

**CASTLE PINES NORTH METROPOLITAN DISTRICT  
REGULAR BOARD MEETING MINUTES  
January 27, 2025 – 6:00 p.m.**

**HELD:** Monday, January 27, 2024 at 6:00 p.m.

**ATTENDEES:** Directors Jason Blanckaert, Leah Enquist, Jana Krell, James Mulvey and Tera Radloff were present. Nathan Travis, District Manager; Paul Polito, Seter, Vander Wall & Mielke; Eric Harris and Molly Janzen, H2 Advisors were present.

**CONFLICTS:** None.

**QUORUM:** Present.

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

**CONSIDERATION OF AGENDA OF THE MEETING OF THE BOARD OF DIRECTORS:** The Board approved the agenda as presented.

**CONSIDERATION OF PAST MEETING MINUTES:**

Director Radloff requested a revision to the November 20, 2024 study session minutes to clarify that no action was taken at the study session. Director Radloff also noted that the name provided for a representative from the Castle Pines Connection needed correction. Upon motion by Director Radloff, second by Director Krell and unanimous vote, the Board approved the minutes from the November 20, 2024 special work session and the November 25, 2024 regular meeting as amended.

**PRESENTATION & DISCUSSION RE: THE POSSIBILITY OF THE DISTRICT MERGING WITH THE CITY OF CASTLE PINES:**

Michael Penny, City Manager for Castle Pines, presented to the Board on the prospect of the District joining with the City of Castle Pines, focusing on water and wastewater operations. He noted that the City and CPNMD share a desire for a 100% renewable water supply, which could be achieved via a straightforward Intergovernmental Agreement (IGA), given that much of the required infrastructure is already in place. Director Enquist inquired about oversight if the City were to become the service provider, and Mr. Penny affirmed that expectations and performance standards could be enumerated in the IGA. Director Mulvey asked how the City could be prevented from raising mills in the future; Mr. Penny explained that most metropolitan districts in the area were approved for 19 mills. When formed, CPNMD was originally approved for 19 mills (but only collected 16). Mr. Penny explained why the City currently collects 12 mills, which is under its current maximum 19 millage rate, to account for a potential future merger with Parker Water, so that a future metropolitan district board would have its full 7 mills

available. (CPNMD currently has a maximum millage rate of 7 mills, although CPNMD does not utilize the maximum millage rate). In that light, that City has “tightened its belt” and current contractor contract requirements prohibit the City from entering into a contract for a single contractor to utilize economies of scale. Moreover, the City has about \$3.6 million left in its improvement fund. He added that the City might rely on bonding or reserve funds for future capital expenditures. The Board also discussed whether an IGA would streamline or duplicate governmental functions. Director Enquist asked if the District would remain an attractive candidate for future consolidation after entering an IGA; Mr. Penny responded that the District’s water rights hold real value, whereas the aging infrastructure presents mixed assets and liabilities

### **COMMUNICATION DIRECTOR’S REPORT:**

Communication Director presented her report, highlighting that District residents respond particularly well to email communications, which appear to drive strong engagement. She suggested “personifying” emails—using a more personal, conversational tone—and providing more information about Board study sessions to enhance transparency. The Communications Director proposed the possibility of hosting monthly “lunch with the Board” events, enabling residents to interact more informally with District leadership.

Director Mulvey referenced page 43 of the report, requesting that future communications include specific cost figures for various capital projects to improve clarity. Director Radloff asked about the most effective communication channel, and the communications director confirmed that email yields the best results. However, Directors Krell and Mulvey expressed concerns about the number of emails sent (six in December), noting that it felt excessive. Director Enquist concurred and proposed limiting emails to a once-per-month newsletter. Director Radloff questioned whether residents desired to receive less emails. The Communications Director observed that email open rates remain high, suggesting continued interest, and Director Blanckaert recommended ongoing monitoring of engagement metrics to balance resident needs with communication frequency.

### **FINANCE DIRECTOR’S REPORT:**

Finance Director Eric Harris gave an overview of his memorandum regarding the District’s ongoing financial services transition. He reported that work is progressing smoothly on migrating all financial records and data to H2 Advisors’ systems. Mr. Harris is coordinating with CRS to gather any remaining documentation and close out financial processes. Director Mulvey asked whether any upcoming filing deadlines might be affected by delayed document transfers, to which Mr. Harris confirmed no material deadlines would be affected. Mr. Harris explained that while he has obtained a portion of the necessary files, he is still awaiting final materials before completing year-end closures. Director Radloff inquired about ways the District could support the transition. Mr. Harris underscored the importance of ensuring the utility billing system is fully closed out, reconciling remaining bank accounts, and maintaining process continuity.

**LEGAL COUNSEL’S REPORT:** Mr. Polito delivered the legal counsel report.

*2025 Election Update / Resolution Appointing the Designated Election Official:* Counsel reminded the Board that the District’s regular election is scheduled for May 6, 2025, and presented a resolution appointing a Designated Election Official (DEO) to oversee the process. The resolution authorizes the DEO to publish all required notices, ensure statutory deadlines are met, verify candidate qualifications, and handle related administrative responsibilities. It also allows for canceling the election if there are no contested seats or more candidates than positions. After brief discussion, the Board unanimously approved the resolution.

*Financial Controls Resolution:* Counsel presented a resolution adopting financial controls and spending authority guidelines for the District Manager, explaining edits to the resolution resulting from the Board’s consideration of the resolution at its prior regular meeting. Upon vote, second, and unanimous approval, the Board approved the resolution adopting financial controls.

*Amendment to District Rules and Regulations Requiring New Developments Wishing to Include to Provide Renewable Water Rights:* Counsel presented a draft amendment to the district’s rules and regulations, mandating that any new developments seeking inclusion must provide 100% renewable water rights as a condition of inclusion. After a short discussion, the Board unanimously approved the amendment.

