

**MINUTES OF SPECIAL MEETINGS
OF THE BOARDS OF DIRECTORS OF THE
WOODMEN HEIGHTS METROPOLITAN DISTRICT NOS. 1, 2 and 3
JUNE 11, 2014 AT 9:00 A.M.**

Pursuant to posted notice, the joint meeting of the Boards of Directors of the Woodmen Heights Metropolitan District Nos. 1, 2 and 3 was held on Wednesday, June 11, 2014 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/Treasurer
Randle Case II, Assistant Secretary
Scott Hente, Assistant Secretary
James Morley, Secretary

Also in attendance were:

K. Sean Allen, Esq., White, Bear &
Ankele P.C. (by phone)
Terry Schooler, Schooler & Associates
Lori VonFeldt
Bryan Long
Ed Gonzales
Seef Le Roux
Blake Jordan (by phone)
Ross Clinger

Combined Meeting:

The Boards of Directors of the Districts have determined to hold a joint meeting of the Districts and to prepare joint minutes of actions taken by the Districts in such meetings. Unless otherwise noted herein, all official action reflected in these minutes shall be deemed to be the action of all Districts. Where necessary, action taken by an individual District will be so reflected in these minutes.

1. Call to Order:

Director Lindsay Case called the meeting to order at 9:15 a.m.

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

Director Lindsay Case indicated that a quorum of the Boards was present, and stated that each Director has been qualified as an eligible elector of the Districts pursuant to Colorado law. The Directors confirmed their qualification. Ms. VonFeldt noted that the Directors' disclosures of their potential conflicts of interest were filed pursuant to state law for the meeting, and were made part of the official minutes of the meeting by reference. The Boards determined that participation by the directors with potential conflicts of interest was necessary to obtain a quorum or otherwise enable lawful action to occur.

3. Approval of

the Agenda: The agenda was approved.

4. Approval of

the minutes: Director Hente moved to approve March 5 and March 18, 2014 minutes seconded by Director Krohnfeldt. Motion passed.

5. 2013 Audit Discussion - Josephus "Seef" Le Roux, BiggsKofford:

Mr. Le Roux handed out copies of the draft 2013 Audit. Mr. Le Roux proceeded to explain the Districts' assets and liabilities as well as the increased revenues and expenses. Mr. Le Roux said that in the footnote disclosure nothing materially changed from last year and there were no new accounting policies to incorporate. Director Hente moved to approve the 2013 Audit subject to the pending review and revision by Mr. Allen seconded by Director Morley. Motion passed.

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

Mr. Schooler indicated that a meeting has been scheduled with planning staff and legal counsel regarding the IGA. It was noted that it was possible that City Council would not have to approve the IGA, but could be approved by the mayor. Board members noted that actual approval by City Council would be a cleaner approval method. The Board briefly discussed the improvements for Marksheffel Road and possible potential future funding.

7. Series 2012 "C" Cost Certification, City Consent to C Bond Status, Series C Bond Resolution Approval:

Mr. Schooler stated that the one year authorization extension through June 2015 was approved by City Council to issue and close on the Series "C" Bonds. Mr. Allen said that the notice was posted for the approval of the C Bond authorization resolution. Director Hente moved to approve the resolution subject to Board approval of the Certifications seconded by Director Randle Case II. Motion passed. The Board requested a list of everything that has been received and certified to date, and encouraged management to obtain the necessary cost certifications so that actual C Bond issuances could take place.

8. Public Record Request Policy:

Director Hente motioned to approve the Public Record Request Policy seconded by Director Morley. Motion passed.

9. District Manager Report:

a. Market Status of Ground or Developers-

Director Morley stated that he is building another 71 lots and Aspen View is purchasing them.

Mr. Gonzales reported that Keller Homes has sold everything they have now which is about 200 homes.

b. Spring Ranch GID Funding Status –

Mr. Schooler stated that there was nothing new to report.

10. Financial Statement and Payables:

a. Approval of Invoices-

Director Krohnfeldt moved to approve the invoices seconded by Director Hente. Motion passed unanimously.

b. District Facility Fee/Permit Status/Delinquent Accounts-

There was no discussion.

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

Mr. Clinger asked about the extra fees the City is charging to those who are seeking to do improvements that are outside of the District boundary area and the Board suggested that he talk with Larry Larson with the City as the City is to impose a fair participation and benefit charge within the Districts' service area.

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

Executive Session. Pursuant to Section 24-6-402(4)(b) and (e), C.R.S., At 10:28 a.m. Director Krohnfeldt 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 Sorpresa ROW litigation. 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 adjourned at 10:36.

13. Other Business:

- a. 2014 Annual Statutory and Administrative Compliance Resolution:
Director Krohnfeldt motioned to approve the 2014 Annual Statutory and Administrative Compliance Resolution seconded by Director Morley. Motion passed.

14. Adjournment: The meeting was adjourned at: 10:36 a.m. and the next regular meeting is scheduled for Wednesday, October 1, 2014 at 9:00 a.m.

Respectfully Submitted,

Terry E. Schooler, Manager