Castle Pines Homes Association
Board of Directors

Executive and Regular Meetings

Castle Pines Homes Association
688 W Happy Canyon Road Castle Rock, CO 80108
Thursday, October 28, 2021
8:00 am

ATTENDEES: Directors - Doug Cooper, President; Chuck Skinner, Vice President; Frank Jacobsen (via Zoom), Treasurer; Wendy Ingraham, Secretary; Al Notary, Assistant Treasurer. Present from the CPHA staff: General Manager and Assistant Secretary Mark Larson, Chief of Emergency Services Matt Wortsman, Accountant Margie Cheatum, Executive Assistant/DRC Administrator Linda Matthews, Compliance Coordinator Kevin Olsen, Facilities Manager Nathan Nicholas (via Zoom).

OTHERS PRESENT: Residents – Dan Barry, Barb Brophy, Daniel Deneweth, Monica Flinner-Ross, Daniel Fox, Ray Haley, Don Hansen, Cici Holbrook, Patricia Kincaid, Cynthia Kristensen, Kevin Kroeker, Lucia Patzelt, Carl Pendleton, Persis Schlosser, Michael Vernon, Mike Volkl, Adam Wiggins.

EXCUSED: None.

MEETING AGENDA: See attached.

EXECUTIVE SESSION: The Board of Directors met in an Executive Session and discussed legal and personnel issues.

I. CALL TO ORDER / MODIFICATION OF AGENDA

Doug Cooper called the general meeting to order at 8:05 am and noted the following: all Board members were present in the room with the exception of Frank Jacobsen, who attended by video conference, and all residents who attended the meeting joined by video conference with the exception of Dan Barry, who joined in person.

No modifications were made to the Agenda.

II. CONFLICT OF INTEREST DISCLOSURE

Mr. Cooper stated that Board members are 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.

Mr. Cooper stated that the CPHA's Conduct of Meetings policy prohibits the video and/or audio recording of Homes Association meetings without the Homes Association's consent. Board of Director meetings are open to property owners and invited guests only.

Doug Cooper shared the following guidelines for the meeting:

- All video participants are asked to keep their audio on mute when not speaking.
- If you wish to speak, raise your hand virtually and wait until recognized to speak.
- Comments are to be kept to two minutes or less.

III. SEPTEMBER 2021 MEETING MINUTES
(See Tab #1 of the September Board Package)

Motion **Following discussion by the Board and upon motion duly made and seconded, the Board unanimously approved the August 26, 2021 Board of Director meeting minutes with one clarification as noted.**

IV. HOMEOWNERS REQUEST TO BE HEARD: Items not on the Agenda

Resident Adam Wiggins asked about the policy on holiday decorations, especially lights. Mr. Larson stated the policy is for nationally recognized holidays. Mr. Wiggins asked specifically about his bistro lights, and Mr. Larson responded that this issue would be better addressed outside the Board meeting.

V. NEW CAPITAL PROJECT PROCESS

Mark Larson introduced Dan Barry, Chairman of the Parks and Recreation Committee. Dan thanked the Board for having him in and stated the following:

- The Committee enjoys what they do and have fun.
- Amenities and events are in line with what the community wants and what the Committee should offer.
- The Committee works to protect investments for residents and works in alignment with the long-range plan, and what residents are telling the CPHA they want (survey).

Mark Larson and Dan Barry presented slides (see attached handout of slides) and reported the following:

Upcoming Activities

- ES Pancake Breakfast, Sat., October 30, 8 am to noon, CPHA

- Holiday Tree Lighting, Sat., December 4, 4 pm to 6 pm, Village Lake Fitness Center. The tree lighting will be at 5:45 pm. Parking will be at the Canyon Club, with rides provided in vans or horse-drawn carriages. There will be hot food, hot chocolate/cider, horse-drawn carriage rides, and pictures with Santa.

