

CASTLE PINES NORTH METROPOLITAN DISTRICT

REGULAR MEETING MINUTES

May 21, 2007

HELD: Monday, May 21, 2007 at 7:00 p.m. at the Castle Pines North Community Center, 7404 Yorkshire Drive, Castle Rock, Colorado.

ATTENDEES: Directors Ted Lohr, Bruce Thompson, and Cortney Brand were present. Also in attendance were District Manager Jim McGrady, District Customer Service Representative Jan Walker, District Counsel John Hayes, District Parks and Open Space Manager Charlie Fagan and District Utilities Supervisor Andrew Romano. Communications Consultant David Lichtenstein was present as well as consultant John Halepaska. Four residents also attended. Director Shively was absent (excused).

CONFLICTS: None

APPROVAL OF AGENDA: Approved, as amended. A motion was made by Director Thompson to table agenda items H., J. and 7.A. to the next meeting. The motion was seconded by Director Brand and approved by all.

QUORUM: Present

PUBLIC COMMENT: None

ACTION ITEMS:

Director Thompson made a motion to approve the minutes of the special meeting held April 2, 2007. Director Brand seconded the motion and all voted in favor.

Director Brand moved to approve the minutes of the regular meeting of April 16, 2007. The motion was seconded by Director Thompson and was approved by all.

For the officers of the Board, Director Lohr moved for a slate to include Director Lohr nominated as President, Director Thompson nominated as Vice President and Director Brand nominated for the position of Treasurer. Director Thompson seconded the motion and all voted in favor.

With regard to the open position on the Board, Director Thompson moved to have 30 minute interviews held on May 29th and 30th in the evening. The motion was seconded by Director Brand and was approved by all. Staff was directed to send out interview invitations accordingly.

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Director Thompson moved to approve the April 2007 financial report. Director Brand seconded the motion and all voted in favor.

After discussion, the Board concurred that Manager McGrady should meet with the Castle Pines Metro District and Austin Hamre, Water Counsel to Castle Pines North Metro, to discuss the charges from Jehn Water Consultants for their Expert Report. Pending that meeting, Director Brand moved to approve the April 2007 payables, less the Jehn invoice in the amount of \$45,800.63, for a total of \$355,948.17. If Manager McGrady & Counsel Hamre agree that the quality of the Expert Report is acceptable, the \$45,800.63 check to Jehn Water Consultants should be released. Director Thompson seconded the motion and all voted in favor.

The Board discussed the completion of their due diligence efforts with regard to the purchase of the London Mine and their conclusion that the purchase would represent undue risk. A copy of Director Thompson's summary is attached. Director Thompson moved to terminate the purchase contract. The motion was seconded by Director Brand and was approved by all.

A motion was made by Director Thompson to approve Resolution No. 2007-003 adopting a rate schedule for water and wastewater services. The resolution includes a restructuring of the wastewater rates as presented in the public hearing of May 7, 2007 and as described in the attached tariff sheets effective June 1, 2007. The water rate increase will include a 4.5% increase for Tiers 1 and 2 and a 10% increase for Tiers 3 and 4 effective May 1, 2007 (tariff sheets attached). The motion was seconded by Director Brand and all voted in favor.

Following a presentation by consultant John Halepaska, a motion was made by Director Thompson to approve the pump replacement at Well A-5 and the connection to the raw water system. Director Brand seconded the motion and all voted in favor.

As noted above, agenda item H., awarding a bid for the Retreat Park playground equipment, was tabled until the next meeting.

Director Thompson moved to approve the bid from Park and Restroom Structures for three vault toilets to be installed at Coyote Ridge Park, Daniels Gate Park, and the Retreat Park in the amount of \$100,000. The Board directed staff to hold off on the installation of a restroom at Daniels Gate Park until a new location could be found and approved by the adjacent homeowners. The motion was seconded by Director Lohr and all voted in favor.

As noted above, agenda item J., awarding a bid for the landscaping at the Esperanza "S" curve, was tabled until the next meeting.

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DISCUSSION ITEMS:

As mentioned above, discussion of the Winterberry hill erosion project was tabled until the next meeting.

Manager McGrady reported to the Board regarding negotiations and meetings with Centennial, Castle Pines North, Castle Pines Metro, and Castle Rock regarding a water interconnect.

Counsel Hayes informed the Board that he had met with developer Chris Fellows regarding the Lagae parcel inclusion. A memorandum of understanding and a revised inclusion agreement have been sent to Fellows' attorney for review.

The Board discussed the pros and cons of the potential formation of the Plum Creek Water Authority. A meeting will be held at PCWA regarding this issue on June 11, 2007.

Communications Consultant David Lichtenstein informed the Board that, due to his family relocating out of state, he must tender his resignation effective June 10, 2007.

At 8:30 p.m. Director Thompson moved to go into Executive Session under §24-6-402(4)(f), C.R.S. (personnel). The motion was seconded by Director Brand and was approved by all.

The regular session was reconvened at 9:30 p.m. and was forthwith adjourned.