



**MINUTES OF A REGULAR MEETING
OF THE BOARD OF DIRECTORS OF THE
CENTRAL MARKSHEFFEL METROPOLITAN DISTRICT
HELD AUGUST 7, 2018 AT 9:30 A.M.**

Pursuant to posted notice, the regular meeting of the Board of Directors of the Central Marksheffel Metropolitan District was held on Tuesday, August 7, 2018 at 9:30 a.m., at 102 E. Pikes Peak Avenue, Suite 200, Colorado Springs, CO.

Directors in attendance were :

Lindsay J. Case, President
James Morley, Assistant Secretary
Randle W. Case II, Vice-President
Bryan Long, Treasurer/Secretary (9:48 a.m.)

Also in attendance were:

K. Sean Allen, Esq., White Bear & Ankele Tanaka & Waldron (by phone)
Dave Hammers
Kevin Walker, WSDM
Lori VonFeldt, WSDM
Kristina Kulick, WSDM

1. Call to Order: The meeting was called to order at 9:41 a.m.

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

President Lindsay Case indicated that a quorum of the Board was present, and each Director confirmed their respective eligibility as an eligible elector of the District pursuant to Colorado law. Ms. VonFeldt noted that the Directors' disclosures of their potential conflicts of interest were filed pursuant to state law for the meeting.

3. Approval of the Agenda:

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

4. Approval of the November 7, 2017 meeting minutes:

Director Randle Case II moved to approve the November 7, 2017 meeting minutes; seconded by Director Morley. Motion passed unanimously.

5. Discussion of Director Vacancy:

Mr. Walker discussed the Board vacancy and that Mr. Hammers submitted a letter of interest. Mr. Hammers was confirmed as being an eligible elector of the District as he personally owns taxable property located in the District and is a Colorado registered voter. President Lindsay Case asked Mr. Allen if the Board could appoint Mr. Hammers today. Mr. Allen confirmed they could since Mr. Hammers was already an eligible elector prior to seeking appointment. Director Morley moved to appoint Dave Hammers to the Director vacancy of the Board; seconded by Director Randle Case II. Director

Randle Case II confirmed it is a 2-year appointment term to May 2020 and he will have to run for the remaining 2 years of the full term being 2022. Motion passed unanimously. President Lindsay Case welcomed Mr. Hammers to the Board. Director Randle Case II asked if he can vote today. Mr. Allen said he will not be able to act as a director today because he has to first take as well as file his oath of office, plus he has to disclose his conflicts of interest at least 72 hours prior to a meeting.

6. Meadowbrook Marksheffel Intersection Funding:

Mr. Walker stated there is an item with the Board of County Commissioners that the District has an escrow account with the County for a traffic signal in the amount of \$238,000 at the Meadowbrook/Marksheffel intersection with a 5-year condition to complete. Mr. Walker stated further that the County is estimating the cost for the intersection, which may include more than the signal, at about \$500,000. President Lindsay Case confirmed this is not on our books as a receivable. Director Randle Case II said a property owner, Russ Mallory, who owns the convenient store and liquor store at the intersection said there have been an estimated 16 accidents that may have been avoided had there been a signal. He said Mr. Mallory presented to the County over a thousand signatures of approval to get the intersection improvements. He added that this is needed for safe left turns and large trucks have had to avoid this area due to the lack of safe left turns. Director Randle Case II wants to know if the District should be more advocacy-oriented and suggested sending a letter to the commissioners thanking them for sharing the information on the accidents and signatures. Director Randle Case II moved to issue a letter to the County as indicated; seconded by Director Morley. President Lindsay Case asked if the \$238,000 should be mentioned in the letter. Mr. Walker said he will work on a draft letter. Motion passed unanimously. Director Randle Case II said he talked to Jennifer Irvine and she is working with the City to take over all of the Marksheffel right of way from 24 to Woodmen and the County would own Marksheffel. Director Randle Case II discussed the Circle K breaking ground and how there will be more activity there. President Lindsay Case thinks we should find money in the budget to study the traffic and how the roads should be shifted from an HOA. President Lindsay Case suggested the County should take over the private roads in the commercial area. He thinks this District is better to bring the industrial roads into the District and then convey them to the County down the line. The Board intends to discuss this further at the next meeting.

7. Market Status:

Mr. Walker noted that there has been commercial development and no residential development so far this year. President Lindsay Case asked about the RV storage platting fee that was high. Mr. Walker explained it is a big plat. Mr. Walker said the other revenue opportunity the District has is that it is first on the repayment list of bridge fees. The District will receive a check from the County for the next few years. Mr. Walker stated he will not know the exact amount until the County makes their first payment. Mr. Walker stated further that there is \$2.6 Million still to be disbursed to the District.

President Lindsay Case asked about refinancing the bonds. Ms. VonFeldt confirmed we cannot refinance until 2024. Mr. Walker explained the IRS requires those entities that refinance with a call to book that as revenue.

Director Morley said he is going to sell 83 lots for townhomes to Premier Homes on the northeast corner. Mr. Walker asked Director Morley if they figured out water. He said yes, but they have to bring dirt in. Director Morley added that they should sell all 83 lots next year, which is Filing 9.

Director Morley asked Mr. Walker what happens to the bridge reimbursements to the District if the bonds get paid off early. Mr. Walker indicated the District could stay in operation and collect it. He thinks the bridge fee is pledged to the bonds, and the District could also sell the credits. Director Morley explained the bridge fees and how he is trying to get his bridge built in Sterling. He asked if we pay the bonds off in the next 4 or 5 years, and we still have the District in place because of O&M, and if we still have money

left in bridge reimbursement and have already paid off bonds what happens to the rest of the money from the bridge reimbursement. Mr. Walker will pose the question to the County. Director Morley discussed his own bridge fees and payments and suggested if we can sell them and use the money to pay the bonds down we should. President Lindsay Case asked if the District could use the bridge fees paid for the O&M. Mr. Allen said the County will need to inform the District as to what the restrictions are or freedoms on using the credits.

8. Financial Statement and Payables:

- a. Current Payables: Director Randle Case II moved to approve the payables; seconded by Director Morley. Motion passed unanimously.
- b. Permit Income Status: There was no discussion.

9. Other Business:

- a. Contract Assignment for District Manager – from Schooler & Assoc. to WSDM, LLC: Mr. Walker explained the new entity, WSDM, LLC. Director Morley moved to approve the change; seconded by Director Long. Motion passed unanimously.
- b. Next Regular Meeting Date: November 6th, 2018 at 9:30 a.m. which will include the 2019 Budget Hearing.

10. Adjournment: The meeting was adjourned at 10:29 a.m.

Respectfully Submitted,

By: Lori VonFeldt for the Recording Secretary