

**CASTLE PINES NORTH METROPOLITAN DISTRICT
REGULAR BOARD MEETING MINUTES
August 25, 2025 – 6:00 p.m.**

HELD: Monday, August 25, 2025, at 6:00 p.m.

ATTENDEES: Directors Jason Blanckaert, Jana Krell, James Mulvey, Tera Radloff, and Leah Enquist were present. Also present were: Eric Harris, CPA, and Molly Janzen, Elevated Clarity; Nathan Travis, District Manager; Paul Polito, Seter, Vander Wall & Mielke, P.C.; and members of the public.

CONFLICTS: None.

QUORUM: Present.

CALL MEETING TO ORDER: The Regular Meeting was called to order at approximately 6:00 p.m.

PUBLIC COMMENT PERIOD: Resident Steve Dawes, 5703 Jasper Point Circle, commented on the executive session notice and recommended that future agendas cite the specific subsection of C.R.S. §24-6-402(4), noting subsection (4)(e) as applicable and referencing case law limiting polling or decision-making during executive session. District counsel responded that the posted language was sufficiently particular under the statute, and counsel intentionally left out the subsection reference, but agreed to include the precise subsection going forward after a brief discussion with the Board. The Board concurred that future agendas will include the subsection reference for executive sessions.

CONSENT AGENDA: The Board first considered the consent agenda consisting of approval of the July 21, 2025 Work Session Minutes; approval of the June 28, 2025 Regular Board Meeting Minutes; ratification of claims for payment, including check numbers 29270–29316 and electronic payments from July 17, 2025 through August 13, 2025 totaling \$938,297.29; approval of the Revised Employee Handbook; and approval of Kennedy Jenks Budget Amendment No. 3 – Lift Stations Upgrades. Counsel noted a clerical correction to the July 21 Work Session Minutes (start time) and recommended separate consideration of those minutes. The Board then approved the consent agenda excluding the July 21 Work Session Minutes, and thereafter approved the July 21 Work Session Minutes as corrected.

APPROVAL OF AGENDA: Upon motion, second, and unanimous vote, the Board approved the August 25, 2025 agenda as presented.

COMMUNICATION DIRECTOR'S REPORT

Under the Strategic Communications Plan, Sigler Communications summarized goals to increase public understanding of District services and value, build trust through transparent and consistent communication, and encourage two-way engagement with residents. Objectives discussed included improving website usability and ADA compliance, leveraging community events for outreach, strengthening collaboration with the City and Chamber, and evaluating customer satisfaction via surveys.

The team reported recent accomplishments, including a completed communications plan, a project status sheet, a completed website audit with accessibility improvements, seasonal outreach materials and handouts, a spring e-newsletter with strong open and click-through rates, and approximately 140 new sign-ups for text alerts in June–July after multi-channel promotion.

Directors expressed appreciation for the progress and requested tracking of alert adoption compared to the customer base, targeted outreach to multifamily addresses not yet enrolled, and use of a more readable font in packet materials. The communications team agreed to implement these refinements and noted that website reorganization and a crisis communications plan review are next steps.

FINANCIAL MATTERS

Finance Report

Mr. Harris presented the June 30, 2025 financial statements and an overview of enterprise activity. He noted nearly complete year-to-date property tax collections and seasonally strong billed water volumes, with 82.6 million gallons billed in June and 116 million gallons in July, driving third-quarter revenues; approximately \$1 million in accounts receivable reflected timing effects. Mr. Harris and Ms. Janzen outlined a reporting reorganization that moves indirect and overhead costs to the General Fund and applies a 15% indirect cost rate to enterprise operations consistent with OMB de minimis guidance, leaving the water and wastewater funds focused on direct costs. The one-page summary shows operating revenues sufficient to cover operating expenditures across combined water and wastewater operations, though capital expenditures will reduce fund balance. Repairs and maintenance continue to trend higher than budgeted due to well and infrastructure work. Directors acknowledged the clearer format and the value of subtotals for decision-making, and Mr. Harris noted a later budget amendment would be brought to align appropriations with the new structure.

LEGAL MATTERS

Employee Handbook

Mr. Polito reported that the Employee Handbook, including a clarified smoking policy at Section 10.2, was finalized and appeared on the consent agenda. Counsel also reported

that a demand letter was sent on August 20, 2025 to Castle Pines Town Center Metropolitan District No. 1 seeking payment of anniversary fees totaling \$354,315.72 for 2022–2025. Regarding well failures, counsel summarized the Layne agreements: a 12-month warranty on labor and pass-through manufacturer warranties on equipment; next steps depend on the pending third-party report. In response to Board questions, counsel confirmed no conflicts with the third-party inspector and that the assigned individual has relevant water-well experience. Mr. Travis confirmed that photographs and operating data were preserved and shared with the evaluator.

DISTRICT MANAGER’S REPORT

Discussion: Well A6 Failure

The District Manager, Mr. Travis, reported a new failure at Well A-6 near Monarch Boulevard and Daniels Gate Road. Based on operating behavior, staff believes there is a breach in the drop pipe below the check valve that is diverting flow back into the well column, with casing damage considered unlikely but not ruled out until the equipment is pulled and the casing televised. If the casing is intact, repairs are expected to be straightforward with a preliminary cost estimate of approximately \$100,000. To manage supply during peak demand, the Highlands Ranch interconnect was activated at approximately one million gallons per day, and Highlands Ranch is billing at the contract rate rather than an emergency rate.

Staffing Update: Field Services Technician

The District Manager reported that a Field Services Technician started employment on August 25 and will shadow SEMOCOR operators during onboarding; the outgoing billing account specialist will conclude service on October 10 to allow for training overlap across two billing cycles

Staffing Request: Deputy District Manager

The District Manager requested approval to commence recruitment for a Deputy District Manager, outlining a process and an interview panel including the District Manager, Finance Director, and an external district manager. Directors discussed the scope and prioritization of qualifications and requested further refinement of duties and skill emphasis relative to strategic needs. A motion was made to approve the hiring process. Directors Blanckaert and Radloff voted in favor; Directors Krell, Mulvey, and Enquist voted against. The motion failed, but the Board indicated interest in reconsidering the request after revisions.

EXECUTIVE SESSION

Upon motion made and seconded, and upon unanimous approval of said motion pursuant to section 24-6-403(4)(e), the Board entered executive session to develop strategies for negotiations and to instruct negotiators relative to a mineral rights evaluation received by

the Board. Upon returning to open session, counsel reported that no action was taken and the discussion during executive session remained within the statutory purpose.

DIRECTORS' MATTERS

No director matters were raised.

ADJOURNMENT

There being no further business to come before the Board, and upon motion duly made, seconded and unanimously carried, the meeting was adjourned at approximately 8:10pm.