

CASTLE PINES NORTH



METROPOLITAN DISTRICT

AGENDA

Board of Directors Meeting

Monday, April 19, 2021, at 6:00 p.m.

7404 Yorkshire Drive, Castle Pines, CO 80108

To participate in this board meeting CPNMD residents and property owners will need to **Zoom in**. Any time between now and 10:00 a.m. on the morning of the board meeting, simply sign up and follow the step-by-step instructions at cpnmd.org/cpnmd-zoom-meeting-sign-up.

1. Welcome / Call meeting to order / Pledge of Allegiance.
2. Roll call / Determination of quorum / Disclosure of potential conflicts.
3. Consider approving April 19, 2021 board meeting agenda.
4. Consider approving March 15, 2021 board meeting minutes.
5. Opening public comment period **via Zoom** (three-minute maximum per person).
6. Project updates and insights from the City of Castle Pines' designated liaison to CPNMD's board of directors, Councilwoman Deborah Mulvey.



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7. Open Space Manager's report.

The Castle Pines North Metro District provides clean, safe, reliable, on-demand drinking water, wastewater, stormwater, parks, trails, and open space services to the people of Castle Pines, west of I-25.

Board meetings are available for viewing via live video stream and video recording at cpnmd.org.

8. Finance Director's report.

- A. Consider approving financial report, payables, and claims for payment, including check numbers 25930-26005 (March 6, 2021 – April 9, 2021).

	Approve	Ratify	Totals
General Fund & Debt Service	\$ 54,530.73	\$ 44,189.58	\$ 98,720.31
Enterprise Funds	\$ 132,369.27	\$ 213,427.54	\$ 345,796.81
Electronic Payments (all funds)*	—	\$ 84,009.47	\$ 84,009.47
Total expenditures			\$ 528,526.59

9. Legal Counsel's report.

- A. Election update and status of proposed Inclusion of CPNMD's water wastewater utilities with those of the Parker Water & Sanitation District.

10. District Manager's report.

- A. Next Clean-Up Castle Pines Day scheduled for **Earth Day** morning:

Date: Thursday, April 22, 2021

Time: 9:00 a.m. to 10:30 a.m.

Location: Coyote Ridge Park Pavilions

11. Directors' matters.

- A. Consider refining and/or adopting **RESOLUTION 2021-04-19-01**, concerning mail-ballot Question 6A on the proposed Inclusion of CPNMD's water & wastewater utilities with those of the Parker Water & Sanitation District (PWSD). The mail-ballot election commences late in the week of April 12, 2021, and conclude at 7:00 p.m., on Tuesday, May 4, 2021. *(See working draft resolution attached.)*

12. Closing public comment period **via Zoom** (three-minute maximum per person).

13. Adjourn.

Our next regular monthly board meeting is scheduled for Monday, May 17, 2021.

CASTLE PINES NORTH



METROPOLITAN DISTRICT

Castle Pines North Metro District (CPNMD) Board of Directors

RESOLUTION 2021-4-19-01

Concerning mail-ballot Question 6A on the proposed Inclusion of CPNMD's water & wastewater utilities with those of the Parker Water & Sanitation District (PWSD), the election of which will commence late in the week of April 12, 2021, and conclude at 7:00 p.m., on Tuesday, May 4, 2021.

WHEREAS, Through the proposed Inclusion, Castle Pines residents west of I-25 will become full beneficiaries of PWSD's seventy-five percent renewable-water plan, and Rueter-Hess Reservoir, and most of the water stored therein, with confidence and peace of mind knowing renewable-water supplies will be readily available if and when we need them; and

WHEREAS, The proposed Inclusion constitutes our promise made and promise kept, delivers far more renewable water (seventy-five percent) at far less cost than the voter-rejected \$120-million plan of 2016 and the subsequent voter-rejected \$103-million plan of 2018, both of which sought to finance only fifty percent of our community's renewable-water needs; and

WHEREAS, The proposed Inclusion offers the people of Castle Pines west of I-25 distinct financial benefits, including:

- lower property tax rates;
- fewer and lower fees on monthly water bills;
- lower annual cost-of-service trajectories in future years; and
- the proposed \$34.8 million payment from CPNMD's reserves to PWSD means CPNMD customers will incur none of the above-referenced debt load and finance costs; and

WHEREAS, As a small, independent district of 3,500 customers, regional water economics make it impossible for CPNMD to offer cost-competitive on-demand renewable water and water service; and

WHEREAS, Under PWSD's water-rate structure, ninety-eight percent of CPNMD's residential customers would pay less for water service; and