Future Potential New Projects

- How does the CPHA come up with new projects from new capital?
- CPHA has always had a five year and now 10-year plan to enhance or add to amenities in the Village,
- Last year the CPHA conducted a survey asking why residents chose the Village, what amenities and events residents use, and how residents receive information about the Village.
- Results of the survey showed that residents most use the trails, pools, and VLFC and that none of our amenities are used by less than 20% of respondents to the survey.

Objectives

- To provide amenities designed to fit the Village's diverse and growing population.
- Remain relevant with expectations of current and future residents.
- Be fiscally responsible.
- Maintain the Village at Castle Pines quality.

CPHA Project Plan

- Provide world-class amenities and services to our members.
- Invest in signature amenities such as Village entrances; CPHA/ES building; Canyon Club pool, courts, pavilion and pocket park; Village Lake Fitness Center; Summit Club pool, pavilion, family park; pocket parks, Village trails.

Reserve/New Capital

Reserve Capital

- Reserve Capital Projects Maintenance and replacement of existing infrastructure
- Identified by a Reserve Study that is updated every three years.
- Reserve funds maintained by the Homes Association (currently in excess of $2.0M) and funded yearly in the operational Homes Association budget, $525K yearly in 2021.
- Projects are reviewed by the applicable Committee, the Long Range Planning, and Finance Committee and approved by the Board of Directors.

New Capital

- New Capital are items/amenities added to the Village infrastructure – examples are the Canyon Club pavilion, 5th tennis court, Summit family park.
- Paid for by operational funds.
- Once a project is completed, it is added to Reserve Study.
- Projects are reviewed by the applicable Committee, the Long Range Planning, and Finance Committee and approved by the Board of Directors.

New Capital Project Process

- The project identified by Committee (resident volunteers).
- Board review of projects in relation to the financial plan.
- Projects are reviewed on a project-by-project basis by applicable committees and the Long Range Planning and Finance Committee.
- The Board of Directors approves as well.

Invest in our Signature Amenities

- Village entrances
- CPHA building
- Canyon Club
- Village Lake Fitness Center
- Summit Club
- Village trails

Protect Member Investments

- Remain relevant with neighboring development.
- Meet the desires of the Community
- Properly maintain CPHA facilities

Improve – Adding Something to the Community

- Rebuild Gate 5, including the gatehouse, entrance monument, and landscaping
- Enhance the Wildcat Corner with a fireplace, additional seating area, gas grill, and window treatments.
- Canyon Club – enhance pool area, additional seating areas, Bocce Ball, basketball court, court shade structure.
- Village Lake Fitness Center – remodel (ongoing), additional equipment and space, enhance pool operations.
- Summit Club – enhance pool area, add additional shade.
- Village trails – additional nature trails, pave several existing trails, pedestrian/bicycle entrance/exit.

Enhance – Improve Looks of What We Have Through Landscaping

- Canyon Club pool and court complex

- Fitness Center
- Summit Club

Maintain – Through Reserve Funding

- Adequate funding to maintain and replace – 85% funding maintained, Reserve Study updated every three years by a Certified Reserve Study Specialist.
- Yearly evaluation of recommended projects.
- Operational funding for routine maintenance and landscaping.

Potential New Capital Projects for 2022

- Wildcat Corner video conferencing
- Wildcat Corner upgrade
- Canyon Club refresh
- VLFC pool operations
- Bocce ball courts
- Trail installation
- Total projected cost - $825K
- Landscaping projects - $150K

Amenities and Services

- Emergency Services – 24/7 response/service; access control, dispatch, patrol; emergency medical response.
- Full-time Homes Association staff – professional management, design review, accounting, facility management.
- Recreational amenities including proposed New Capital projects – three community pools: one fitness center, 13 miles of recreational trails, five tennis courts, four pickleball courts, basketball court, two playing fields, sand volleyball court, two Bocce ball courts, organized community events, three recreational pavilions, Wildcat Corner community room, three pocket parks, family picnic area.

Dan Barry commented that in 2021 there was an unbelievable amount of demand for the events. While this was good for the Community, the events budget did not do well. However, about twice the number of people attended the events. Parks and Recreation Committee will look at events for 2022 and evaluate which were the most popular and how to manage the events for the future.

