

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

HELD: Monday, October 27, 2025, at 6:00 p.m.

ATTENDEES: Directors Jason Blanckaert, Jana Krell, James Mulvey, and Tera Radloff. Director Enquist was absent (excused). Also present were: Eric Harris, Elevated Clarity; Nathan Travis, District Manager; 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: President Blanckaert opened the public comment period. Castle Pines resident David Brighton, 12402 Jasper Point Way, addressed the Board regarding the District’s sanitary sewer billing methodology. Mr. Brighton described receiving a bill showing actual water usage of approximately 1,000 gallons for a particular billing period, while the corresponding sewer charges reflected 3,660 gallons based on his winter average. He stated that, although he understands the concept of using a winter-average methodology to approximate indoor water use, he believes it is unfair in months when actual water use is below the winter average and results in overpayment. He estimated that, based on a prior year’s bills, this methodology led to approximately \$105 in overpayment and suggested that when actual monthly water use is less than the winter average, the District should bill sewer based on actual usage for that month.

District Manager Travis explained that the District’s sanitary sewer billing methodology is based on a winter-average calculation using each individual customer’s usage in December, January, and February. He noted that this approach is industry standard, is necessary because there is no practical way to directly meter sewer flows, and is implemented individually by account. He further explained that the District’s current billing software does not have an automatic mechanism to recalculate bills in those months where usage falls below the winter average, and that adopting a one-way adjustment that only lowers bills when usage is below the average—without the ability to raise bills when usage is significantly higher—could have an inflationary impact on overall wastewater rates.

Director Krell asked whether there has been other customer feedback on this issue. District Manager Travis stated that this question or complaint tends to arise annually, with

perhaps two to three individual inquiries in a typical calendar year. Director Krell suggested that staff explore whether an “if/then” structure, similar to a utility bill from Xcel, could be implemented so that when actual usage falls below the winter average, actual usage would govern. District Manager Travis stated that staff can review the rate structure and software capabilities as part of the upcoming rate work.

President Blankaert thanked Mr. Brighton for his comments. Hearing no further public comment, he closed the public comment period.

CONSENT AGENDA: The Board considered the Consent Agenda, which consisted of the following items:

- A. Approve August 18, 2025 Board Work Session Minutes.
- B. Approve August 25, 2025 Regular Board Meeting Minutes.
- C. Approve September 15, 2025 Board Work Session Minutes.
- D. Approve September 22, 2025 Regular Board Meeting Minutes.
- E. Ratify claims for payment, including check numbers 29357 through 29405 and electronic payments issued from September 10, 2025 to October 15, 2025, totaling \$1,290,905.69.

Director Radloff moved to approve the items as presented in the Consent Agenda dated October 27, 2025. Director Krell seconded the motion. Upon vote, the motion passed unanimously.

Following approval of the Consent Agenda, Director Mulvey commented that while he was comfortable with the consent items generally, it would be helpful if, going forward, meeting minutes and work session minutes could be brought to the Board within roughly one month of the meeting so that the content is still fresh in mind. Legal counsel committed to provide draft minutes to the Board more promptly in the future.

APPROVAL OF AGENDA: The Board next considered the October 27, 2025 board meeting agenda. Director Radloff moved to approve the board meeting agenda dated Monday, October 27, 2025, as presented. Director Mulvey seconded the motion.

Upon vote, the motion passed unanimously.

FINANCE DIRECTOR’S REPORT

Finance Report Overview

Finance Director Eric Harris presented the financial report included in the Board packet.

Mr. Harris reported that, as of August 2025, the General Fund had recognized approximately \$982,456 in property tax revenue from Douglas County and \$50,293 in specific ownership tax revenue, including \$13,196 in delinquent property taxes. He noted that the District had received approximately 99.39% of budgeted property tax

revenues year-to-date, which is slightly lower than the percentage at this time in 2024, but generally in line with expectations.

With respect to the Enterprise Fund, Mr. Harris reported that billed water usage for August 2025 was approximately 97.6 million gallons, representing a 7.8% increase over August 2024 usage. Cumulatively through the end of September 2025, total billed gallons were essentially flat compared to 2024, at approximately 0.00% net increase year-to-date. Mr. Harris referred the Board to the annual total billable usage chart, which illustrates actual and cumulative water usage from January 2022 through September 2025, and noted that the current year's usage trends are closely tracking prior years, at roughly 525 million gallons year-to-date.

Mr. Harris summarized several notable variances in the Statements of Revenues and Expenditures. He highlighted South Metro Water Supply Authority dues of \$16,667, which had not been budgeted but represent the District's annual membership dues. District Manager Travis explained that the District had remained a member of South Metro Water Supply Authority ("SMWSA") to participate in conservation programs and regional supply planning efforts, such as the WISE project, but had not been invoiced for dues in recent years following the unsuccessful Parker inclusion. Once the issue was identified, staff worked with SMWSA's executive director, and the parties agreed that the District would pay the current-year dues going forward, with no attempt to collect back dues from prior years.

