

**CASTLE PINES NORTH METROPOLITAN DISTRICT
REGULAR MEETING MINUTES
October 24, 2022 – 6:00 p.m.**

HELD: Monday, October 24, 2022 at 6:00 p.m. at the Castle Pines North Community Center, 7404 Yorkshire Drive, Castle Pines, Colorado.

ATTENDEES: Directors Denise Crew, Chuck Lowen, Tera Radloff and Chris Lewis were present. Nathan Travis, Interim District Manager was present as well as Kim Seter, Legal Counsel; David Anderson, District Parks, Trails & Open Space Manager; Corby Wise, videographer; and Terrence Lovett, live stream technician.

CONFLICTS: None.

QUORUM: Present.

CONSIDERATION OF AGENDA OF THE MEETING OF THE BOARD OF DIRECTORS AND THE MINUTES OF THE: Upon motion by Director Radloff the agenda was approved with the following changes: a. remove items IV, V and VI which minutes were already approved; and, b. moving items VII and VIII to the next Board meeting because they are not available, and second by Director Lewis, the agenda was approved.

PUBLIC COMMENT: There was no public comment. Director Crew noted that the 2nd public comment has been eliminated so this is the only opportunity to speak.

PARKS, TRAILS & OPEN SPACE MANAGER'S REPORT: Open space manager, David Anderson, presented his report and offered to answer any questions. Director Crew asked about the entry concerning elimination of 2,000 sq. of the community garden. Mr. Anderson stated this was turf only. The garden is being expanded.

Interim Manager Travis discusses the pickle ball courts and skate park. Staff and consultants reviewed locations and the one discussed in the work session is definitely the best. A map is included in the packet. It would be helpful to approve that location so that the community outreach can begin. Security cameras are being evaluated. Director Lowen expresses concern over the potential noise. Mr. Travis indicates there is a pretty good distance and natural barriers between the location and any homes. Upon motion made by Director Lewis and seconded by Director Crew, Director Radloff clarified that we are only approving the location to proceed with a potential design. There being no further discussion, the motion was unanimously approved.

Mr. Travis noted there are also some ADA issues to be addressed in the park in the future. There is an opportunity to do a survey of the entire park along with the skate park work. It will come back to the Board at a later time. The sidewalks around the park will have to be regraded. The design will not include lights.

FINANCE: COMMUNITY RESOURCE SERVICE INTRODUCTION: Phyllis Brown attended by zoom. She noted that the work is continuing on the audit and appears to be on schedule. The goal is to file by the end of the year.

Good progress has been made on the budget and claims. They continue to work with the Centennial Consulting records. They are no through September. Director Lowen thanked Ms. Brown and noted all the expenses appear to be within budget. Ms. Brown stated that appears to be the case but they are not through all the expenditure accounts yet. We should have a better expenditure report next month. CRS will need help with payroll information and capital project information that Centennial Consulting did not have.

Director Crew noted that, compared to last year, tax collections appear to be low. Ms. Brown stated that the numbers appear to be correct and does not know why the collections are lower. They are following up on it. Director Lewis asked if the budget is current on actual expenditures. Not yet, that is the next piece of the puzzle. Director Lewis questions if the Board will have that information by the budget hearing. Ms. Brown will send out another listing as soon as possible.

Upon motion made, seconded and unanimously carried, the Board approved and ratified the payments and checks numbering 27044-27315 and electronic payments for June 11, 2022 through October 18, 2022 as shown on the agenda.

The 2023 budget will be presented and there will be a public hearing at the November 14 meeting for final approval subject to any changes based on the final mill levy certification in December.

