner, Secretary; Linda Battin, Director. Present from the CPHA staff: General Manager Mark Larson, Chief of Emergency Services Drew Grant, Accountant Carol Tilton, Access Control Supervisor Ken Graham and Administrator Lisa Goodwin

**OTHERS PRESENT:** Paul Dannels and Jon Gray from the Metropolitan District; Jake Schroeder from Jack Vicker's office; Sean Owens from Douglas County; Residents: Don Somsy, Gene Roberts, Chuck Skinner, Kim Higgins, Marti Jones, Jack Hummel and Brian Hebbard.

**EXCUSED:**

**MEETING AGENDA:** See attached.

**I. EXECUTIVE SESSION**

The Board of Directors met in an executive session and discussed legal and personnel matters including an item regarding the provision of benefits to the CPHA employees.

**II. CALL TO ORDER**

The general meeting was called to order at 8:05 a.m.

Mr. Larson stated there would be a modification to the agenda; Section 9, Information/Direction, Item A, "Fourth of July Recap" will be discussed during the General Manger's report.

**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 the June 15, 2011 Board of Director meeting minutes with corrections as noted.

Director Wagner abstained due to her absence at the May Board meeting

**V. FINANCIAL REPORT** – Director Jacob and resident Kim Higgins from the Long Range Planning & Finance Committee  
(See Tab #3 of the July 2011 Board Package)

Ms. Higgins presented the 2009-2010 Financial Audit report. Ms. Higgins reported the Independent Auditor's report issued a "clean" opinion to the Castle Pines Homes Association.

Director Dugan asked a question regarding the statement about assessments under Note 4 of the auditor's report. Mr. Larson stated he would provide this information at the August Board meeting.

Director Dugan asked a question regarding the over-funding of our reserves. Ms. Higgins responded the reserve study is based on estimates provided during the economic environment at the time the study was produced. Ms. Higgins reported we are funding the reserve study over a period of three years with the possibility that it could be over funded, thereby giving us the option to leave those funds in reserves or invest them. Ms. Higgins stated the CPHA was prudent in paying down the building loan with the excess reserve funds; adding "we must then pay back the reserve fund to the level at which it should be funded".

Director Walker stated that as a matter of policy the Board should be funding the reserves as suggested and recommended by our consultants and "consistent with the reserve studies".

Ms. Higgins reported the cover letter from the Auditor indicates there were three audit adjustments made. Ms. Higgins reported the CPHA has received a very positive audit report.

**Motion** Upon motion duly made and seconded, the Board unanimously approved to accept the 2009-2010 Auditor's Report.

Director Jacob presented the June 2011 Financial Report.

Director Jacob reported:

- Due to lower than anticipated projections for lost revenue, the CPHA is presently in a strong operation cash position.
- DRC landscaping fees have come in significantly higher than projected.

- Accounts Receivable, Late Fees have dropped over last month.
- Administrative Labor Expense is still projecting a \$30,000 positive variance for the year. Terra Firma continues to reimburse us for their over-billing error on our Health and Dental premiums during the last “plan” year.
- Administrative Operating Expense, Attorneys Fees are presently under budget for the current month.
- Uninsured Loss Expense includes the recent incident of an ES patrol officer who accidentally backed one of the patrol cars into a resident car.
- Administrative Operating Expense is expected to come in on budget for the year.
- Emergency Services Labor Expense, Payroll Expense is negative due to additional billing for contract labor needed at the gates.
- Equipment Maintenance and Repair Expense includes the cost for repair to the gates after resident vehicles caused damages; the residents involved will be billed and these costs will be recouped.
- Village Lake Labor Expense is projected to be \$1,200 positive for the year.
- Community Operating Expense is projected to be \$7,000 positive for the year.
- The Parks and Recreation Committee budget is expected to come in on target for the year.
- Forest Management Expense indicates a negative variance due to the tree spraying that was done this month; this account is expected to be on budget for the year.
- Landscape and Maintenance Expense includes the cost of moving trees and working on the fence line.
- A new expense category, “Gate 1 Construction Expense”, has been included for all one-time expenses that will be incurred during the construction process of the new Gate 1 gate house.

