MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE CASTLE PINES VILLAGE METROPOLITAN DISTRICT

Held: Wednesday, May 27, 2026, 2:00 p.m., at 5880 Country Club Dr., Castle Rock, Colorado

A regular meeting of the Board of Directors of the Castle Pines Village Metropolitan District, Douglas County, Colorado, was called and held as shown above and in accordance with the applicable statutes of the state of Colorado, with the following Directors, constituting a quorum, present, and acting:

Rick Huser
David King
Mike Lanam
Cassie Vetter
Tad Walden

Also present were Josh Shackelford, Jason LeTellier, Amber Lindberg, Evan Person, Nicole Koehn, District Staff; Tom George, Spencer Fane; Christine McLeod, CPA, Audit Partner, Johanna Remster, CPA, Audit Manager, Haynie & Co; Mark Larson, General Manager, Castle Pines Village Homes Association via Zoom; Cici Holbrook, member of the public via Zoom.

Potential Conflict of Interest Disclosures

It was noted that disclosure statements have been filed with the Office of the Colorado Secretary of State on behalf of the members of the Board. District Counsel Mr. George stated that no additional potential conflicts of interest were identified specific to today's agenda.

Approval of the Agenda

Director Huser made a motion to approve the Agenda, seconded by Director Vetter.

The Board unanimously approved the Agenda.

Guest Introductions / Comments from the Community – there were none.

Action Item

Accept the Audited Financial Report for Fiscal Year 2025 – Director Huser made a motion to accept and file with the State Auditor the Audited Financial Report for Fiscal Year 2025, seconded by Director King. Ms. Lindberg introduced Ms. Christine McLeod and Ms. Johanna Remster from Haynie & Company. The District engaged with Haynie & Company to conduct an audit of 2025 financial reporting. Ms. McLeod and Ms. Remster presented highlights of the Audited Financial Report for Fiscal Year 2025.

A vote was called, and the motion passed unanimously.

Budget Amendment Discussion

Mr. Shackelford reviewed the 2026 Budget Amendment. A Budget Amendment is required when expenditure exceeds the approved budget, even if revenue will offset the expense. Due to the PCWRA reuse project, the Golf Club has elected to pay for its project share in full rather than through a State Revolving Fund (SRF) loan. This budget amendment adds $2,000,000 in expenses but is fully offset by $2,000,000 in revenue. The net impact on the budget is $0.

Public Hearing

Director Huser opened a Public Hearing to receive comments or questions from the public about the proposed budget amendment. No comments were made by the public.

Director Huser closed the public meeting.

District Reports

Castle Pines Homes Association Update – Mr. Larson reported that the Castle Pines Homes Association Board meeting is scheduled for tomorrow at 8:00 a.m., during which the Association's 2025 audit presentation will be provided by the Adams Group.

The Canyon Club & Summit Club pools opened over Memorial Day weekend. The pickleball court refurbishment project is anticipated to be completed by mid-June and will result in five courts designed for improved playability.

Mr. Larson also provided an update regarding mitigation efforts for the Mountain Pine Beetle issue expected this summer. CPHA has invested approximately $100,000 in pheromone packets and related studies. To date, 500 custom homes and seven sub-associations, representing approximately 650 homes, have received pheromone packets and training.

Two additional distribution dates are scheduled: Wednesday, May 28, from 5:00 p.m. to 7:00 p.m., and Thursday, June 4, from 5:00 p.m. to 7:00 p.m., both at the Homes Association office.

Mr. Larson stated that the current infestation level remains minimal, with approximately 40 infested trees scheduled for removal within the next week. He noted there are not many "hot spots" within the community and that the beetle's flight range is generally limited to about 100 yards. CPHA's goal is to raise awareness and encourage residents to obtain and utilize additional pheromone packets as needed.

District Manager Report - PCWRA Updates – The reuse reservoir rehabilitation project has been proceeding per schedule.

The pond is currently back under PCWRA's control for the golf course summer demand period. PCWRA expects its draft permit in the next couple of months. No update on the US 85 expansion since the last meeting.

District Updates – Sanitary survey was completed on April 29 by CDPHE. No violations were found. CDPHE identified 2 items that must be updated: 1) discharge from the reclaim basin at WTP1 must be rerouted, and 2) the hatch at the Aslan tank must be replaced. The hatch met the requirements when constructed but no longer does.

General Updates – All wells remain operational for the summer irrigation season. The brush pickup was completed the week before Memorial Day weekend. The District submitted an application to Douglas County for $50,000 in cost-sharing for wildfire mitigation.

