

Castle Pines North METROPOLITAN DISTRICT

Providing the people, families, neighborhoods and small businesses of Castle Pines with clean, safe, reliable drinking water, renewable water, wastewater, storm water, parks and open space services in the most fiscally responsible manner, while serving as stewards of the community's water-related assets and Standard & Poor's AA and Moody's A1 bond ratings.

2011: A Year of Substantial Progress on Multiple Fronts

We dedicated much of 2011 to planning and managing construction of Phases 1 and 2 of your \$10.5 million InterConnect Pipeline Project, the completion of which is vital to weaning our community off its virtually exclusive and unsustainable reliance on well water from the Denver Basin Aquifer System – and specifically on well water from the Arapahoe Aquifer. When complete, the InterConnect Pipeline project will give the people of Castle Pines access to their renewable water sources, including: Hock Hocking Mine water, South Platte water, Plum Creek water, and Plum Creek Wastewater Authority discharges.

One foundational element of the InterConnect Pipeline Project is its Phase 2 **Pump Station**, located immediately west of Monarch Boulevard at the southern edge of Highlands Ranch. We anticipate completing the pump station this March and immediately thereafter beginning Phase 3, which entails constructing a 4-mile water pipeline from the pump station to Castle Pines Parkway. We anticipate completing this Phase 3 pipeline in late 2012 or early 2013. We will then move to complete the InterConnect Pipeline Project by constructing its fourth and final phase – a 4.5-mile water pipeline along Castle Pines Parkway east to Rueter-Hess Reservoir. We anticipate completing Phase 4 in late 2013.

Separately, you may recall that in January of this year, we committed to continuing to pay down the Metropolitan District's historic "Legacy Debt" as quickly as possible. As part of our aggressive debt-reduction plan, we paid down another \$1.8 million this year on the Metropolitan District's 2006-C variable-rate bonds. We anticipate paying off the balance of those

bonds within the next 18 months, thereby saving over a million dollars in interest.

Both Standard and Poor's and Moody's independently re-evaluated the Metropolitan District's financial health and credit worthiness. Despite the fact that both agencies cited the proposed Dissolution as the primary reason they assigned the Metropolitan District with a "negative outlook," both agencies reaffirmed the Metropolitan District's A1 and AA ratings, respectively.

In closing, we wish to acknowledge and thank the extraordinary men and women on our staff who deliver the diversity of services upon which all in our community rely, but sometimes take for granted. Our staff's commitment to delivering quality service combined with their experience, patience and steady hands during tumultuous times contribute substantively to the quality of life for all the people, families, neighborhoods and businesses we serve. Please look for an opportunity to join us in recognizing:

- **Jim Worley**, District Manager (Pinnacle Consulting)
- **Peggy Dowswell**, Finance Director (Pinnacle Consulting)
- **Janet Burnham**, District Administrator
- **Charlie Fagan**, District Parks & Open Space Manager
- **Andrew Romano**, Wells & Water Treatment Supervisor
- **Patty Hoffman**, Customer Service Representative
- **Susan Nagel**, Customer Service Representative
- **Dave Anderson**, District Parks & Open Space Foreman
- **Cory Williams**, Water Distribution & Wastewater Collection Foreman

We wish you, your family, friends and loved ones good health, peace and prosperity over the holidays and throughout the coming new year.

For more information, please visit www.cpnmd.org and/or email us or District Manager, Jim Worley, at jworley@cpnmd.org.



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