

**Castle Pines Homes Association  
Board of Directors**

*Executive and Regular Meetings*

Castle Pines Homes Association  
688 Happy Canyon Road Castle Rock, CO 80108

**Friday, October 16, 2009**

**ATTENDEES:** Directors Ed Will, President; Al Dugan, Vice President; Jim Walker, Secretary; Dan Roth, Treasurer; Kim Wagner, Director. Present from the CPHA staff: General Manager Mark Larson, Chief of Emergency Services Drew Grant, Accountant Carol Tilton, and Linda Matthews.

**OTHERS PRESENT:** Paul Dannels from the Metro District. Residents: Len Jacob, Mark Jost, Bill Kingery, Gene Roberts, Monica Flinner-Ross, Don Somsy, and Craig Sundquist.

**EXCUSED:** N/A

**MEETING AGENDA:** See attached.

**I. EXECUTIVE SESSION**

The Board of Directors met in an executive session and discussed legal and personnel matters and other topics. Several of these topics were discussed during the open session.

**II. CALL TO ORDER**

The general meeting was called to order at 8:02 a.m.

**III. CONFLICT OF INTEREST DISCLOSURE**

Board members were requested to disclose any conflict of interest related to items on this month's agenda, or at any time during the meeting should a conflict of interest arise. No conflicts were identified.

**IV. MINUTES**

**Motion** Upon motion duly made and seconded, the Board approved to accept the September 18, 2009 Board of Director meeting minutes as presented.

**V. FINANCIAL REPORT** – Len Jacob, Chairman Long Range Planning and Finance Committee

Mr. Jacob presented the September Financial Report. (*See Tab #2 of the October 2009 Board Package.*)

In response to Director Dugan's request for information on operational cash flow for 2009, Mr. Jacob informed the board that the Long Range Planning and Finance Committee and Homes Association staff estimates there will be \$100,000 to \$150,000 in operating cash at the end of the year. Mr. Jacob also reported that accounts receivable will run \$130,000 to \$150,000 for 2009 with builders owning alternative development lots as the most delinquent in paying Homes Association dues.

Emergency Services labor costs continued to run high in the month of September. Chief Grant explained that the contract labor for transponder sales and the extended gate hours at Gate 5 have created the overage. He also pointed out that ES Operating is under budget.

Mr. Larson reported he has taken steps to reduce expenses in Design Review since Design Review Committee (DRC) activity continues to be slow. Mr. Larson reported that he has reduced the hours for the contract consultant and the two landscape technicians on staff.

**Motion** Upon motion duly made and seconded, the Board unanimously approved to accept the September 2009 Financial Report as presented.

#### **VI. HOMEOWNERS REQUEST TO BE HEARD: Items not on the agenda**

Resident Don Somsy requested to be heard on the issue of train whistles. Mr. Somsy reported that he has spoken with Ronald Rios of the Federal Railroad Administration about the railroad not working with us on the train whistles. Mr. Somsy suggested that Board members contact Mr. Rios. 202.493.6285. Mr. Somsy also reported that he has faxed the "Stop Train Whistle" petition to the Meadows HOA and plans on taking it to Castle Pines North to obtain signatures from those communities. It was reported that as of the day of the Board meeting (October 16, 2009), the online petition had 358 signatures.

#### **VII. MANAGEMENT REPORTS**

##### **A. General Manager – General Manager Mark Larson**

Mark Larson, General Manager of the Castle Pines Homes Association, presented his Management Report. *(See Tab #3 of the September 2009 Board Package.)*

Mr. Larson reported that he attended a working session with the Douglas County Commissioners on the issue of train whistles. Mr. Larson reported that he learned several facts concerning the crossings where the blowing of the train whistle affects the Village:

- There are seven railroad crossings along Highway 85 between Atrium Drive and Sedalia. Five of those crossings directly affect portions of the Village. The five crossings are categorized as either private or private commercial crossings.
- To qualify for a "Quiet Zone" the area must have at least one public crossing.
- The policy of the Union Pacific is to sound the train whistle at all crossings regardless of their designation (public, private, or private commercial).

The County Commissioners directed their staff to investigate the possibility of designating the crossing at the Plum Creek Waste Water Treatment plant a public crossing, establishing a "Quiet Zone" for that crossing and running a frontage road off that crossing to service the properties now serviced by the private crossings. Mr. Larson reported that the Commissioners are willing to hold a hearing on this subject once they have additional information on the issue.

Mr. Larson reported that the turn around lane at Gate 2 approved by the Board during the September 2009 Board meeting has been installed. Mr. Larson thanked the Metro District for their work on the project.

Mr. Larson reported that Homes Association President Ed Will sent a letter to Castle Pines Village Properties, LLC regarding the extension of the Sales Office at Gate 1, outlining the conditions approved by the Board on October 8, 2009. Castle Pines Village Properties, LLC has accepted the terms and conditions as defined in the letter.

**B. Design Review Committee (DRC) Report** – Director Jim Walker, General Manager Mark Larson

Director Walker reported that the DRC continues to meet monthly and there is no new construction and minimal remodeling and landscaping currently underway in the Village.