Item F on the agenda is a reminder that we are still working with Bartle & Wells for an updated rate study. It is dependent on the work Ms. Brown is completing. We currently have a temporary mill levy reduction and we had stopped the renewable water investment fee. They were included in the original rate study so we'll have to address it at some time. Director Radloff asked when that will be considered and whether it should be before the budget meeting. Director Lowen noted we reduced the levy for a reason and he sees no reason to put it back on unless it is critical to run the system. Director Radloff says we need get the studies done so we can reasonably evaluate the need and wisdom of continuing the discounted levy and elimination of the fee and we need to have that discussion. Director Lowen states he agrees that we have the discussion at some point if needed for the budget. Director Lewis states it was a temporary reduction and in the budget process we have to not reinstate the levy unless there is a good reason to do so. We evaluated that we did not need these revenues and should not reinstate them. If we want to bring the fees back we can discuss and vote on that later. Director Radloff says we have a duty to ensure we are collecting enough money to keep this aging system operating. Director Lowen inquires when the budget can be reviewed and Ms. Brown noted that the preliminary was provided October 15 with estimates for 2023. The numbers will have to be trued up as they come in but, the revenues and expenditures are in the budget with an ending fund balance of \$6,000,000.00. All funds

have positive balances. Current revenue will cover current expenses. Director Crew questions the timeframe for changing the levy which is December 15. Director Lowen requests the budget as soon as possible and notes the Board can discuss the levy and fee at the budget meeting. Director Crew asked where the renewable water fee was deposited and whether any portion was spent and what balance remains. Ms. Brown does not see where it was set aside separately but was just deposited in the Enterprise Water Fund. Director Crew notes that if we collect a fee for a specific purpose, we should be accountable for that fee going to that purpose. Ms. Brown will investigate that.

LEGAL COUNSEL'S REPORT: Legal Counsel, Kim Seter, presented the legal status report. November 14 had been published as the budget hearing at which the Board can approve the budget and levy subject to any changes required by the final valuation in December. Any discussion of the fee has to be the subject of a published notice. Director Lewis asks if we do not reinstate until June, what happens to the fee. Mr. Seter says nothing will happen to the fee until the Board votes to reinstate it.

There was attached to the status report an amendment to the Stormwater Agreement but in a conference call today the approach has changed to redraft the Stormwater Agreement and not close on any Stormwater and/or parks facilities until the end of March. Mr. Seter hopes to have a new agreement for review at the November meeting if there is time. Director Lewis noted the plan was to complete the Stormwater conveyance by November – how did we lose that timing. Mr. Seter noted that there were delays because of further discussions about the parks conveyance and that led to drafting of additional documents. Today there was a decision made to not go with the amendment to the Stormwater Agreement but to redraft it completely. Mr. Seter noted that the redline in the packet was done to show the changes created by the amendment which will now be redrafted. Worst case scenario is hopefully end for March. Turning over Stormwater funds and responsibility will be before March. Mr. Lewis asks why the Board should turn over the stormwater before everything is done. Mr. Seter confirms for Director Lewis that there will be an agreement in place before responsibility for the Stormwater is assigned to the city. Director Radloff asks about the MS4 permit and is advised that that permit will be eliminated once we no longer have any stormwater responsibility. We do not have to cancel that permit now.

The litigation with the developer is moving forward and should be moved to future executive sessions.

The FAMLI opt-out hearing was previously held after being properly noticed. The Board is now free to opt-out if it chooses to do so. No action is necessary if you choose to remain in the program. Director Radloff noted there was no feedback or comment from the employees. She then moved to adopt the Resolution opting out and directing counsel to take the necessary steps with the state. Director Lewis obtained confirmation from Mr. Travis that no comments were received from employees. Upon calling the question the Resolutions was adopted unanimously.

There was a discuss at the last meeting concerning board rules and preparing new bylaws. Old bylaws were found and retyped. The Board should consider how to proceed. Upon questions from Director Crew, Mr. Seter stated that the bylaws just restate the statutes and really do not address what they should. Director Radloff asked if the SDA has any forms noting maybe some form could be used. The Board determined to put the bylaws on the agenda for January. Mr. Seter is to add information to the status report concerning the current version.

