



**MINUTES OF REGULAR MEETINGS  
OF THE BOARDS OF DIRECTORS OF THE  
WOODMEN HEIGHTS METROPOLITAN DISTRICT NOS. 1, 2 and 3  
FEBRUARY 1, 2017 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, February 1, 2017 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 Tanaka & Waldron (by phone)  
Terry Schooler, Schooler & Associates  
Kevin Walker, Schooler & Associates  
Lori VonFeldt, Schooler & Associates  
Kyle Geditz, FM Partners  
Bryan Long  
Dave Mersman, Keller Homes  
Allen Brown, EPC Holdings  
Andrea Barlow, NES Inc.

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 1:10 p.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 with the addition under Item 10 for discussion on the pond south of Woodmen for storm drainage. Director Morley moved to approve the agenda seconded by Director Randle Case II. Motion passed.

#### 4. Approval of

the minutes: Director Randle Case II moved to approve the November 2 and November 14, 2016 minutes seconded by Director Morley. Motion passed.

#### 5. District Manager Report:

##### a. Pines at Forest Meadows

- Density and Building Permit Fee –

Mr. Walker presented Mr. Brown and Ms. Barlow to the board for discussion regarding the building permit fee for multi-family homes as well as open space dedication and credits for trail construction versus paying fees to the City. Mr. Walker indicated that the density for Pines at Forest Meadows is about 7.38 units/acre on a total of 38.2 acres that includes 14 acres of open space so the adjusted density will be closer to 11 units/acre, and for this reason a request was made to the board seeking application of the multi-family fee instead of the single family fee. Mr. Walker noted that the project is mostly 4-plexes. Mr. Allen reminded the Board that the decision and basis used to classify this project as multi-family needs to be defensible to the bond holders. Mr. Allen asked what the trigger was in the past for classifying a project as multi-family and Mr. Walker stated that the duplexes at Forest Meadows had a density of 7.2/acre and was charged the single-family fee. Ms. Barlow noted that the open space areas cannot be developed because of the utilities so the net for the developable areas is 11 units/acre. There are 2 detention ponds that would be maintained by an HOA and the trail would be maintained by the City so very little maintenance would be needed by the District for the open space. There was some discussion as to whether the District should take over the open space and Mr. Schooler said that it's in the original annexation agreement that the District take the obligation for maintaining its parks as it is currently doing for Forest Meadows and Cumbre Vista, but should have the developer construct/establish it and maintain it for 2 years before the district would have to take it over. Director Morley asked Ms. Barlow if the open space could be deeded over to him and he could take care of the maintenance of the park area and Ms. Barlow said that it could. The Board briefly discussed the land being switched to residential from commercial and the impact on the District regarding the mill levy that would be collected for debt service. Director Morley moved to approve and apply the multi-family fee for the Pines at Forest Meadows seconded by Director Krohnfeldt. Motion passed. The Board requested more time on the decision over the open space because Director Morley said he would be willing to figure out if he could offset other park areas in the District and do the maintenance for it.

- Open Space Dedication

See the discussion above under 5.a. Density and Building Permit Fee.

- Credits for Trail Construction

See the discussion above under 5.a. Density and Building Permit Fee.

##### b. Board Vacancy

Mr. Walker stated that he is working on a package for Kyle Geditz to get him qualified and will finalize it at the next meeting. It was noted that the vacancy has already been advertised.

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

Mr. Walker indicated that the City is currently in the design process for the extension, which it is paying for, and he is waiting for the City engineer's extension cost estimate.

- d. Discussion on Water Line Extension and credits-  
Mr. Walker reported that the water line extension has been completed and approved, but he was still waiting for cost invoices in order to give equivalent credits to Aspen View (which are estimated to be about \$190K or more). Jerry Novak will do the cost certification, and submit the same to the District.
- e. Black Forest Performance Bond Reduction and Forest Meadows Landscape Status-  
Mr. Walker noted that approximately \$500K has already been paid out by the District for the landscaping on Forest Meadows. Director Morley explained to the Board that he had worked out an agreement with Bond Safe Guard to reduce the public improvements performance bond obligation down to \$850K of which \$500K would be paid to them last year and \$350K this year so that they would release him from making any further performance bond payments of \$8,000 a month, and to fully release this performance bond. Mr. Morley said that the City made him construct some extra public trails and install 4 taps instead of 2 for the landscape irrigation system. The City also required extra landscaping and fencing causing the cost to be higher than initially projected, but the project is now 100% complete. Director Morley requested the Board authorize a \$60k reimbursement payment which was the additional cost landscaping costs required to complete the project, and stated that he would take responsibility for replacing any landscaping that died during the warranty period. Director Krohnfeldt moved to approve the additional funding up to \$60K not to exceed \$560K seconded by Director Randle Case II. Motion passed with Director Morley abstaining.
- f. Pond Land Fee Credits  
There was no discussion.
- g. 2017 Landscape Maintenance Program  
There was no discussion.
- h. Residential Gallagher Assessment Rate Decrease  
There was no discussion.
- i. Fire District Overlap  
Mr. Walker presented a map to the Board that showed the coverage areas of the two fire districts within the Districts, and stated that the annexation agreements say once the City determines it can provide fire service, then the affected property owners can petition the fire districts to be excluded. Mr. Walker stated further that they cannot be entirely removed from the fire districts' mill levy because debt service mill will still need to be paid, but the O&M portion can be eliminated. Mr. Walker noted that this is not a Metro District actionable matter.
- j. Market Status of Ground or Developers  
There was no discussion.

## 6. Financial Statement and Payables:

- a. Approval of Invoices-  
Director Morley moved to approve the payment of invoices seconded by Director Randle Case II. Motion passed unanimously.

- b. District Facility Fee/Permit Status/Delinquent Accounts-  
There was nothing new to report.

7. New Business:

- a. Exclusion/Inclusion Copper Range Apartments, Shiloh Mesa #5, Pines at Forest Meadows-  
Director Krohnfeldt opened the public boundary change meeting for public discussion. It was noted that all the land for Copper Range Apartments, Shiloh Mesa #5, and Pines at Forest Meadows was moving from commercial to residential. There being no further discussion Director Krohnfeldt closed the public meeting. Director Krohnfeldt moved to approve the Pines at Forest Meadows and Copper Range Apartment site exclusion petitions from District 3 and corresponding inclusion petitions into District 2 seconded by Director Morley. Motion passed. The public hearing on the Shiloh Mesa #5 exclusion and inclusion was continued to the April, 5, 2017 regular meeting.

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

There was no public comment.

9. Executive Session - Sorpresa:

There was no executive session.

10. Other Business:

- a. Pond issue-  
Director Randle Case II provided the Board with a parcel map explaining that the Woodmen Road Metropolitan District (WRMD) owns the property that is wetlands south of Woodmen Road near Marksheffel that has 3 pipes under the land and the properties north and east must keep water going there to maintain the wetlands. Director Randle Case II suggested that a water quality pond be built there to reduce the need on the north side and asked for Board support to request the needs to the WRMD Board. Mr. Geditz stated that it's a viable spot and would not be asking WRMD to build it, but it could save 4-5 acres for their project and other acreage for other developers by eliminating detention ponds. Director Randle Case II indicated that Matrix Design Group is ready to propose ideas for it. After some discussion, the Board agreed to support the proposal.
  
- b. The next regular meeting is scheduled for April 5, 2017 at 9:30 a.m.

11. Adjournment: The meeting was adjourned at: 2:32 p.m.

Respectfully Submitted,

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By: Lori VonFeldt for the Recording Secretary