**C. Emergency Services (ES) Report** – Drew Grant, Chief of Emergency Services

Chief Grant presented the Emergency Services report. (*See Tab #3 of the September 2009 Board Package.*)

Chief Grant reported that ES incidents were down in September with two medical assists. An average of 47 vacation checks were conducted daily with the expectation that number will rise for the holidays and winter months. Chief Grant also reported that ES is in the process of hiring two patrol officers and one gate officer.

The transition to the new access control system continues to go smoothly. Chief Grant reported that ES is on the lookout for vehicles that do not appear to be residents using transponders. If violations are observed the transponder will be confiscated and the registered owner of the transponder will be cited. To date (October 16, 2009) ES has sold approximately 3,600 transponders and sales average about six to 10 per day.

Chief Grant stated that ES will hold its 9<sup>th</sup> Annual Pancake Breakfast on Saturday, October 31<sup>st</sup> from 8 am to 11 am. The fire department and sheriff's department will be in attendance. The menu will include scrambled eggs this year. A Halloween theme will be incorporated with treats and candy for the children.

**Unscheduled Item – Invitational Golf Outing** - General Manager Mark Larson

Mr. Larson stated that he had received a letter from the Country Club at Castle Pines regarding the "Chamber of Commerce Day" held on September 28<sup>th</sup> at the Country Club at Castle Pines. The Homes Association Board previously approved \$1000 to help

sponsor this event. The event attracted more participants than scheduled and the Country Club has requested an additional \$500 from each of the event sponsors. The Board approved the request.

## **VIII. ACTION ITEMS**

### **A. Parks & Recreation Capital Request – Fitness Center Carpet**

*(See Tab #4 of the October 2009 Board Package)*

In order to maintain the appearance of the Fitness Center, The Parks and Recreation Committee requested to replace the seven year old thinning carpet throughout the facility. Mr. Larson reported that this expenditure was included in the 2009 capital budget and recommended by the Association's Reserve Study.

**Motion** Upon motion duly made and seconded, the Board unanimously approved the Parks and Recreation Committee's capital expenditure request to replace the carpet at the Fitness Center.

### **B. Long Range Planning & Finance Committee Member Nomination – Len Jacob, Committee Chairman**

*(See Tab #5 of the October 2009 Board Package)*

Mr. Jacob nominated Barb Schatzman to serve on the Long Range Planning & Finance Committee stating Ms. Schatzman is a CPA with extensive experience. Though her schedule requires her to travel, she intends to attend meetings via conference call if she is out of town.

**Motion** Upon motion duly made and seconded, the Board unanimously approved the appointment of Barb Schatzman to serve on the Long Range Planning & Finance Committee.

### **C. Emergency Services Committee Member Nomination – Craig Sundquist, Committee Chairman**

*(See Tab #6 of the October 2009 Board Package)*

Mr. Sundquist nominated Jim Florey to serve on the Emergency Services Committee Stating that Mr. Flory is a practicing attorney who will bring valuable expertise to the Committee.

**Motion** Upon motion duly made and seconded, the Board unanimously approved the appointment of Jim Florey to serve on the Emergency Services Committee.

### **D. DRC Member Nomination – Jim Walker, Committee Chairman**

*(See Tab #7 of the October 2009 Board Package)*

Director Walker nominated Alan Forker to serve as an alternate on the Design Review Committee stating that Mr. Forker has experience serving on the DRC for the Village Lake Homeowners Association. Mark Larson explained this nomination would be an agenda item at the Annual Meeting of the Members to be ratified by the Homes Association membership.

**Motion** Upon motion duly made and seconded, the Board unanimously approved the appointment of Alan Forker to serve as an alternate on the Design Review Committee.

## **IX. INFORMATION/DIRECTION**

### **A. Lagae Property Update – Director Ed Will**

As was reported last month, in response to the request from Jack Vickers, III to annex the Lagae South property into the Castle Pines Homes Association, the CPHA Board submitted to Mr. Vickers a white paper outlining conditions in which the CPHA would consider the inclusion. One of those conditions is for the Castle Pines Metro District and Mr. Vickers to reach an agreement whereby the Metro District would provide water, sewer and road maintenance to the subject property. The Metro District and Mr. Vickers are currently in discussion on these subjects. Director Walker commented there still may be other conditions that will require negotiation as well.

### **B. Joyce Homes Lawsuit Update – General Manager Mark Larson**

Mr. Larson reported that the Joyce Homes lawsuit stemmed from an issue that arose in 2006 when Joyce Homes purchased six lots in Village Lake development and wanted to build a particular style of home that was not acceptable to the CPHA. Joyce Homes brought suit against the CPHA and individual Board members who were serving at that time, as well as a CPHA employee. The individuals were eventually dropped from the suit. As an update Mr. Larson reported that the lawsuit (Joyce Homes, CPHA, Insurance Co) settled out of court last month. Legal and settlement costs were covered by the Homes Association's Directors and Officers (D&O) insurance carrier with a \$5,000 deductible. As a result of the agreed settlement, the case is closed.

