

**CASTLE PINES NORTH METROPOLITAN DISTRICT
WORK SESSION MINUTES
March 16, 2026 – 5:30 p.m.**

HELD: Monday, March 16, 2026, at 5:30 p.m. via remote videoconference.

ATTENDEES: Directors Jason Blanckaert, Leah Enquist, James Mulvey, Tera Radloff, and Jana Krell were present. Also present were: Eric Harris, Elevated Clarity; Nathan Travis, District Manager; and Paul Polito, Seter, Vander Wall & Mielke, P.C. All attendees participated via videoconference.

CONFLICTS: None.

QUORUM: Present.

CALL MEETING TO ORDER: The Work Session was called to order at approximately 5:30 p.m.

FINANCE ITEMS

Review: Monthly Claims for Payments Made from February 12, 2026 to March 11, 2026

Eric Harris of Elevated Clarity presented the monthly payment claims totaling \$1,859,339.06, consisting of \$1,756,207.95 in checks and \$103,131.11 in electronic payments. Mr. Harris noted that the claims are higher than typical due to three significant capital project pay applications: \$243,451.41 to the City of Castle Pines for the Monarch Project; \$364,184.71 to Myers & Sons Construction, LLC for the Filter Beds Rehabilitation; and \$581,022.28 to T Lowell Construction, Inc. for the Lift Stations Upgrades.

Mr. Harris provided a follow-up on the procedural change introduced at the February 16, 2026 Work Session. Following internal discussion between District staff and Elevated Clarity, an additional review step has been incorporated into the accounts payable process to ensure compliance with the Financial Controls Policy/Matrix. District staff enter vendor invoices, with supporting invoices attached, into Blackbaud Financial Edge NXT. Prior to posting the invoices or releasing checks, Elevated Clarity reviews each transaction for coding, accounting period timing, amounts, and compliance with the Financial Controls Policy/Matrix. If a transaction requires Board approval prior to payment, Elevated Clarity will notify District staff to hold the check until approval is obtained. Mr. Harris confirmed that all invoices included in the current Payment Claims Presented for Review were evaluated and determined to be in compliance with the Financial Controls Policy/Matrix. Mr. Harris also noted that a comprehensive financial report, including budget-to-actual analysis through January 31, 2026, will be provided at the March 23, 2026 Board Meeting. The Board had no questions.

LEGAL ITEMS

Legal Status Report

Legal Counsel Paul Polito briefly reviewed the Legal Status Report. Mr. Polito noted that the only matter requiring Board action at the upcoming regular meeting is the Rules and Regulations update. Mr. Polito reported that he submitted the Second Amendment to the Service Plan and the related petition to the Douglas County Planning Division, and that a pre-application meeting is scheduled for Wednesday, March 18, 2026 to discuss the amendment process. Mr. Polito anticipated the meeting would focus on items to be waived, given that the amendment is limited to a reduction in services. Mr. Polito also reported that a meeting with Hidden Pointe Metropolitan

District staff is scheduled for Tuesday, March 17, 2026 at 3:00 p.m. to discuss the proposed inclusion agreement, election timing, and the election calendar, and noted the need to account for the district court's timeline in order to complete the inclusion this year. The Board had no questions.

Review February 16, 2026 Work Session Minutes

Mr. Polito presented the February 16, 2026 Work Session minutes for review. The Board had no comments or requested changes.

Review February 23, 2026 Board Meeting Minutes

Mr. Polito presented the February 23, 2026 Board Meeting minutes for review. The Board had no comments or requested changes.

Review Rules and Regulations

Mr. Polito presented the draft updated Rules and Regulations. Mr. Polito explained that the principal changes are as follows: (i) two chapters addressing the Stormwater System and Parks, Trails and Open Space (Articles 11 and 12) were deleted to reflect the transfer of those services to the City of Castle Pines; (ii) a new Chapter 15 addressing Cross-Connection Control and Backflow Prevention was added to satisfy the requirement of the Colorado Department of Public Health and Environment that districts enact rules providing enforcement authority against constituents for related violations and to prevent contaminants from flowing back into the system; and (iii) various provisions were updated to incorporate resolutions enacted by the Board since 2015, with the three remaining unincorporated resolutions identified in comments. Mr. Polito noted that the hearing and appeal procedures have been left unchanged, as the recent informal hearing conducted by the Board demonstrated those procedures function well in practice.

Director Enquist's commented regarding formatting on the title page. Mr. Polito explained that the formatting irregularities are artifacts from a PDF conversion and will be cleaned up in the final version. No action was taken, and Mr. Polito invited further comments from the Board in advance of the March 23, 2026 Board Meeting.

DISTRICT MANAGER ITEMS

Lift Station Project – Scope B Bid Update

District Manager Nathan Travis reported that the bid opening for Scope B of the Lift Station project occurred on the prior Wednesday. Four bidders submitted qualifying bids. Mr. Travis noted that the apparent low bidder does not appear to have completed projects of comparable scope or scale based on the materials submitted, which raised concerns. Kennedy Jenks is obtaining additional references as part of the due diligence process, and Mr. Travis indicated he expects to present additional information to the Board at the March 23, 2026 Board Meeting.

EPA Cybersecurity Evaluation

Mr. Travis reported that the EPA recently notified the District that it would be conducting a cybersecurity audit. An initial meeting is scheduled for March 23, 2026, with an on-site follow-up visit to follow. Mr. Travis indicated that the District's risk and resiliency assessment was completed in 2019 or 2020. Greystone, the District's integration firm, and Mountain Peak, the District's SCADA firm, are reviewing the District's systems in preparation for the audit. Mountain Peak has experience with similar audits. Mr. Travis noted that he does not anticipate any violations but expects that recommendations and best practices will be issued.

President Blanckaert requested to be included in the EPA audit meetings, and Mr. Travis agreed. President Blanckaert also asked about the framework under review. Mr. Travis indicated that the audit will cover SCADA hardware components, policies at the treatment plant, and the District's office systems, and he agreed to forward the EPA communication to President Blanckaert.

Site Security Scope

Mr. Travis reported on updates regarding the scope of both Lift Station projects, and that Kennedy Jenks is developing a scope of services for a system-wide site security audit. The site security scope is currently separate from the cybersecurity evaluation, although the two may merge going forward.

Director Enquist asked about the cost of the Kennedy Jenks effort and whether the goal is to use the resulting scope with a specific vendor or to solicit competitive bids. Mr. Travis indicated that the cost of the risk and resiliency assessment is not readily available but is several years old, and that no expenditure on the current site security scoping effort has yet been incurred. Mr. Travis explained that the intent is to move away from a piecemeal approach and instead develop a complete project that can be competitively bid to firms specializing in large-scale security projects. Once developed, the scope will be presented to the Board for approval before proceeding.

ADJOURNMENT

There being no further business to come before the Board, the Work Session was adjourned.