Finally, Mr. Travis engaged individuals to pull boxes of documents. Mr. Seter noted he reviewed about 80 boxes that have been shredded. There are more to be reviewed. Mr. Travis notes there are an additional 40 boxes or so to be reviewed. Mr. Seter notes there are rules adopted by the State Archives that provide some protections for the District by adopting the State Archives Rules for records retention. Mr. Seter will add to the status report a discussion and Resolution concerning this at a later date.

INTERIM DISTRICT MANAGER REPORT: Interim Manager Travis presented his written report and asked for questions. Director Lewis noted the distribution of Nathan's Notes and comments that it is very good and encourages constituents to read it. He appreciates the community outreach.

Mr. Travis noted there were two alerts this month. No new violations. They were holdovers from last year and the work has been done to correct any concerns. There will be divers coming out to investigate the inside of the water tanks shortly. We don't anticipate any issues since the tanks are not terribly old. That will be reported to the State to satisfy the requirement to inspect them.

Because of work being done in Centennial we will be going back to wells at the first of the month. In response to a question from Director Lewis, Mr. Travis stated that sediment in the water has been caused by the work on the system. It has not been bad but is accounted for by our own work. Uptick in brown water complaints is because we are working on the plant while is still operating. There are no materials or chemicals of concern. It is not a public health or safety concern and we still operating at a better level than others. We have been getting water from Centennial for about 21 days now. Centennial will be doing work that may go through May during which time we will be off the Centennial line. Director Lowen suggests planning for a longer timeframe for valve replacements etc. because of the supply line issues. Mr. Travis notes that all materials and supplies are on site now.

There will be an open house at the pump station October 28. There will be an open forum two times a month called Two Tuesdays with Travis to allow residents to ask questions.

After the study session Mr. Travis contacted the experts regarding preparation of a water study but has no responses yet. He will work with Mr. Seter to find someone to do the work we are looking for. Director Lewis noted that the Board reviewed the meetings that were had with potential partners and concluded an overall plan was needed to

determine our best option. Director Lowen noted that the Board is being diligent and hiring experts to help get a handle on what is best for the District and what any inclusion should look like. Director Radloff does not recall discussing such a consultant but thought we were looking for a condition assessment etc. Director Lowen stated that is the consultant. Mr. Travis stated that he is trying to find the consultants to do overall studies to bring to the Board to get direction. Director Radloff noted that the consultant may assist in determining the other studies that may be required. Director Lewis suggests again that we shouldn't have the study sessions that result in confusion over what we have talked about. We talked about getting evaluations and studies to help us determine what is the best thing to do for the community. We need the consultant to help us determine what to do. Director Lowen agrees and notes that Director Radloff is just expanding on what additional studies might be required. Director Lewis notes there was no direction, just to get the names of potential consultants to do the work. Director Radloff notes we need the a water master plan, a sewer master plan, a water loss study, a conditions assessment, a water study and any other information to evaluate where we are headed.

DIRECTOR'S MATTER: Director Lewis states that we are due to make the interim manager permanent. Asks what the appropriate date was. Mr. Seter said he would review the agreement. Director Lowen believes it to be November. Director Lewis wants to know so that we can make the manager a "permanent employee." Director Radloff noted there are no "permanent employees." She further questions whether the budget can be posted on the website and Mr. Travis confirms that can be done. She then thanked all the employees and Ms. Brown for the extra work.

Director Lowen asks Mr. Anderson about two residents that wanted to discuss landscaping at Capadero and Sereno. Mr. Anderson noted that a meeting has been scheduled to determine the property owners' vision for the area and to budget for the work.

Mr. Lewis stated that he wants to discuss communications and two article about the District. We try to have an open communication but a unified front. We have a director of communications and a communications department. We all get calls with questions and we generally refer them to the communications director or the interim manager rather than responding as individuals. This should be in the bylaws. Director Radloff states that the Board should discuss the communications director contract as the only contract that reports to the Board and shouldn't.

ADJOURN: With all other business to come before the Board having been addressed, Director Lowen adjourned the meeting at 7:27 p.m.