



**MINUTES OF REGULAR MEETINGS  
OF THE BOARDS OF DIRECTORS OF THE  
WOODMEN HEIGHTS METROPOLITAN DISTRICT NOS. 1, 2 and 3  
NOVEMBER 5, 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, November 5, 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 (by phone)  
Les Krohnfeldt, Vice President/Treasurer  
Randle Case II, 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, Schooler & Associates  
Bryan Long  
Kenneth Christle, Homeowner  
Dick Belke, Homeowner  
Ross Clinger

Scott Hente, Assistant Secretary was absent and excused.

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 Krohnfeldt called the meeting to order at 9:10 a.m.

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

Director Krohnfeldt 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 Randle Case II moved to approve October 1, 2014 minutes seconded by Director Morley. Motion passed.

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

Mr. Schooler stated that the agreement should be finished up within the next few weeks and that an internal guideline/handbook was adopted and applied by staff so no formal council approval is needed. The handbook will be used by City staff for development within the Districts' boundaries. It was noted that the Pond 3 drainage issues have been resolved and the design will leave the maximum amount of wetlands possible.

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

Mr. Schooler said that they have about \$2 million in public infrastructure costs certified already for the C Bonds and there was an additional \$600,000 submitted by RS Holding of which about \$200,000 was for legal counsel regarding the Sorpresa issue. Bond counsel did advise against adding the legal fees to the C Bonds, but an alternative to add such amount to the Tier 2 resolution reimbursement was discussed. Mr. Schooler noted that the developer cost submittal and District cut off for closing on the C Bonds is June 2015 and proposed doing incremental issues. The Board asked about authorizing the increments and Mr. Allen confirmed that as long as there weren't any further limitations that additional board approval wasn't needed. Director Morley stated that he is building Forest Meadows Ave and will be submitting that for the next increment before June. After a brief discussion regarding procedure the Board authorized Mr. Schooler to move forward with the first increment of C Bonds.

7. Pond 3 Recreational Design:

Mr. Schooler said that he met with Mr. Sanchez and City staff regarding the recreational design for Pond 3 and based upon recommendations was able to give the City the directive to do the design with the emphasis on wetland mitigation (to maximize the wetlands). There will eventually be a park, but that will be determined later.

8. District Manager Report:

a. Market Status of Ground or Developers-

Director Krohnfeldt stated that \$1.75M of PILOT funds would be used for the Kenosha connector and they are currently in the process of advancing half of the funds to have it done within the next six months, as well as wet utilities, and expanding Marksheffel Road up to two lanes on the residential side.

Director Morley reported that they finally got Forest Meadows Filings 7 and 7A recorded.

b. Trails East Plat Recording Issue (Challenger Homes) –

Mr. Schooler indicated that Challenger Homes is getting ready to build patio homes at Trails East, but is being held up by easement issues owned by Morley Companies. Director Morley indicated that he was aware of the issues and would take care of it. Mr. Schooler noted that it will be beneficial to the District for Challenger Homes to move forward in regards to the additional revenue (fees and additional property taxes.)

9. Financial Statement and Payables:

a. 2015 Budget/2014 Amended Budget Public Hearing-

Director Lindsay Case opened the public hearing for discussion and public comment. Mr. Schooler noted that budgeted 2 additional mills above the operations and debt service mills

continue to be imposed and collected due to the court judgment and that the revenue there from is being reserved for paying such judgment and to pay Jon Cross, District special litigation counsel handling the Sorpresa law suit. The Board briefly discussed the landscaping costs with the homeowners. Director Lindsay Case closed the hearing.

Director Randle Case II motioned to amend the 2014 Budgets as presented and adopt the 2015 Budgets, appropriate the revenues necessary to cover the expenditures, and certify the mill levy, seconded by Director Morley. Motion passed unanimously.

b. Approval of Invoices-

Director Morley moved to approve the invoices seconded by Director Randle Case II. Motion passed unanimously.

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

Mr. Schooler said that there is an outstanding issue with a mini storage facility that hasn't paid their fees yet that is located on the east side of Pond 6 in the commercial industrial area. Mr. Schooler indicated that he would continue to work on the issue to get it resolved.

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

Mr. Belke presented the Board with a map showing them where the playground equipment was erected by the homeowners in Forest Meadows and noted that it was operational and the families living there are happy about it. Mr. Belke then asked when the District would be taking over the various landscaping strips and parks that are being handled by the general contractor once complete. The Board advised Mr. Belke that there is a warranty that needs to be met by the contractor first and the City will have to provide the first inspection. The homeowners asked about the current road construction and so the Board briefly talked about the improvements on Black Forest and Marksheffel.

11. 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 10:34 a.m. 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 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 10:46a.m.

12. Other Business:

The next regular meeting will be Wednesday, March 4, 2015 at 9:00 a.m.

13. Adjournment: The meeting was adjourned at: 10:46 a.m.

Respectfully Submitted,

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Lori VonFeldt, Manager