

**CASTLE PINES NORTH METROPOLITAN DISTRICT
REGULAR MEETING MINUTES
FEBRUARY 24, 2020 – 6:00 p.m.**

HELD: Monday, February 24, 2020 at 6:00 p.m. at the Castle Pines North Community Center, 7404 Yorkshire Drive, Castle Pines, Colorado.

ATTENDEES: Directors David McEntire, Robert Merritt, Denise Crew, Charles Lowen, and Chris Lewis were present. Also present were District Manager, Jim Worley; legal counsel, Kim J. Seter, Esq.; and District Finance Director, Eric Harris. Approximately 18 members of the public were in attendance.

CONFLICTS: None.

QUORUM: Present.

APPROVE MINUTES OF REGULAR MEETING OF NOVEMBER 18, 2019: A motion was made by Director Lowen to approve the November 18, 2019 board meeting minutes, the November 7, 2019 budget work session minutes and the February 24, 2020 meeting agenda as presented. The motion was seconded by Director Lewis and was approved 5-0.

PUBLIC COMMENT: District resident and member of the Esperanza HOA board, Carl Suhanyi, thanked the District Board for its support for the dissolution of the Castle Pines North Master Association. He discussed the distribution of Master Association funds and expressed concern about the return on investment of the Master Association.

Councilwoman Debra Mulvey clarified that the City of Castle Pines has begun to put on more community events, including the fireworks and movie at the Ridge events. However, other events are being held by the chamber of commerce and other entities. Changes in concerts or other events may be made upon request to the City.

District resident, Andy Sosnicky, requested equitable treatment for the Claremont Estates and Huntington Ridge neighborhoods that do not have their own HOAs.

District resident, David Faria, noted that dissolution of the Master HOA would leave Claremont Estates and Huntington Ridge without covenants. Director McEntire responded that that District is not trying to abolish the declarations/covenants. Rather, the District is exploring ways to create efficiencies and combat fiscal recklessness. Director McEntire applauded previous efforts of the Master HOA, but noted that the entity may have run its course. He encouraged District residents to meet with him to discuss any questions or concerns regarding the Master HOA dissolution.

District resident, Peter Thomas, inquired as to what entity will enforce the covenants in Claremont Estates and Huntington Ridge without the Master HOA. Director McEntire

responded that the District will enforce the covenants in that situation and that he would applaud Master Association reorganization efforts. Director Lewis encouraged resident attendance at the upcoming Master Association meeting where the possible dissolution will be further addressed.

District resident, Leanna Palmer, requested additional information about the District's water rates and discussed the rates in neighboring jurisdictions.

District resident, Lisa Boonenberg, inquired regarding what entity will enforce the declarations/covenants if the Master Association dissolves and the District dissolves.

OPEN SPACE MANAGER'S REPORT: District Open Space Manager, Craig Miller, was not present. The Board reviewed his report and Director Lewis commented regarding a large ice dam. He is concerned that it may be a safety issue. District Manager, Jim Worley, responded that he is happy to meet with Director Lewis to locate the ice dam and discuss possible solutions.

LEGAL COUNSEL'S REPORT: Legal Counsel, Kim Seter, presented the legal status report. Mr. Seter recommended the Board approve the annual administrative resolution, modify the Chatfield Management Agreement to include Dominion Water as a party, ratify the Rose Rock oil & gas easement, and ratify the District transparency notice. He also provided notice that the terms for directors Crew, Lowen, and Lewis are up for election in May 2020. A motion was made by Director McEntire to approve the annual administrative resolution and the amendment to the Chatfield Management Agreement, ratify the Rose Rock oil & gas easement, and ratify the transparency notice. The motion was seconded by Director Lewis and was approved 5-0.

BARTLE & WELLS PRESENTATION ON THE 2019 WATER, WASTEWATER, AND STORMWATER RATE STUDY: Erik Helgeson presented the 2019 water, wastewater, and storm water rate study. Mr. Helgeson noted that the biggest driver of the rates is the debt associated with storage expansion projects. Director McEntire discussed the recommendations for 2020 cost of service rate/fee increases of 3% on water service rates and 4% on wastewater usage charges.

Director McEntire opened the public comment period regarding the proposed cost of service rate increases. District resident, Laurie Goldie, inquired regarding the difference in rates between the residents and commercial customers. She requested that the rate study presentation conducted after consolidation consider the rate differences between classes of property.

District resident, Cynthia Thomas, posed questions regarding the dissolution of the Master Association and noted her perception of the Board's strong emphasis in favor of the dissolution.

District resident, Nancy Downs, inquired as to the renewable water fee and what the payment goes towards. Director McEntire responded that the fee goes toward an investment into a fund that can only be used to obtain renewable water. He noted that the fee amount was frozen by the Board, although it was set to increase.

District resident, Dave Faria, commented that an HOA would be better than a metro district to provide declaration and covenant enforcement because those are the primary responsibilities of an HOA not a metro district.

District resident, Gary Jensen, discussed the impact on property values if the Master Association dissolved.

A motion was made by Director Merritt to approve the recommended water, wastewater, and storm water rates as presented for calendar year 2020. The motion was seconded by Director Crew and was approved 5-0.

FINANCE DIRECTOR'S REPORT: District Finance Director, Eric Harris, presented the District financial report for the period ending January 31, 2020. A motion was made by Director McEntire to accept the financial report as presented. The motion was seconded by Director Crew and was approved 5-0.

Mr. Harris presented checks numbered 24788-25020 for approval/ratification. Pursuant to discussion amongst the Board, a motion was made by Director McEntire to approve/ratify the current payables through the month of January 2020 as presented. The motion was seconded by Director Crew and was approved 5-0.

DISTRICT MANAGER'S REPORT: The District Manager, Jim Worley, presented his report. He noted that the water and wastewater integration study conducted with Parker Water and Sanitation District is nearly complete. He suggested the Board receive a briefing on the results of the study at the March regular board meeting in executive session.

DIRECTORS' MATTERS: Director McEntire discussed the Board's resolution regarding the fence along Castle Pines Parkway between Shoreham Drive and Yorkshire Drive. He noted the Board remains steadfast in support of that resolution.

The Board discussed the draft resolution regarding the proposed dissolution of the Master Association and the equitable distribution of remaining funds. Director Lewis noted that the Board received thirty-five pages of feedback regarding the dissolution, with the majority in favor of same.

District resident, Cynthia Thomas, discussed the correspondence from the Master Association's attorney. She requested the Board amend its resolution to include dissolution or reorganization of the Master Association.

District resident, Peter Thomas, discussed his interpretation of the clause in the declaration regarding enforcement of the covenant enforcement.

Director McEntire reported that the Board will defer its consideration of the resolution regarding the proposed dissolution of the Master Association until the March meeting.

Director McEntire presented the drought mitigation plan and the Smoky the Bear signage for fire prevention.

ADJOURN: With all other business to come before the Board having been addressed, Director Lewis moved that the meeting be adjourned at 8:30 p.m. The motion was seconded by Director Crew and was approved 5-0.