- WHEREAS,** The cost of continuing to operate CPNMD as its own tiny *de facto* water fiefdom is prohibitively expensive and unsustainable; and
- WHEREAS,** CPNMD’s water customers now pay among the highest water rates and fees in the region and without Inclusion, those cost-escalation disparities will accelerate and intensify; and
- WHEREAS,** Many Colorado Front-Range communities, including Castle Pines, face sharply competitive races to secure **renewable-water** supplies; and
- WHEREAS,** Amid the historically arid, high-plains desert climate of our Front Range, demand for readily accessible **renewable water** has outstripped available supplies; and
- WHEREAS,** As desertification of Colorado’s Front Range and much of the American west and southwest accelerates and intensifies, the cost of reliable senior municipal-adjudicated **renewable-water** rights and supplies will continue climbing; and
- WHEREAS,** In 2000, the cost per acre-foot for senior, municipal-adjudicated, **renewable-water** rights in the South Platte River Basin was between \$10K and \$12K; and
- WHEREAS,** By 2010, buyers on the open market paid between \$23K and \$32K per acre-foot for comparable **renewable-water** rights; and
- WHEREAS,** In 2009, CPNMD paid \$21K per acre-foot for senior, municipal-adjudicated **renewable-water** rights that originate as snowpack at the Hock Hocking Mine in Colorado's Mosquito Mountain Range; and
- WHEREAS,** Today, those same rights are valued at \$35K and more; and
- WHEREAS,** As of March 2021, the State Demography Office forecasts the following **population growth** in Douglas County and statewide:

Year	Douglas County Population	Colorado Population
2020	357K people	5.81 million people
2030	408K people	6.54 million people
2040	448K people	7.31 million people
2050	463K people	7.89 million people

WHEREAS, Because PWSD is the water and wastewater utility provider for Castle Pines residents *east* of I-25, those residents are already covered by PWSD's seventy-five percent renewable-water plan, but *residents west of I-25 are not*; and

WHEREAS, State law (C.R.S. § 1-45-117(1)(b)(III)(A)-(B) authorizes the board of directors to adopt, and publicly distribute, a resolution of support for Ballot Question 6A;

NOW THEREFORE BE IT RESOLVED:

1) For the renewable-water future and quality of life of every person, family, neighborhood, and small business in Castle Pines west of I-25 — we respectfully urge each eligible voter in CPNMD to please:

- Vote **IN FAVOR** of the proposed Inclusion (Ballot Question 6A);
- Promptly return your mail ballot; and
- Urge your family, friends, and neighbors in CPNMD to do the same.

2) If the proposed Inclusion fails on May 4th, then, of course, we and our successors would accept voters' direction and do our best to tackle the new unfunded renewable-water challenge in good faith and without hesitation. Despite little-to-no availability of other readily accessible renewable-water supplies in our region — *and when available, despite their exorbitant cost* — we and our successors would have no responsible choice but to continue trying to secure renewable-water supplies for our Castle Pines constituents west of I-25. In the spirit of full disclosure, by definition, doing so would require that we raise hundreds of millions of dollars in new revenue to pay for that renewable water and the infrastructure necessary to treat and transport those supplies to our distribution system.

The prospect of starting over on May 5th to secure our community's renewable-water future would be daunting, time-consuming, and astronomically expensive. Though we take no pleasure in disclosing it, if the proposed Inclusion fails, then, securing our community's renewable water future, *at a minimum*, would require:

- *minimum* annual cost-of-service water-rate increases of four-to-five percent (and probably more) versus the 2.75% to 3% yearly cost-of-service increases PWSD forecasts in the proposed Inclusion; and
- substantial annual increases in CPNMD's monthly fee and service charges; and
- voter consideration of one or more large property tax increases.

- 3) **Bottom Line:** The proposed Inclusion delivers **more for less** — far more **renewable water** at far less cost than the ballot measures of 2016 and 2018, which voters overwhelmingly rejected. As fiscal conservatives, after three years of diligent work, we have concluded it is unlikely that we, or any subsequent administration, could or would deliver for your consideration a more reliable, fiscally responsible, timely, and less-costly **renewable-water** future. In that context — and given the value of **renewable water** to the quality of life and property values we all share — *we cannot overstate the importance of every CPNMD resident and property owner wholeheartedly supporting the proposed Inclusion of CPNMD’s water and wastewater utilities with those of PWSD.*

Adopted and approved this 19th day of April 2021.

David McEntire
President
Castle Pines North Metro District

Robert Merritt
Vice President
Castle Pines North Metro District

Denise Crew
Director
Castle Pines North Metro District

Chuck Lowen
Director
Castle Pines North Metro District

Christopher Lewis
Director
Castle Pines North Metro District

Attest: **Jim Worley**
District Manager
Castle Pines North Metro District

Approved as to form: **Kim J. Seter, Esq.**
Seter & Vander Wall, PC

Clean-Up Castle Pines Days

CASTLE PINES NORTH



METROPOLITAN DISTRICT™

cpnmd.org



Join fellow insurgent volunteers,
quarterly, to help free Castle Pines
from trash, graffiti & vandalism!

JOIN US ON EARTH DAY

Thursday, April 22, 2021

9:00 a.m.

Coyote Ridge Park

Meet at pavilion adjacent to the main parking lot.



Band of insurgent volunteers gather for first
Clean-Up Castle Pines Days on October 21, 2020.



To register, please click on the Clean-Up Castle Pines Days logo on the homepage of CPNMD's website at cpnmd.org and submit the brief online form. We will provide coffee, hot chocolate, mini-Bundt cakes, masks, gloves & trash bags.