**Motion** Upon motion duly made and seconded, the Board unanimously approved to accept the June 2011 Financial Report as presented.

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

There were no homeowners requesting to be heard.

**VII. MANAGEMENT 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 July 2011 Board Package)*

Resident Chuck Skinner, Chair of the Parks and Recreation Committee, presented a slide show presentation regarding the Fourth of July recap. *(see attached handout of slides).*

Mr. Skinner reported there were 550 attendees to the Fourth of July event at the Canyon Club, however there were a total of 810 food servings provided by the caterer. Mr. Skinner reported they planned for 1.5 servings per person, but due to the large attendance and consumption the Committee is now recommending we provide for 2 servings per person. Mr. Skinner reported the food at the Fourth of July event ran out within an hour.

Director Dugan stated we put up signage stating that food would be available from 11:30 am to 2 pm however there was no food available after the first hour. Mr. Skinner stated we want to encourage our residents to invite their families to this event. Mr. Skinner added they anticipate also running out of food at Oktoberfest.

Mr. Skinner reported that in order to be able to provide 2 servings per person we need an additional \$3,500 in our budget. The Board recommending giving the additional funds to Parks and Recreation in order to guarantee that there will be enough food for attendees at the upcoming Oktoberfest event in September.

Mr. Larson reported Sean Owens was in attendance to provide an update on the train whistle issue. *(For previous discussion on this issue, please see the May 2011 Board Packet, VII. Management Reports, A. General Manager's Report)*

Mr. Owens reported the County is planning on a full quiet zone from Sedalia to the north end of the Plum Creek Wastewater Treatment Plant. Mr. Owens reported the access point at the crossing in Sedalia that serves the bottom half of a business in Sedalia will need to be moved approximately 60 feet in order to accommodate the construction requirements of a full quiet zone, thereby contributing to the additional costs required for this project.

Mr. Owens reported the County's consultant for the project is working on the application to request a full quiet zone for submittal to the PUC in August. Mr. Owens reported the approval process takes approximately eight months for review. Mr. Owens reported Douglas County is also working on obtaining the additional funding needed. Director Walker stated the County has earmarked money for economic development, and given the train whistles impede the business function of many local businesses we need to persuade the County Commissioners to utilize this fund in support of the full quiet zone project.

Mr. Larson reported a ten year old girl, a granddaughter of a Village resident, suffered a seizure under water after going down the slide at the Summit Club pool. The Grandfather alerted the lifeguard who noticed the young girl at the bottom of the pool at the same time. The lifeguard pulled her out and the girl immediately started breathing on her own. South Metro EMS took her to the hospital and reported she was alert, coherent and breathing on her own at the time of transport. Mr. Larson reported Apollo Aquatics will do an incident report and use this for continued training of their lifeguards. Mr. Larson reported the girl is okay. Mr. Larson also reported the slide itself was not involved in this incident and there are non-skid mats currently in place.

Director Walker asked what the liability of the Association is should there be an actual drowning. Mr. Larson responded the Association has insurance coverage up to \$3

million per occurrence. Director Walker reported that some communities post notice that individuals swim at their own risk and require people to sign a waiver upon entry.

Resident and Attorney, Terry O'Connor reported according to general common law, even if someone signs a waiver for entry, the courts will generally overlook the presence of a sign in sheet and assign liability regardless. Director Walker stated sign in sheets do have value and we should look at implementing this similar to what we have for the Village Lake Fitness Center. Mr. O'Connor responded there is certainly no "downside" to having a sign in sheet. Director Dugan stated the Association needs to increase our liability coverage. Director Walker added there is an "implied liability and we must do everything we can to minimize our liability". The Board requested Mr. O'Connor work with Mr. Larson on this issue.

Director Dugan asked if the Technology Committee is still working on the issue of replacing land lines on resident alarm systems with a cellular device that will send an alarm signal to dispatch. Mr. Larson responded a cellular system is presently available. Chief Grant reported all residents must have either a regular land line or the cellular service, presently offered through the company I-Wired, in order for their alarm signal to reach our dispatch. Chief Grant reported ES has no way of knowing which households do not have active alarms, but if all of the systems were exclusively utilizing a cellular device the device could tell us this information by "pinging" us at regular intervals.