Mark Larson discussed the process of determining what amenities to add and what is the likely usage of any new amenity. As an example, Mark mentioned the recent change of one tennis court into two pickleball courts and the addition of a new tennis court. The

thinking on this change was to keep pickleball further away to minimize the noise for residents. The next challenge is to provide more trails.

Doug Cooper stated he thinks the process is good but would like to see the process in a document so residents know how things are decided, a frame word from concept to becoming part of the 10-year plan. Mark Larson stated he would prepare the process document.

VI. ACTION ITEMS

A. Nominations for Homes Association Committee Membership

Mark Larson reported that Bruce Campbell, who served on the Long Range Planning and Finance Committee, moved out of state. The LRP&F Committee has interviewed long-time resident Chris Scurto and has forwarded Mr. Scurto for the Board's consideration as a member of the Long Range Planning and Finance Committee.

Motion **Upon motion duly made and seconded, the Board unanimously approved the appointment of Chris Scurto to the Long Range Planning and Finance Committee.**

B. Capital Requests

1) Wildcat Room Video Conferencing System

(See Tab # 2 of the October 2021 Board Package)

Mark Larson reported the following:

- This Capital Request will install video conferencing equipment in the Wildcat Corner.
- This project was discussed last month, and the Board requested two additional bids from Zoom preferred vendors.
- Two additional bids have been acquired.
- A discussion was had with the Video Conferencing Gear, the original group that installed the Conference Room equipment. They determined we do not need to replace the projector in the Wildcat Corner. This reduced their bid by $10,000.
- The cost of the project is $29,930 plus a 10% contingency from New Capital.

Motion **Following discussion by the Board and upon motion duly made and seconded, the Board unanimously approved the purchase and installation of new video**

conferencing equipment from Video Conference Gear in the amount of $29,930 plus 10% contingency from new capital.

2) Village Lake Fitness Center Equipment
(See Tab # 3 of the October 2021 Board Package)

Mark Larson reported the following:

- This Capital Request will add new exercise equipment to the Village Lake Fitness Center.
- Two companies, Fitness Gallery and Commercial Fitness Solutions, provided bids.
- Mark recommended using the amount bid by the Fitness Gallery; $95,242 plus 10% contingency.
- Mark and a couple of members of the Parks and Recreation Committee will visit Fitness Gallery to finalize the selection process.

Doug Cooper stated it has been hard to compare the two bids, especially since each company provides different equipment brands. Doug wants to make sure we are purchasing good equipment. Wendy Ingraham said she was going to go look at the equipment.

Mark Larson stated that the CPHA will require residents to sign a waiver for the Fitness Center to reactivate their Fitness Center card once the facility reopens.

Motion **Following discussion by the Board and upon motion duly made and seconded, the Board unanimously approved the purchase of new exercise equipment for the Village Lake Fitness Center in the amount of $104,766, which includes the 10% contingency; $15,525 from Reserve Capital (2021) and $89,240 from New Capital.**

C. Modification of Homes Association Enforcement Policy
(See Tab # 4 of the October 2021 Board Package)

Mark Larson stated the Presumptive Fines at Section 3.6.3 have been changed to correspond with adjustments to the Rules and Regulations made last month. It was also noted that the effective date of the Governance Policies should read November 1, 2021.

Motion **Following discussion by the Board and upon motion duly made and seconded, the Board unanimously approved the amendment to the Governance Policies at**

Section 3.6.3 Presumptive Fines as presented in the packet and to correct the effective date of the Governance Policies to 2021.

