

**MINUTES OF SPECIAL MEETINGS  
OF THE BOARDS OF DIRECTORS OF THE  
WOODMEN HEIGHTS METROPOLITAN DISTRICT NOS. 1, 2 and 3  
JULY 10, 2013 AT 10:00 A.M.**

Pursuant to posted notice, the special meetings of the Boards of Directors of the Woodmen Heights Metropolitan District Nos. 1, 2 and 3 were held on Wednesday, July 10, 2013 at 9:00 a.m., at 102 E. Pikes Peak Avenue, Suite 200, Colorado Springs, CO 80903.

In attendance were Directors:

Lindsay J. Case, President  
Les Krohnfeldt, Vice President  
Randle Case II, Assistant Secretary  
James Morley, Secretary/Treasurer

Also in attendance were:

K. Sean Allen, Esq., White, Bear &  
Ankele P.C. (by phone)  
Terry Schooler, Schooler & Associates  
Lori VonFeldt-Wingert  
Virgil Sanchez  
Bryan Long  
Dave Mersman  
Steve Mulliken

Scott Hente, Assistant Secretary, was absent and excused.

Combined Meetings:

The districts are meeting in a combined board meeting. Unless otherwise noted below, the matters set forth below shall be deemed to be the action of Woodmen Heights Metropolitan District No. 1 (“District”, “District 1” or the “Board”) with concurrence by Woodmen Heights Metropolitan District No. 2 (“District 2”) and Woodmen Heights Metropolitan District No. 3 (“District 3”).

1. Call to Order:

Director Lindsay Case called the meeting to order at 10:09 a.m. It was noted that the meeting was posted as per special metropolitan district requirements for a special meeting.

2. Declaration of Quorum/Director Qualifications/Disclosure Matters:

Director Lindsay Case indicated that a quorum of the Board was present, and stated that each Director has been qualified as an eligible elector of the District pursuant to Colorado law. The Directors confirmed their qualification. Ms. VonFeldt-Wingert noted that the Directors’ disclosures of their potential conflicts of interest were filed pursuant to state law for the meeting.

3. Approval of

the Agenda: The agenda was approved.

4. City-District Intergovernmental Agreement (Benefited Service Area Fair and Equitable Participation):

Mr. Mulliken handed out to the Board a draft of the IGA (dated June 24, 2013) between the District and the City stating that even though this was started years ago the City is finally in a position to work through it. Director Krohnfeldt asked why the City has been resistant and Mr. Sanchez indicated that there were several construction obligations the District was showing as not having construction funds available so the issues had to be resolved to be able to move forward. Mr. Mulliken concurred stating that this current IGA is an update for where the District is with the City today.

Mr. Mulliken detailed what the IGA will do for the District today: the inclusion map was updated for the current time and shows the shortfalls. The city will tag those properties that come into the City to develop and they will be required to pay a fair and equitable participation fee and show what has been built, what needs to be improved, and what the District was able to pay for. There is a procedure on how the process works and the District will have to calculate what is fair and equitable and will give the City the calculation, which the City will review and either approve calculate a different amount. If the City calculates a different amount, the District and City will work cooperatively to produce a reasonable fair and equitable participation amount.

Mr. Mulliken indicated that the District's share of the Marksheffel bridge is on the south half and the fee that was established by Mr. Sanchez's calculations per acre is about \$763. The fee will go directly to the City to satisfy that obligation.

Mr. Mulliken stated regarding the parks: there are four parks within the District and one, in Cumbre Vista, has already been built. There are three more that need to be complete and there is no funding for them right now. There already is a funding mechanism set up by the District contained in the \$5,500/acre Platting Fee where \$500/acre will be set aside for the construction of the 5-acre park located northwest of the Vollmer and Cowpoke intersection. The Board requested that the IGA be specific as to where the remaining two parks are and that they will be paid for out of the imposed City required fee of about \$1,400. Director Randle Case II pointed out that the resolution allocating \$500 of the \$5,500 platting fee should now reference that the \$500 portion is specifically for construction of the Vollmer/Cowpoke 5-acre park. Mr. Schooler agreed that the progress on the City IGA has reached a point to where the \$5,500 fee resolution can be updated. Mr. Allen stated that the official allocation regarding the \$500/acre for the 5-acre park will be set forth in the \$5,500 Platting Fee resolution, with a cross reference to the same being made in the IGA with the City. Mr. Mulliken agreed that any reference to the Cumbre Vista park and Cowpoke (5-acre) park should be addressed separately.

Director Randle Case II suggested adding to the IGA a condition that that the City would impose a charge (rate schedule) for when a parcel comes into the District the property owner will have to pay for their engineering/legal fees associated with the fair and equitable calculation work that will need to be done each time. Mr. Mulliken stated that the city already has an application fee. Director Lindsay Case said it could be based on acreage and Mr. Schooler could be allowed to appropriate review fees in the event they didn't join the District. The Board concurred.

Director Morley said that he spent about \$450K on Pond 3 and wondered if he could get credits for it. Mr. Sanchez indicated that since the District has no further obligation towards the pond he should be able to, if not reimbursement, a minimum credit for sure.

Mr. Mulliken stated that the Board could act on imposition of the new City required fees and wouldn't need City approval and if the City IGA fails to be adopted then the Board could rescind the new fees at its discretion. Mr. Mulliken reiterated that out of the \$2,100 the bridge fees will go to the City and the

park fees will come to the District. The Board agreed to take the necessary action at the next District meeting.

5. Bridge Obligation Fee/Resolution per IGA:

See item 4.

6. Park Obligation Fee/Resolution per IGA:

See item 4.

7. Other Business: The special meetings adjourned at 11:38 a.m.

The next regular meeting will be held on Wednesday, August 7, 2013 at 9:00 a.m.

Respectfully Submitted,

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Terry E. Schooler, Manager