



**MINUTES OF A REGULAR MEETING
OF THE BOARD OF DIRECTORS OF THE
BENT GRASS METROPOLITAN DISTRICT
HELD NOVEMBER 7, 2017 AT 10:30 AM**

Pursuant to posted notice, the meeting of the Board of Directors of the Bent Grass Metropolitan District was held on Tuesday, November 7, 2017 at 10:30 AM, at 102 E. Pikes Peak Avenue, Suite 200, Colorado Springs, CO.

Attendance

In attendance were Directors:

Randle Case II, President
Bryan Long, Vice President/Secretary
Lena Gail Case, Director
Brian Bahr, Treasurer
(By phone at 10:50 a.m.)

Also in attendance were:

Peter Susemihl, Susemihl, McDermott
& Cowan, P.C.
Kevin Walker, Walker Schooler DM
Lori VonFeldt, Walker Schooler DM
Ron Waldthausen
Ronald Pace, Woodmen Hills neighbor
Jacqueline Armendariz, Walker Schooler DM

1. Call to Order & Certification of Quorum & the Agenda:

President Randle Case II called the meeting to order at 10:30AM.

2. Posting Notice:

There were no changes to the agenda.

3. Approval of Minutes:

Director Long moved to approve the September 5, 2017 meeting minutes; seconded by Director Lena Gail Case. Motion passed unanimously.

4. Public Comment (for items not on the agenda):

Mr. Pace thanked Mr. Walker for sending information from the previous meeting. He asked whether the new Intergovernmental Agreement with Woodmen Hills Metropolitan District (WHMD) would supersede the old one and requested a copy of the letter being sent to WHMD from the District. Mr. Pace asked further if the wells and commitments made in the old IGA would be null and void. President Case replied that the Woodmen Hills letter is reserved for additional review today and that the new IGA is yet to be negotiated and may or may not be an amended inclusion agreement so that is to be determined.

5. Review of Financials and Approval of Payables:

Director Lena Gail Case moved to approve payables as presented; seconded by Director Long. Motion passed unanimously.

a. 2017 Amended and 2018 Budget discussion and Public Hearing

President Randle Case II opened the public hearing at 10:36 a.m.

Director Long asked if the interest on bonds would be paid by the year's end. Ms. VonFeldt replied yes, but the 2018 Budget column would need to be filled in under Debt Service revenue as there was not going to be any residential or commercial building permit fees received because of the water issue. The Board discussed commercial and residential building permit numbers, noting projections for 2018 should remain low; little or none for residential and maybe 3 for commercial. To insure the District is collecting the same amount for Debt Service, Ms. VonFeldt said the mill levy will need to increase (Gallagherize) from 25 to 27.63 due to the residential assessment ratio dropping to 7.2% from 7.69%. Mr. Walker explained that a question of issuing additional debt may arise if a traffic signal is built, but because no residential construction is projected, the signal might be created in the form of bonds in the present fill-up bond format. He suggested amending the budget to reflect this. The Board discussed amending the budget to utilize some of the \$4.6 million approved on the original bond. Mr. Walker said this would leave \$3.2 million and recommended \$100,000 for engineering planning, \$100,000 for project management, \$10,000 for district management, \$10,000 legal services, \$25,000 for water consulting; leaving \$2.935 million in net capital construction.

Director Long moved to approve the 2018 Budget, certify the Gallagherized mill levy, and amend the 2017 Budget as discussed by the Board. Director Lena Gail Case seconded the motion. Motion passed unanimously.

President Randle Case II closed the public hearing at 10:50 a.m.

6. Board President Report:

President Randle Case II reported he attended a water conference the previous day where a WHMD representative was present. During the conference, regionalization efforts were discussed in regard to something similar to the Denver WISE project. Colorado Springs and El Paso County would be well served to consider a WISE program to resolve most, if not all, water issues as a regional effort.

7. Manager's Report:

Mr. Walker said the tracts, landscaping and retention pond previously discussed is under the District's ownership and maintenance is being taken over as scheduled.

8. Development Updates:

Director Bahr reported that all 104 homes are finished, but that operations in Bent Grass can't proceed without water. Mr. Waldthausen said commercial building is anticipated to take place next year and that water is committed to that site.

9. Review and Action on:

- a) Woodmen Road/Bent Grass Meadows Drive Access Update-
President Randle Case II said the Woodmen Road Metro District previously discussed advancing development of the corridor for the whole area. He said regarding the Falcon Marketplace Project that there are plans to reapply soon in a modified form and noted the BGMD's access to Woodmen Road is also affected by that. He added that the District is watchful of this because development along Woodmen Road is of interest. He also noted Falcon Highlands faces a ballot question on Election Day in November to reorganize bond history, and depending on the outcome, it could go well or cause setbacks.
- b) Proposed Changes to Bent Grass Meadows Drive, Drainage and Utilities Construction Phasing-
President Randle Case II stated there is advancement through Mr. Waldthausen's efforts on development, while five owners to the west of the first residential phase are discussing bringing that online. He said that the traffic signal there will have some impact on the ability to discuss construction phasing of Bent Grass Meadows Drive.
- c) Proposed Schedule for Traffic Signal at Bent Grass Meadows Drive and Meridian-
President Randle Case II reported the county engineer has agreed to go with a wire span traffic signal and they are advancing those discussions. Mr. Waldthausen said the wire span signal reduced cost of the project, so the Board may move forward with the design and construction. He said the budget has funds to start some of the designs for the next steps regarding this item.

10. Executive Session to receive reports from consultants on water availability issues and receive legal advice:

It was moved at 11:05 AM by Director Long, seconded by Director Lena Gail Case to have the Board convene in executive session to receive legal advice regarding water resources. It was moved by Director Lena Gail Case, seconded by Director Long to end the executive session and have the Board reconvene in regular open session at 11:16 AM. Motions passed unanimously.

11. Review and Action on Woodmen Hills Metro District Proposed Intergovernmental Agreement:

There was no review or action.

12. Other Old Business:

Mr. Susemihl suggested he be the Designated Election Official (DEO) with authority to cancel the election if there are more vacancies than candidates and declare nominees elected as the elected official. Director Long moved to authorize Mr. Susemihl as the DEO with the authority described; seconded by Director Lena Gail Case. Motion passed unanimously.

13. New Business:

There was no new business discussed.

14. Confirm and Set Next Meeting:

The Board discussed possibly reconvening on Tuesday, December 12 at 10:30 AM and adhering to the same time, dates and place, if needed. A motion was made by Director Lena Gail Case and seconded by Director Long. Motion passed unanimously.

15. Adjournment:

The meeting was adjourned at 11:18 AM.

Respectfully Submitted,
Walker Schooler District Managers

By: Lori VonFeldt for the Recording Secretary