VII. INFORMATION/DIRECTION

A. 2022 Homes Association Draft Budget Discussion

Mark Larson presented slides (see attached handout of slides) and reported the following:

Major Budget Categories

- Revenue – Assessments, Design Review Fees, Country Club, and Golf Club Security Fees.
- Expense – Labor: Admin, ES, VLFC. Operations: Pool, Administrative, ES, VLFC, Community, Events, Village Landscape and Maintenance, Reserve Funding.
- Breakdown of expenses – ES Labor and Operations 43%. Administration and Building 15%. Proposed New Capital 12%. Parks and Recreation 8%. Village Landscape and Maintenance 8%. Waste Management 7%. Reserve Funding 6%. Other 1%.
- Total expenditures including New Capital - ~$6,920,800.
- Emergency Services – Staffing 40 authorized officers. Services provided: 24/7 Dispatch Center, Access Control, Patrol Operations.

2022 Homes Association Budget

- Revenue – evaluation of assessment levels
- Expense – most categories will increase by the rate of inflation, Reserve Funding $525K, Potential New Capital Expense ~$814K
- Expense Challenges – Trash/Recycling costs, Alarm Monitoring Costs, Employee Retention, and Recruitment.

Mark Larson commented the 2022 Budget is being finalized. The recent Coffee with the Managers was a presentation of the 2022 draft Budget. The budget will be presented at the November 18 Board meeting for the Board's consideration and approval. Notification to the Members of any modification of assessment amounts will be mailed to the Members no later than December 1.

B. Village Lake Fitness Center Remodel Project Update

Mark Larson reported the following:

- The Fitness Center remodel is coming along on schedule and on budget.

- Some modifications had to be made, and there are some structural items that needed to be modified, such as relocating several support beams.
- The decision was made to upgrade the upstairs bathrooms since they look dated.
- Granite was selected for locker rooms.
- Plans to open by Memorial Day 2022.

VIII. MANAGEMENT/LIAISON REPORTS

A. Metropolitan District Items

There was no Metro representative at the meeting to provide a report due to a Metro budget working session.

B. General Manager – Mark Larson

(See Tab # 5 of the October 2021 Board Package)

CPHA General Manager Mark Larson reported the following:

- Coffee with the Managers was held on October 21 in the CPHA Conference Room. Will plan to meet in the Wildcat Corner next time for additional space.
- Kevin Olsen has become the Chair of the Forest Stewardship Committee, replacing Dave Cooper, who is no longer with the Association. New members will be sought.
- Jen Perry is working on putting the survey results on the Village website.
- The pedestrian/bicycle gates have been tabled for now.

C. Emergency Services – Matt Wortsman

(See Tab #5 of the October 2021 Board Package)

Chief of Emergency Services Matt Wortsman reported the following:

- ES responded to six medical events and seven other agency assists.
- Visitors processed into the Village decreased in September.
- Presently staffed at 33.

IX. FINANCIAL REPORT: September 2021

General Manager Mark Larson presented the September 2021 Financial Report giving an overview of the Actual\Budget\Projected. *(See Tab #6 of the October 2021 Board Package)*

Mark Larson reported the following:

- Revenue is projected to have a positive variance of $100K, and expenses are projected to exceed budget by approximately $85K.
- Expecting positive variance in Operating Revenue due to Comcast profit sharing, Settlement annexation fee, and higher than expected DRC revenue.

Motion **Upon motion duly made and seconded, the Board unanimously accepted the September 2021 Financial Report as presented.**

X. REVIEW OF BOARD DIRECTIVES

- Document on New Capital Process Development.
- Publish information about wiring water bugs into the alarm system.
- Publish notice about residents contacting Waste Management with contact information to get on the notification list.
- The Next Board meeting have the ES report on the screen for viewing.

XI. IMPORTANT MEETING DATES

(See Tab #7 of the September 2021 Board Package)

The next CPHA Board meeting will be held on Thursday, November 18, 2021, at 8:00 am in the Castle Pines Homes Association Conference Room located at 688 W. Happy Canyon Road.

XII. ADJOURNMENT

Motion **Upon motion duly made and seconded, the Board unanimously voted to adjourn the October 2021 Board of Directors meeting at 10:45 am.**

Respectfully Submitted by,
Linda Matthews
Executive Assistant/DRC Administrator