CASTLE PINES NORTH METROPOLITAN DISTRICT
REGULAR MEETING MINUTES
July 24th, 2023 – 7:00 p.m.

HELD: Monday, July 24th, 2023 at 7:00 p.m. at the Castle Pines North Community Center, 7404 Yorkshire Drive, Castle Pines, Colorado.

ATTENDEES: Directors Tera Radloff, Jason Blanckaert, Leah Enquist, Jana Krell (via Zoom) and James Mulvey were present. Nathan Travis, District Manager was present as well as Kim Seter, Legal Counsel; Phyllis Brown, CRS. (via Zoom); Russell White and Andy Anderson (via Zoom) from Rubin Brown, the District auditors6662; 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 PAST MEETING MINUTES: Upon motion by Director Radloff, the modified agenda was approved unanimously.

Board meeting minutes from the June 21, 2023 Board Study Session and the June 26th Regular Meeting were unanimously approved as modified.

PUBLIC COMMENT:

Mr. Chris Eubanks, resident of 6662 Catarata Place, thanked the Board for the pickleball courts, noting that they are a great addition to the community, and that they will be well used.

FINANCE DIRECTOR'S REPORT: Phyllis Brown attended by Zoom. Ms. Brown read aloud the claims for approval and ratification, listed in the Agenda. Upon motion made, seconded and unanimously carried, the claims were approved and ratified. This includes checks numbered 27981 through 28034, and electronic payments from June 23, 2023 to July 20, 2023.

2021 Audit: Mr. Russell White presented the 2021 Audit. He highlighted various parts of the Audit and answered questions from the Board.

In response to a question from Director Radloff regarding the note dedicated to abandoned projects, located on page 30, Mr. White explained these abandoned projects are all related to the terminated Parker Water inclusion. The termination resulted in these projects being written off as unusable assets.

Mr. Travis next responded to Director Radloff's question about when the renewable water investment fee stopped being collected, as shown on page 14. Per Mr. Travis, this fee was discontinued through Board action at its February 2021 regular meeting. The Board's decision to stop collecting the fee was due to several factors, including a predicted rate drop around the same time, the belief that the Parker Water inclusion would be successful, and a desire to ease any financial burden for residents during the COVID pandemic.

Mr. White also provided Director Radloff with an overview of the reconciliation of operating income discrepancies she identified on page 14.

Director Enquist asked Mr. Travis about the line item dedicated to the sale of water rights. Mr. Travis explained that water rights were originally offered in response to the Parker Water inclusion process, but that the rights were sold after the inclusion process failed to pay of the District's COP Loan.

Following a motion from Director Radloff, seconded by Director Blanckaert, the 2021 audit was unanimously accepted as presented.

2022 Audit: Mr. White expects to present the 2022 Audit to the Board by the end of October. Ms. Brown also provided an overview of the current status of the 2022 Audit.

LEGAL COUNSEL'S REPORT: Legal Counsel, Kim Seter, presented the legal status report.

Decision regarding promoting a CPMD board member to serve on the Urban Renewal Authority ("URA") Board: Director Mulvey expressed interest in serving on the URA Board. Upon motion made by Direct Blanckaert, seconded by Director Enquist, and a unanimous vote, the Board agreed to put forth Director Mulvey's candidacy as a delegate to the URA Board.

DISTRICT MANAGER REPORT: District Manager Travis presented his written report.

Capital Project Approval for Yorkshire Water Line Replacement: Mr. Travis provided an overview of the project, which is in large part necessitated by the breaks anticipated to occur in the water line on Yorkshire Drive while waiting for the City to begin its repaving of Yorkshire Drive. Following conversations with Kennedy Jenks, it is clear that the cost of repairing these breaks while waiting for the City will equal or exceed the cost of replacing the waterline now.

Mr. Travis explained, in response to a question from Director Enquist, that the monetary amount associated with this project is a 90% estimate, which includes a contingency of about $80,000. Mr. Travis also confirmed, in response to a question from Director Krell, that the 10% contingency will not be reduced once the project reaches 100% design. Director Krell also asked which averages were being used to calculate the project's estimated value, expressing her concern that the amounts might not represent the

current costs of such a project. Mr. Travis explained that he as confidence in Kennedy Jenks' estimates.

Following the overview of the project, Mr. Travis explained that the A5 Well Redrill project will not be completed this year, even though it is already included in the District's budget and approved by the Board. Because of this, and given the need to timely address the Yorkshire water line replacement, Mr. Travis requested that the Board use the capital project funds dedicated to the A5 Well Redrill to pay for the Yorkshire Waterline replacement, which he hopes can be completed by the end of the year.

Following discussion, and upon motion made by Director Krell and seconded by Director Radloff, the Board approved the modification of the capital expenditure project line item in its budget, thus postponing the Well A5 redrill project to the following year and using those funds for the Yorkshire water line replacement instead.

Director Mulvey requested clarification on the status of the Well A5 redrill since it was put on hold. Mr. Travis provided an update.

Ander's Farm Lease: Mr. Travis explained that the Ander's farm lease functions in an identical manner as the Petrocco Farm Lease. Upon motion made by Director Radloff and seconded by Director Enquist, the Board voted to unanimously approve and sign the Ander's Farm Lease.

Chamber of Commerce ("CoC") Partnership Proposal: Mr. Travis reported that his meeting with the CoC was fantastic and that the CoC is interested in entering into another partnership with CPNMD. Mr. Travis provided a summary of the CoC's proposal, which includes a $10,000 annual membership, in addition to sharing some of his thoughts about ways to leverage the relationship to CPNMD's advantage. He then answered questions from the Board.

Director Radloff suggested leveraging this relationship to advertise the water rebate program since adoption of the program has been much slower than expected.

Following discussion, and after motion made by Director Radloff and seconded by Director Mulvey, the Board voted to approve CoC Partnership terms and annual membership, including drafting a contract encompassing the proposal's terms for the Board's signature.

Consideration of Vehicle Stipend: Mr. Travis requested a modification to his own contract, namely a $700 per month vehicle stipend. He explained the benefits of the District not being responsible for any vehicles. In response to a question from Director Mulvey, Mr. Seter explained that there were no additional or new liabilities associated with Mr. Travis using a personal vehicle instead of a District-owned vehicle to perform District-related work.

Director Radloff asked whether the stipend should include other items, such as a cell phone stipend, in order to ensure that it is fair and comprehensive. Mr. Travis agreed to compile a more thorough proposal for Board consideration and action at a future meeting.

DIRECTOR MATTERS:

Director Radloff thanked the staff for its hard work.

Director Mulvey thanked Mr. Travis for the orientation tour, and suggested opening these tours to the public.

Director Enquist suggested implementing the use of a PowerPoint type presentation to make the meetings more digestible and easy-to-follow. Director Blanckaert shared some of the concerns with such an approach, namely with remote participation. Director Enquist emphasized the need to make meetings more efficient and Director Mulvey suggested hyper-linking the agenda.

ADJOURN: With all other business to come before the Board having been addressed, Director Blanckaert adjourned the meeting at 8:22 p.m.