### **C. Access Control – Drew Grant, Chief of Emergency Services**

Chief Grant reported that construction at Gate 4 is expected to be done soon. The gate arms are ready for use and will become operational next week. ES will post a notice in the weekly Eblast encouraging drivers to slow down for the gate and to remind them that only one vehicle per gate operation is allowed.

Mr. Larson mentioned that Chief Grant has recently received favorable comments regarding ES staff.

### **D. Metropolitan District Items – Paul Dannels, District Manager**

Mr. Dannels reported the preliminary 2010 budget was submitted to the Castle Pines Metropolitan District Board. He expressed concern for the 2011 and 2012 budgets considering the reduction of property values throughout the area. Director Roth suggested that the Metro District and the CPHA work together to track ownership of properties and assist in the collection of unpaid assessments and water bills.

The Metro District is going to start design work in early 2010 on the roundabouts on Happy Canyon Road between Gates 1 & 2 and Gates 3 & 4. Plans will be submitted to Douglas County next March with construction hopeful for 2010.

Speed Table – A speed table (like a flat speed bump) with a pedestrian crosswalk will be installed near the Summit Club at Holy Cross on Country Club Drive. Mr. Dannels reported a speed table has been approved by the DRC and is designed to reduce vehicle speed. The Metro District has installed signs in the area to inform drivers of the pending speed table installation. Mr. Larson reported that the Emergency Services Committee evaluated the use of speed tables and agreed with the concept.

The Metro District is in the process of installing signs at school bus stops within the Village. Mr. Dannels reported that the signs are a special bright yellow green required by uniform traffic sign standards.

#### **E. Metro Landscaping Contract – General Manager Mark Larson**

In 2004 the Castle Pines Homes Association entered into a contract with the Castle Pines Metropolitan District for a period of five years (2005 -2009) for the Metro District to perform landscape maintenance on Village open space owned by the Homes Association. A new landscape maintenance contract has been submitted by the Metro District that reflects a 5% increase with the rate remaining constant for a period of five years (2010-2014). Mr. Larson reported he has sought cost comparisons but is finding contractors are not interested in bidding the work competitively with the rate being proposed by the Metro District. Director Roth asked if the CPHA needs to get other bids based on the fact that the Metro District has been performing the maintenance in a superior manner over the last five years. Director Walker recommended the Board review the scope of work and the areas that have been done in the past. Mr. Larson stated he would talk about this to the Beautification Group and report back to the Board next month. Director Dugan stated that the Board should do their due diligence and look at other available options.

#### **F. Forest Stewardship Update – General Manager Mark Larson**

Mr. Larson reported that Mike Bain (former Colorado State Forester), along with the Forest Stewardship Committee, has been out looking at suspected diseased and distressed trees in the Village. Several trees have been removed because of beetle infestation and residents and sub associations have been cooperative about removing affected trees. It was suggested that the Forest Stewardship Committee consider a policy to require residents to spray trees. Perhaps costs could be kept down with the use of bulk spraying. A spreadsheet on beetle damaged trees was presented.

#### **Unscheduled Item – Annual Meeting – General Manager Mark Larson**

Mr. Larson proposed plans for the Annual Meeting of the Members. Suggested date is March 8, 2010 at Cielo at Castle Pines (no charge to CPHA). The CPHA will provide food and coffee and perform setup and teardown.

**G. Comcast Discussion** – Len Jacob, Chairman Long Range Planning and Finance Committee

Mr. Jacob reported that the Homes Association's current agreement with Comcast for residential cable service expires in March of 2010 and that the renewal proposal from Comcast has been received. The proposed rate is an increase of 25% or \$5.40 per month per residence with a 5-year contract and includes channels 1-99, and one digital box (not DVR or HD). Director Dugan directed Mr. Larson to pursue other options than Comcast and report back to the Board. A slide was shown of an Excel spreadsheet.

**H. Hunting Issue on the King Property Update** – Director Ed Will

The Douglas County District Court Judge issued his ruling on the hunting issue in early October. The ruling restricts hunting to a confined area yet to be determined by the CPHA, Colorado Division of Wildlife and the Kings. Other conditions placed on hunting include the need for a licensed hunting coordinator to accompany hunters. The court ruled that the three affected parties (CPHA, the Colorado Division of Wildlife and the Kings) have 30 days to formulate a plan that incorporates the conditions set by the court in its order. Director Will stated that the parties were currently working on the plan. Until the plan is submitted and approved by the court the preliminary injunction remains in effect and hunting on the property is not permitted. The Court also ruled that the \$40,000 bond posted by the CPHA will be returned minus applicable court costs.

**X. IMPORTANT MEETING DATES**

The November 2009 Board Meeting will be held in the Castle Pines Homes Association Conference Room located at 688 Happy Canyon Road, Castle Rock on Friday, November 20, 2009, 7:00 am Executive Session, 8:00 am Regular Meeting.

**XIII. ADJOURNMENT**

**Motion** Upon motion duly made and seconded, the Board unanimously approved to adjourn the October Board of Directors Meeting at 9:27 am.

Respectfully Submitted by,

Linda Matthews