CPMD Water Usage Reports – Water usage continued to trend upward, as is typical during the late spring months. Usage in April was higher this year than in previous years due to drier seasonal conditions.

Staff also reported that, for the third consecutive month, there has been no miscellaneous unaccounted-for water usage, which is typically associated with system leaks.

Capital Projects Update - WTP2 Consolidation – The office area has been completed, and the HVAC ducts are near completion. The painting of the process building has been completed. The June work includes process piping and equipment installation. The next milestones are to complete roof work in June and demolish the existing process wall and roof in July.

New Water Tank – The first three wall pours and column bases are completed. The June work includes continuing to work on wall pours (8 pours are required). The next milestone is to complete the remaining wall pours in July.

Discussion & Action Items

Consent Agenda

Director Huser made a motion to approve the Consent Agenda, seconded by Director Lanam.

Approve the Minutes of April 28, 2026, Regular Board Meeting.

Ratify the Approval of April 2026 payments of $3,430,365.75.

A vote was called, and the motion passed unanimously.

Review of April 2026 Financials - Ms. Lindberg stated that the District is currently operating under budget. However, expenditures are expected to align with the approved budget by the end of the fiscal year as summer projects move forward.

Consider Approval of Resolution to Amend the 2026 Budget - Director Huser made a motion to approve the 2026 Budget Amendment, seconded by Director Lanam.

A vote was called, and the motion passed unanimously.

Consider Approval of the Concrete Tile Roof Replacement Contract for the Office and Shop – Mr. Shackelford discussed the need to replace roofs on both the office and shop buildings (both buildings have original roofs). The Invitation to Bid was issued on March 27, 2026. The District received eight (8) bids. The lowest responsive bidder was Academy Roofing at $314,965. The 2026 budget allocation is $250,000. However, District staff have identified approximately $65,000 in available funding within the 2026 budget to cover the difference.

Director Huser made a motion to authorize the District Manager to enter into contract negotiations with Academy Roofing, Inc., for the Concrete Tile Roof Replacement, with a budget not to exceed $314,965, and to execute a final agreement upon successful negotiations, seconded by Director King.

A vote was called, and the motion passed unanimously.

Consider Approval of the AMI Base Station Replacement – Mr. Shackelford shared with the board that the existing water meter reading base stations are past end-of-life and require replacement. The equipment must be sourced through Core & Main due to meter brand compatibility with our existing meters. Their proposed contract amount is $111,944.40. The 2026 budget allocation is $125,000.

Director Huser made a motion to authorize the District Manager to enter into contract negotiations with Core and Main for the AMI Base Station Replacement, with a budget not to exceed $111,944.40, and to execute a final agreement upon successful negotiations, seconded by Director Lanam.

A vote was called, and the motion passed unanimously.

Consider Approval of the 2026 Roadway Construction Services – Mr. Shackelford noted that Chavez Construction is in their final year of a 3-year contract. The proposed unit rate increase of ~5% is to account for inflation, primarily driven by rising asphalt (oil-based) costs. Their proposed contract amount is $3,204,126. The 2026 budget allocation is $3,250,000.

Director Huser made a motion to authorize the District Manager to enter into contract negotiations with Chavez Construction, Inc., for the 2026 Roadway Construction Services, with a budget not to exceed $3,204,126, and to execute a final agreement upon successful negotiations, seconded by Director Vetter.

A vote was called, and the motion passed unanimously.

Confirm Thursday, June 18, 2026, Regular Board Meeting at 9:00 a.m. – the Board confirmed the Regular Board meeting on Thursday, June 18, 2026, at 9:00 a.m.

Executive Session

At 3:27 p.m., Director Huser made a motion to enter into an executive session pursuant to C.R.S. § 24-6-402(4)(b) & (e), to confer with the District's legal counsel and receive legal advice on specific legal questions, and to discuss matters of negotiations, develop strategy for negotiations, and instruct negotiators regarding: (1) Jam Ranch (2) Castle Rock Water update, (3) Hotwire Project, (4) Backflow Device Fines and issues, and (5) Jack Vickers development.

The motion was seconded by Director Vetter.

Upon a unanimous vote, the Board entered into an executive session.

The Board left the executive session, and the regular session resumed at 4:50 p.m.

There being no further business to come before the Board, and upon motion duly made, seconded, and unanimously carried, the Board adjourned the regular meeting at 4:50 p.m.

The Board of Directors approved the foregoing minutes on the 18th of June 2026. The preceding constitutes a true and correct copy of the minutes of the above-referenced meeting.

Secretary