*Annual Administrative Resolution:* Counsel introduced and explained the contents of the 2025 Annual Administrative Resolution, which formalizes routine District procedures for the coming year. The resolution designates official posting locations for public notices, confirms the District’s regular meeting schedule, and authorizes various administrative functions—such as establishing the District’s depository, approving ongoing legal and engineering services, and reaffirming compliance with relevant state statutes. By adopting this resolution, the District ensures transparency in governance and clarifies day-to-day operational responsibilities. After reviewing its provisions, the Board unanimously passed the resolution.

**DISTRICT MANAGER’S REPORT:** Mr. Travis presented his report to the Board.

*Customer Service Position:* District Manager Nathan Travis advised that the current Customer Service Specialist has resigned. To maintain coverage and mitigate disruptions, he recommends reverting to an older staffing model of two part-time employees. Directors discussed whether part-time hiring would be more or less challenging than recruiting a single full-time replacement. Mr. Travis acknowledged a short transition period but assured the Board a plan is in place to maintain service.

*Unlimited PTO Proposal:* Mr. Travis proposed an unlimited paid time off policy for District staff, citing recent studies supporting the policy’s effects on District liabilities and employee morale. Directors raised questions regarding accountability, potential legal implications, and overall benefit to both employees and the District. Director Radloff

requested additional data on liability; Mr. Travis will provide more specifics before seeking formal Board action.

*Mountain States Employers Council Discussion:* Mr. Travis briefed the Board on a proposal to supplement existing HR services with resources from the Mountain States Employers Council. Director Enquist asked if this would duplicate efforts; Mr. Travis clarified that it would add expertise in areas like labor law compliance and staff training, complementing the District's current HR functions.

*Conservation Program Update:* Mr. Travis reported on the Resource Central contract, noting that the District pays a baseline fee for conservation services, but he would prefer a model more closely tied to actual resident participation. He intends to gather more data and potential alternatives, with a detailed update for the Board at the next meeting.

*Monarch Waterline Project Phase 2 Update:* Construction on Phase 2 remains on track. Mr. Travis is coordinating with contractors and staff to reduce service disruptions and expects the work to be finished according to the previously approved schedule and budget.

*Filter Rehab Project Selection Committee Appointment:* Kennedy Jenks recommended the Board appoint a liaison to oversee the upcoming filter rehabilitation project. By Board consensus, Director Krell will serve as the District's liaison to help evaluate proposals and ensure alignment with water quality and infrastructure objectives.

*Asset Management Program Update:* Mr. Travis explained that the District is refining its asset management software to improve depreciation scheduling and capital forecasting. The District's pipe inventory is already highly detailed, reducing the need for outside data collection.

*Level Engineering General Agreement (2025 Professional Services Rates):* Mr. Travis presented a modest rate increase for 2025. After brief discussion and upon motion and second, the Board unanimously approved the updated agreement for professional services.

*Kennedy Jenks Agreement for Services:* Mr. Travis presented Kennedy Jenks' Agreement for Services. Director Krell noted she liked the proposed hourly rates but requested that Kennedy Jenks clarify how each phase of work would be broken down in more detail.

*Semocor Agreement for Operations Services (2025 Budget):* The Board reviewed preliminary differences between Semocor's estimated 2024 costs and its proposed 2025 charges. Director Mulvey would prefer to see an itemized cost breakdown.

*Utilo Proposal for Locate Services:* Mr. Travis recommended switching to Utilo, citing a significant cost advantage and reliable response times compared to the current provider. Directors inquired about coverage for emergency locate requests, and Mr. Travis

confirmed the new service meets the District's needs. Upon motion, second, and unanimous vote, the Board approved proceeding with the Utilo proposal.

*Review of Current Contractors and Service Agreements:* Mr. Travis presented an overview of all active contractor and service agreements. No questions were raised, and the Board acknowledged the review as complete.

## **EXECUTIVE SESSION**

At approximately 8:27pm, upon motion by Director Blanckaert, second by Director Enquist, and two-thirds majority vote, the Board entered Executive Session to discuss negotiation terms related to the District Manager's employment contract, as allowed by Sections 402(3)(a) and 402(4)(e)(1), Colorado Revised Statutes.

The Board reconvened in open session at approximately 8:50pm.

### **DISCUSS NECESSITY OF FEBRUARY STUDY SESSION:**

The directors discussed whether the February study session is warranted. Mr. Travis noted the recently adopted financial controls resolution, and questioned whether he would have certain expenditures that require Board consideration at the next study session. The Directors agreed to leave the meeting in place, with the option for the District Manager to notify the Board if the meeting is not required.

### **DIRECTOR'S MATTERS:**

Director Radloff noted the community's curiosity regarding the Emergency Meeting held on January 14. Director Radloff clarified that the meeting was to address accounting staff vacancies after both of the District's assigned accountants resigned on short notice.

Director Mulvey referenced the recent presentation delivered to the Board regarding the filter pilot project, and asked whether there was any opportunity to extend filter tests to measure flow rate over a long period of time until filter failure. Mr. Travis noted that the tests were not conducted to failure, and noted that the tests typically provide a maximum flow rate rather than a failure rate. Mr. Travis noted that performing filter tests to failure may be cost-prohibitive.

Director Mulvey also noted that he would like more details on the reconfiguration of the pump hammer at a certain lift station. Mr. Travis noted that the project is budgeted for the upcoming year and Mr. Travis will be submitting a Request for Proposal for it soon, and noted that the District may be able to abandon the system if it is deemed redundant.

**ADJOURN:** The regular Board meeting adjourned at approximately 9:02 p.m.