

**MINUTES OF REGULAR MEETINGS
OF THE BOARDS OF DIRECTORS OF THE
WOODMEN HEIGHTS METROPOLITAN DISTRICT NOS. 1, 2 and 3
SEPTEMBER 4, 2013 AT 9:00 A.M.**

Pursuant to posted notice, the regular meetings of the Boards of Directors of the Woodmen Heights Metropolitan District Nos. 1, 2 and 3 were held on Wednesday, September 4, 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
Walter Lukasik, Forest Meadows HOA
Steve Martin, Forest Meadows HOA
Ross Clinger

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 9:17 a.m.

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. Approval of

the minutes: Director Randle Case II motioned to approve the June 5, June 12, June 18, July 10 and August 7, 2013 minutes seconded by Director Krohnfeldt. Motion passed.

5. Resolution for the \$5,500 Platting Fee (5-Acre Park Escrow and Benefited Service Area Exhibit), New \$2,100 City Fee:

The Board tabled discussion until the meeting in October.

6. City/District Intergovernmental Agreement (benefited service area and fair and equitable participation):

The Board tabled discussion until the meeting in October.

7. Resolutions for Bridge Obligation Fee and Park Obligation Fee (per IGA with city):

The Board tabled discussion until the meeting in October.

8. Series 2012 "C" Cost Certification Status:

There was no discussion.

9. District Manager Report:

- a. Update on City IGA regarding Annexation and Drainage/Bridge Credits-
Mr. Schooler stated the IGA is in the final drafting stage.
- b. Market Status of Ground or Developers-
There was no discussion.
- c. Spring Ranch GID Funding Status –
There was no discussion.

10. Financial Statement and Payables:

- a. Approval of Invoices-
Director Randle Case II motioned to approve the invoices seconded by Director Krohnfeldt. Motion passed.
- b. District Facility Fee/Permit Status/Delinquent Accounts-
A summary report of the District's residential and commercial facility fees (due at building permit) that have been collected was presented to the Board.

The Board inquired about the three Grant Langdon lots that failed to pay the required District Facility Fee and Mr. Schooler indicated that a demand letter would need to be drafted. Mr. Allen stated that by statute the District Facility Fee constitutes a perpetual lien on the affected property that is not discharged until paid. Discussion regarding making final demand for delinquent payment from Mr. Langdon before pursuing lien actions against the current property owners. Director Randle Case II motioned to authorize the District Manager and legal counsel to draft the demand letter seconded by Director Morley. Motion passed.

11. Public Comment (on items not already on the agenda):

Mr. Clinger asked about Board member vacancies and Mr. Allen informed him that there were no vacancies at this time, but there are expiring terms in 2014. Mr. Allen noted that only eligible electors of the District are able to be board members.

Mr. Clinger asked about the invoice payment to Howard Jensen in the August minutes and Director Morley noted that the amount incurred to Mr. Jensen involved legal costs incurred in response to Mr. Clinger's failed litigation over District water/sewer public improvement easement remediation work benefiting the Districts, and that the amount owed to Mr. Jensen was in excess of the lower amount invoiced and accepted by Mr. Jensen as final payment.

Director Randle Case II noted that Fire Station 21 opened on Dublin and Peterson that is closer to the subdivisions in Woodmen Heights.

12. Executive Session Section 24-6-402(4)(b) and (e)-

The Board agreed not to reconvene after the Executive session.

Executive Session. At 9:52 a.m., pursuant to Section 24-6-402(4)(b) and (e), C.R.S., Director Randle Case II motioned, and being supported by at an affirmative vote of at least two-thirds of the quorum in attendance, that the Boards convene in an executive session for the sole purpose of receiving specific legal advice regarding the pending City IGA and Annexation and Drainage/Bridge Credits. Pursuant to Section 24-6-402(2)(d.5)(II)(B), C.R.S., no record or electronic recording will be kept of those portions of the executive session that, in the opinion of the District's attorney, constitute privileged attorney-client communication pursuant to Section 24-6-401(4)(b), C.R.S. The Board did not engage in discussion of any matter not enumerated in Section 24-6-402(4)(b) or (e). The Board did not adopt any proposed policy, position, resolution, rule, regulation, or formal action. The executive session meeting was adjourned at 11:05 a.m.

13. Adjournment: The regular meeting adjourned at 11:05 a.m.

The next regular meeting will be held on Wednesday, October 2, 2013 at 9:00 a.m.

Respectfully Submitted,

Terry E. Schooler, Manager