Mr. Harris also noted higher-than-budgeted water enterprise repair and maintenance costs due to significant repairs on the distribution system and well repairs, higher CRMC annual assessments, and increased costs associated with the timing of the well control vault rehabilitation project. He observed that several capital projects are being shifted into 2026 and that the proposed 2026 budget reflects this timing.

Mr. Harris further explained that several large capital items were still in progress and that corresponding expenditures will appear in upcoming reporting periods. He noted that although a number of repair and maintenance categories show year-to-date variances above budget, these variances are consistent with the accelerated repair schedule that the District has been undertaking during 2025. He also noted that staff and consultants continue to refine categorization of capital and non-capital expenses, both for accuracy and for long-term rate modeling.

Mr. Harris confirmed that the 2026 draft budget would be updated based on the year-to-date data and Board direction, and that a full revised budget packet will be prepared for presentation at the first public budget hearing scheduled for November. Directors Radloff and Krell expressed appreciation for the clarity of the District's financial reporting improvements over the past year.

LEGAL MATTERS

District Legal Counsel Paul Polito reviewed the written legal report included in the Board packet and provided summary of current matters. Mr. Polito stated that the District continues coordinating with the Plum Creek Water Reclamation Authority regarding final edits to the Bond Repayment Intergovernmental Agreement and that execution copies will be circulated following counsel review.

He further reported that staff was preparing follow-up correspondence regarding warranty issues for Wells A-1 and A-2 and that the District would continue to pursue recovery of costs associated with the shaft failure events. Mr. Polito stated that Layne had acknowledged responsibility for the work but that the extent of manufacturer participation remains under review.

Mr. Polito also noted that counsel was continuing to work on the District's Rules and Regulations codification project and anticipated presenting a full updated draft for Board review at an upcoming meeting.

There were no additional questions from the Board.

DISTRICT MANAGER'S REPORT

District Manager Nathan Travis presented his report and provided detailed updates on the operational and capital items listed on the agenda.

Update: Well Failures.

Mr. Travis reported that staff continues to respond to ongoing well-system issues, including follow-up on the previously reported failures at Wells A-1 and A-2 and monitoring of conditions throughout the District's wellfield. He explained that the District is still awaiting the finalized third-party inspection report evaluating whether manufacturer-installed components may have included reused materials. The District continues coordinating with Layne regarding warranty coverage and recovery of costs. Mr. Travis also confirmed that inspection photographs, operating data, and all available documentation have been preserved and provided to the evaluator.

Update: Monarch Waterline Phase 2 Completion.

Mr. Travis reported that the Monarch Boulevard Waterline Replacement Project (Phase 2) has reached final completion and that all tie-ins, restoration work, and testing were successfully completed. He noted that the project was delivered in coordination with the City of Castle Pines and represents a major step in addressing aging infrastructure in the water distribution system.

Update: Lift Station Renovation Project.

Mr. Travis provided an update on the District's ongoing lift station renovation program, noting that engineering review and scope refinement were still underway. Preliminary

planning and condition assessments have been completed, with updated cost estimates and scheduling to be incorporated into the budget and capital improvement plan. He explained that this work is directly tied to the wastewater system improvements reflected in the 2026 draft budget.

Update: Stantec Study.

Mr. Travis reported that Stantec continues progressing through its system-wide infrastructure evaluation and rate modeling work. The study is expected to provide updated asset-condition findings as well as long-term projections for capital investment and rate impacts. Mr. Travis stated that initial technical memoranda had been received and are being reviewed by staff and consultants, with a full draft expected before year-end.

Update: Board Meeting Software Update.

Mr. Travis explained that staff is continuing to evaluate options for board meeting management software to replace or upgrade the District's current platform. The District's communications and administrative teams are reviewing several potential systems focused on agenda management, packet creation, video integration, and improved public accessibility. Mr. Travis will bring forward recommendations and cost comparisons once staff completes testing and gathers feedback from peer districts.

Discussion: Study Session Meeting Format.

Mr. Travis opened a discussion regarding the format and structure of Board study sessions. He noted that the Board has expressed interest in refining the sessions to encourage more informal and strategic discussion while remaining accessible to the public. Directors provided input on transparency, past viewer engagement levels, and cost considerations. Mr. Travis was directed to continue exploring recording and broadcast alternatives, including hybrid or reduced-cost options, and to consult with the District's communications team for additional metrics and recommendations.

DIRECTORS' MATTERS

Director Mulvey reiterated his request that major action items, such as personnel changes, capital contracts, and multi-year financial commitments, be introduced at work sessions before coming to regular meetings for action. The Board agreed this approach improves transparency and allows adequate time for review.

Director Krell asked that future agendas highlight items expected to require extended discussion so Directors can prepare accordingly.

Director Radloff encouraged staff to continue monitoring public feedback regarding meeting accessibility and stated that she appreciated the continued efforts to balance cost with transparency.

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 7:18pm.