



**MINUTES OF REGULAR MEETINGS  
OF THE BOARDS OF DIRECTORS OF THE  
WOODMEN HEIGHTS METROPOLITAN DISTRICT NOS. 1, 2 and 3  
OCTOBER 5, 2016 AT 1:00 P.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, October 5, 2016 at 1:00 p.m., at 102 E. Pikes Peak Avenue, Suite 200, Colorado Springs, CO 80903.

In attendance were Directors:

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

Also in attendance were:

K. Sean Allen, Esq., White, Bear &  
Ankele P.C. (by phone)  
Terry Schooler, Schooler & Associates  
Kevin Walker, Schooler & Associates  
Lori VonFeldt, Schooler & Associates  
Rebecca Hardekopf, Schooler & Assoc.  
Bryan Long  
Mike DeGrant, Aspen View Homes  
Dave Mersman  
Ron Waldthausen  
Ken Norwood

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 1:10 p.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:

Mr. Schooler requested to add line item 6.f. to discuss the Bentley Invoice. Director Randle Case II moved to approve the agenda with the additional line item seconded by Director Krohnfeldt. Motion passed.

#### 4. Approval of

the minutes: The Board requested that Mr. Scott Hente be removed from the listing of directors on the June and August 2016 minutes since he had resigned his position in early June via email to Mr. Walker. Director Krohnfeldt moved to approve the June 22 and August 22, 2016 minutes with the aforementioned changes seconded by Director Randle Case II. Motion passed.

#### 5. District Manager Report:

##### a. Market Status of Ground or Developers

Mr. Schooler stated there is a new low income apartment complex going up at Black Forest and Woodmen Road, which has been granted non-profit status and will be tax exempt. The District will not collect property taxes as a result, but the complex will still be required to pay the District's platting and building permit fees.

Mr. Walker reported that the mini storage warehouse is in process of doing phase 2 to expand their facilities and that the property just east of the warehouse has been approved to change from commercial to residential. Mr. Walker inferred that he and Mr. Schooler had worked on the numbers to compare the difference with the change and depending on how long it would take to actually get commercial in the area it was a trade-off. The Board requested to see the numbers because the commercial sites generate substantially more property tax revenue than residential and Mr. Walker indicated that he would send the analysis to them.

Director Krohnfeldt stated the church has carved out 15 acres for commercial use and will close on it in a couple of weeks.

The Board briefly discussed the balance of land versus park fees and Mr. Walker had a meeting with the City to figure out the fees that get paid from development to the parks and also a school site that might get sold. Director Morley said that he has been working with D49 staff to negotiate buying 6 of their sites because they have 14 of them that they won't use. Some of the sites are conveyed to the school and some to the developer and D49 can't just sell it so there has been discussions of a developer building a new administration building for them to pay for the land.

Director Morley and Mr. DeGrant both noted that they were doing well selling their lots.

Mr. Mersman stated that Keller Homes is moving forward with a revised plan making minor changes to the design because the Sorpresa lawsuit continues to be an issue with the City so once they get the new plan submitted they will be able to start construction again.

In a brief discussion regarding the draft 2017 Budget the Board suggested keeping with the same amount of 300 residential lots as 2016.

##### b. Update on Marksheffel Extension/Funding Multi-Party Agreement-

Mr. Walker indicated that he had a meeting with developers a couple weeks ago and they are still awaiting some approvals by the City. The City is waiting to get the Sand Creek Drainage Study that Mr. Sanchez is working on as well as the submittal of plans for Kyle Geditz's piece. The City is not in a rush to get it done, but would like to move forward and they are still working out the numbers for the funding portion.

c. Discussion on Water Line Extension Funding Alternatives-

Mr. Walker reported that the line extension is under construction per the agreement that is to extend credits to Aspen View to fund it. There was an issue with an agreement to realign the gas main and easement so it has held up the improvements.

d. Update on Cedarwood Cost Recovery Compromise and Settlement Agreement for Tutt Blvd. and Water Line-

Mr. Walker indicated that the agreement has been signed and the initial recovery payment funds have been received.

e. Black Forest Performance Bond Reduction and Forest Meadows Landscape Status-

Mr. Walker stated that the District hasn't paid the \$500,000 to the Performance Bond company yet, per the approval of the Board at the last meeting, as they are still working on an agreement to release the District.

Mr. Walker stated further that the landscaping is in and almost done. There is a mini pocket park that needs to be done to complete the project that the Board approved at the last meeting as well. Director Morley confirmed that it is almost done, but had to send a video of the project to the City because they were saying it wasn't done.

Mr. Schooler and Mr. Walker will be meeting with the Forest Meadows HOA next week to discuss their landscaping costs and 2017 budgetary needs.

f. Payables Negotiations with Bentley Law Firm-

Mr. Schooler said that Mr. Eric Bentley, one-time special legal counsel for the Districts, who was involved in representing the Districts during the trial phase of the Sorpresa lawsuit had called to see if he could settle the outstanding invoice in the amount of \$23,000 owed to his former firm. Mr. Bentley and Mr. Schooler were able to negotiate to a \$10,000 settlement proposal. Mr. Schooler asked for Board approval to pay the negotiated debt off. Director Krohnfeldt moved to approve to pay off Bentley's law firm at the negotiated price of \$10,000 seconded by Director Randle Case II. Motion passed.

7. Financial Statement and Payables:

a. Approval of Invoices-

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

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

Mr. Schooler stated there was nothing new to report.

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

Mr. Mersman asked that the Cedarwood discount be quantified because he felt the funds should have gone to the Tiers. The Board briefly discussed the agreement with Safe Guard and the

savings to the District. Mr. Schooler indicated that there would be more platting fees collected before the end of the year and that another disbursement was possible.

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

There was no executive session.

10. Other Business:

- a. The next regular meeting is scheduled for November 2, 2016 at 1:00 p.m. for the Budget Hearings.

11. Adjournment: The meeting was adjourned at: 2:01 p.m.

Respectfully Submitted,

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By: Lori VonFeldt for the Recording Secretary