Director Walker stated an "annual test" could be done where each residence is called and asked to activate their alarm. Mr. Larson responded the Enforcement Committee would be required to look at the issue should a resident not be following our requirements for alarm monitoring. Mr. Larson stated he would report back to the Board next month on the issue of alarm monitoring.

## **B. Design Review Committee (DRC) Report – Director Walker**

Director Walker reported there has been some new construction activity and two new houses have come before the DRC at a conceptual level. Director Walker reported Mike Buck from Castle Pines Village Realty has informed him their activity has been pretty good. Director Walker reported there are 25 lots in the Village Lake area south of Beauvillage. Covello Homes built six of these lots and there are currently interested buyers for the remaining 19 lots.

Mr. Larson reported he has contacted the neighbors surrounding the 55 lots that are going to be built by Mr. Vickers; and all of those he spoke to indicated their interest in attending a community meeting to learn more about the development.

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

Chief Grant presented the Emergency Services report. (*See Tab #3 of the July 2011 Board Package.*)

Chief Grant reported:

- There were 453 incidents in June; seven of these were medical assists.
- Traffic enforcement is lighter this month due to having several officers on vacation and having lost one officer from the staff that used to do a lot of traffic patrol.
- Noise complaints were up due to parties and several were at the same location.
- The number of barking dog and off-leash dog complaints have dropped.
- There was a gate malfunction at gate 4. Monthly maintenance on the gates has been instituted to help prevent “droopy” gate arms as the internal components wear out from excessive use.
- QuickPass reporting indicates there were 170,000 people processed through the gates in the month of June.
- A new patrol officer was hired bringing the total number of officers to 26.
- The Fourth of July festivities went smoothly and without incident.
- An officer has been posted on Country Club Drive inside the gate 1 entrance to watch for bicyclists speeding down past the Metro District and to monitor traffic activity in and out of Gate 1.

## VIII. ACTION ITEMS

### A. Nomination for a New Member of the Village Communications Committee

**Motion** Upon motion duly made and seconded, the Board unanimously approved the nomination of Gina Gerken to the Village Communications Committee.

## IX. INFORMATION/DIRECTION

### A. Fourth of July Recap

Discussed during the General Manager’s report.

### B. Access Control Update – General Manager, Mark Larson & Chief of Emergency Services, Drew Grant

Mr. Larson and Chief Grant presented a PowerPoint presentation (*see attached handout of slides*).

The topics discussed included: access traffic, dispatch call volume, un-cleared visitors, the Access Control matrix, and the Emergency Services Committee’s recommendations moving forward. Mr. Larson reported based upon the total access counts for the community, there were on average over 100 entrances per household every month over the last three months. Mr. Larson reported total guest counts have increased over the summer months. Transponders were provided to Country Club, Golf Club and Metro District employees to help expedite people through the gates quicker; this accounted for 170 transponders, saving an average of 1 hour and 45 minutes of “processing” time at Gate 5 per day.

Mr. Larson reported Gate 5 leads the counts in the number of total entries through the gates. Director Walker stated "Gate 5 is our front door yet Gate 5 is our worst looking gate".

Chief Grant stated if a gate is staffed we do not want visitors using access code numbers; therefore we are putting in box covers over the pin pads while the gate is manned. Mr. Larson reported dispatch call volume over the past three months shows that approximately 58-60% are for access requests. Mr. Larson stated residents are highly aware that if you call dispatch the call will be answered quickly. Mr. Larson also reported 86% of all visitors are being cleared by ways other than calling into dispatch; the remaining 14% are calling dispatch, but given the very large number of visitors each month this is a very high number of calls.

Mr. Larson reported 90% of visitors to the gate over the past few months have been cleared, however 4,000 visitors or 177 visitors per day, have not been cleared in advance. Mr. Larson reported ES is still processing cleared guests in under 30 seconds. Mr. Larson stated "if we did not have QuickPass we physically would not have been able to handle the call volume through dispatch".

Mr. Larson reported there was an article in the last issue of the Village Reporter on how to use QuickPass to clear guests. Mr. Larson reported the Emergency Services Committee discussed calling those residents that frequently have un-cleared guests.

