

CASTLE PINES NORTH METROPOLITAN DISTRICT

REGULAR MEETING MINUTES

June 16, 2008 – 7:00 PM

HELD: Monday, June 16, 2008 at 7:00 p.m. at the Castle Pines North Community Center, 7404 Yorkshire Drive, Castle Rock, Colorado.

ATTENDEES: Directors Ted Lohr, Bruce Thompson, Mark Carlson, Andy Rhodes and Bill Santos were present. Also in attendance were District Manager Jim McGrady, District Finance Manager Dan Schmick, District Parks and Open Space Manager Charlie Fagan, District Administrator Janet Burnham, and District Counsel John Hayes. Communications Specialist Denise Bassett was present as were Eric Barnes and Cherry von Stroh of Wagner, Burke and Barnes LLP. Also in attendance was John Rehring of Camp Dresser & McKee Inc. Approximately 17 residents and guests attended.

CONFLICTS: None

APPROVAL OF AGENDA: Approved

QUORUM: Present

PUBLIC COMMENT:

A resident expressed her thanks for the District's landscaping efforts in the Arco Iris subdivision. Another resident expressed his commendation of the District's intergovernmental agreement with Parker Water & Sanitation for the Rueter-Hess reservoir.

Resident Colette Celecki provided a recap of the recently completed Water Awareness Responsibility Program (WARP) and announced the winners of the essay contest.

John Rehring of Camp Dresser & McKee Inc. provided the Board with an overview of the East Cherry Creek Valley (ECCV) facilities and the opportunity available to Castle Pines North to take advantage of excess capacity in the existing ECCV northern pipeline. Castle Pines North could utilize its participation in the Rueter-Hess reservoir to store the excess flows for use in CPN's peak demand months.

ACTION ITEMS:

Director Thompson made a motion to approve the minutes of the regular meeting held May 19, 2008. The motion was seconded by Director Rhodes and was approved by all.

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A motion was made by Director Thompson to approve the May 2008 financial report. Director Santos seconded the motion and all voted in favor.

Director Santos moved to approve the May 2008 payables in the amount of \$431,472.79. The motion was seconded by Director Thompson and was approved by all.

A motion was made by Director Santos to add a report to the monthly financials that would provide a summary of any amounts paid by the District to any CPN residents or businesses owned by CPN residents. Director Rhodes seconded the motion and all voted in favor.

Subsequent to a presentation on the 2007 audit provided by Eric Barnes of Wagner, Burke and Barnes, LLP, a motion was made by Director Rhodes to approve the audit pending any further questions to be addressed. Director Santos seconded the motion and all voted in favor. Based on a recommendation by Barnes, Counsel John Hayes will prepare an ethics/conflict of interest policy for the Board's adoption.

Per discussion held at the May meeting, Director Santos moved to establish a financial advisory committee comprised of seven members serving a one-year term of office. The committee would serve in an advisory capacity only. The motion was seconded by Director Rhodes and all voted in favor.

DISCUSSION ITEMS:

Manager Jim McGrady informed the Board that the purchase, from Parker Water & Sanitation, of an additional 316 acre-feet of storage in Chatfield Reservoir had been accomplished. This purchase is contingent upon the Chatfield Re-allocation Project getting final approval from the Army Corps of Engineers.

Parks & Open Space Manager Charlie Fagan presented the Board with five options he had obtained for extending a trail from Castle Pines Parkway to Coyote Ridge Park. The options ranged in approximate cost from \$49,000 to \$389,000. The Board concurred that Fagan should proceed to get engineering and design bids for option #1 which showed the trail following the eastern side of the existing drainage.

Fagan informed the Board that the first meeting of the landscape master plan committee would be held on 6/25/08.

Chad Anema from American Civil Constructors addressed the Board regarding the Winterberry hill re-vegetation project. As the grass plants are still developing, he recommends that the District hand-seed the small areas where the plants did not take

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and provide one more year of irrigation to promote grass growth. After the year, the project could be re-evaluated for success.

Manager McGrady updated the Board with regard to various District projects as follows:

- conversion of the water treatment plant from gas to liquid chlorine is complete;
- preliminary design for the Interconnect pipeline is complete;
- an imitation rock wall will be constructed around Well A-4 to provide noise mitigation and security for the site;
- the above-ground equipment for Well A-3 may need to be relocated due to the view corridor of five homes in Castle Pines village. The Board had several questions regarding the need for the equipment relocation and expressed their dissent for the plan;
- with regard to the Lagae ranch development, the phasing plan and fire-flow plan have been completed. A finalized street plan is still needed in order to properly size the water and sewer mains and there is on-going negotiation regarding the lift station to be built by the developer.

Communications Specialist Dense Bassett informed the Board that the Consumer Confidence Report was in final draft and would be mailed by the 6/30/08 deadline.

At 9:30 p.m. the Board moved to go into executive session under §24-6-402(4)(e) C.R.S. – potential litigation and negotiations and §24-6-402(4)(f) C.R.S – personnel matters.

At 11:10 p.m. the regular meeting was re-convened and, all business to come before the Board having been addressed, was forthwith adjourned.