There was discussion regarding providing clearance for certain service providers that regularly enter the Village. The Board asked Mr. Larson to look at the possibility of providing "blanket" clearance for frequent service providers. Chief Grant stated "we could be providing a convenience at the cost of our security".

Mr. Larson reported we will have been with QuickPass for one full year in October. Chief Grant reported the recommendations of the Emergency Services Committee moving forward are to: continue resident education, modify dispatch staff hours to cover high phone traffic periods, explore the option of outsourcing access call traffic, and evaluate gate staffing hours following the completion of the roundabouts.

Mr. Larson reported there are 25 total officers in Emergency Services - 15 of these are dispatchers and patrol officers for approximately 1,000 homes, or one officer per 66 homes. Mr. Larson reported the department would grow to 43 total officers at Village "build out". Mr. Larson reported they are asking for 8 hours of overtime per week to cover staffing requirements at this time.

Director Walker stated we need to start tracking the data similar to a call center in order to determine average hold time, average time per call, etc.

Director Dugan complimented Mr. Larson and Chief Grant for presenting an excellent, fact-filled presentation.

**C. Reflective House Number Discussion** – Jack Hummel, Chair of the Forest Stewardship Committee

This item was deferred for discussion at the August Board meeting.

**D. Long Range Plan Discussion** – Director Len Jacob

Director Jacob reported there was a working session with the Board (Director Walker was absent), to discuss how much funding will be available for different projects for the remainder of the year.

Director Dugan reported they created a prioritized list of projects to include the top ten. Director Dugan reported a joint meeting will also be held with the Castle Pines Metropolitan District, and to include Director Walker, to garner their input. Director Dugan reported they would have a definitive list to present at the August Board meeting.

**E. Gate One Gate House Construction Update** – General Manager, Mark Larson

Mr. Larson reported the roundabout contractor has taken out all of the asphalt and the old gate house at gate one. Mr. Larson reported all parties involved in the construction met onsite to confirm the placement of the new gate house; the area has since been staked.

Mr. Larson reported they ran temporary power to the gate house yesterday and ran conduit for the permanent power; phone and internet connections were also put in place. Mr. Larson reported Chief Grant and Alan Forker will select the fixtures and décor for the new gate house next week.

Mr. Larson reported some delays have occurred but we are presently in good shape to be done by mid-September, for a total of 8 weeks of construction. Mr. Larson reported that weather permitting construction is scheduled to begin the middle of next week.

**F. Metropolitan District Items** – Paul Dannels, General Manager and Jon Gray, District Engineer

Mr. Gray reported the roundabout project is approximately one week behind because of the rain however effort has been made to pick up the pace to make our timeline. Mr. Gray reported curb and gutter will be poured soon and the next three weeks will be very busy. Mr. Gray reported they are working with the County on detour issues involved with the Gate 3-4 roundabout that is scheduled to begin next week. The contractor will begin narrowing the road through that area for more construction staging.

Mr. Dannels reported there were rain storms nine days in a row with five more days of rain currently forecasted. Mr. Gray reported they have set October 31<sup>st</sup> as the date of full completion and signed off to the County. Mr. Gray reported once Gate 2 is complete we will release the traffic to use the roundabout, but we can keep the detour to the temporary gate house.

Mr. Larson reported when Gate 4 is closed we will have a temporary gate house stationed at Gate 2. Chief Grant reported when Gate 3 is closed all guests and visitors will be diverted to Gate 5 for entry to the north side of the Village.

#### **X. IMPORTANT MEETING DATES**

Mr. Larson reported the August 2011 Board Meeting will be held in the Castle Pines Homes Association Conference Room located at 688 W Happy Canyon Road, Castle Rock on Friday, August 19, 2011, 7:00 am Executive Session, 8:00 am Regular Meeting.

The next Castle Pines Metropolitan District Board meeting will be held on Thursday, August 18, 2011.

#### **XIII. ADJOURNMENT**

**Motion** Upon motion duly made and seconded, the Board unanimously approved to adjourn the June Board of Directors Meeting at 11:20 am.

Respectfully Submitted by,

Lisa Goodwin  
Administrator