



**MINUTES OF A REGULAR MEETING
OF THE BOARD OF DIRECTORS OF THE
HIGH PLAINS RANCH METROPOLITAN DISTRICT
HELD APRIL 13, 2021 AT 10:30 A.M.**

Pursuant to posted notice, the regular meeting of the Board of Directors of the High Plains Ranch Metropolitan District was held on Tuesday, April 13, 2021 at 10:30 AM, at 119 N. Wahsatch Ave., Colorado Springs, CO 80903, and via electronic means and telephone conference call.

Attendance

In attendance were Directors:

Lindsay J. Case, President – Term Expires May 2022
Bryan T. Long, Vice President – Term Expires May 2023
Randle W. Case II, Secretary/Treasurer – Term Expires May 2022
Robert Case, Asst. Secretary – Term Expires May 2023
Alfred Hagedorn III, Asst. Secretary – Term Expires May 2022

Also in attendance were:

Kevin Walker, Walker Schooler District Managers
Lena Gail Case
K. Sean Allen, Esq., White Bear Ankele Tanaka & Waldron (by phone)
Eric Smith, Matrix Engineering (by phone)
Steve Harris (by phone)
Zach Bishop, Piper Sandler & Co. (by phone)

1. Call to Order; Declaration of Quorum; Conflict of Interest Disclosure: Director Randle Case II called the meeting to order at 10:32 a.m. and confirmed a quorum was present.

Mr. Allen advised the Board that, pursuant to Colorado law, certain disclosures might be required prior to taking official action at the meeting. Mr. Walker reported that disclosures for those directors that provided notice of potential or existing conflicts of interest were filed with the Secretary of State's Office and the Boards at least 72 hours prior to the meeting, in accordance with Colorado law, and those disclosures were acknowledged by the Board. Mr. Walker inquired into whether members of the Board had any additional disclosures of potential or existing conflicts of interest with regard to any matters scheduled for discussion at the meeting. No additional disclosures were noted. The participation of the members present was necessary to obtain a quorum or to otherwise enable the Board to act.

2. Approval of the Agenda: Director Robert Case moved to approve the Agenda as presented; seconded by President Lindsay Case. Motion passed unanimously.

3. Approval of the March 9, 2021 Minutes: Director Robert Case moved to approve the March 9, 2021 Minutes; seconded by Director Long. Motion passed unanimously.

4. District Manager Report: Mr. Walker noted he will report on items coming up on the Agenda.

5. President of the Board Report: President Lindsay Case noted he will report on items coming up on the Agenda.

6. Development Status Review:

- a. Land development and development approvals (Sketch Plan, Other) – EA update: Mr. Smith reported that Matrix created a Conceptual Plan of the site to the east of Sage Creek and existing development. 360 2.5 acre lots were mapped out and reviewed, and the County provided comments back today. The next step is to work on a preliminary plan that requires a rezone. Mr. Smith discussed the development to the west of Sage Creek and noted that Kiowa is revisiting their plans and designs to move forward. Matrix is working on a cost estimate for the roadways and will need further information on the District improvements such as the water main that will be extended and the additional wells. Director Randle Case II noted the updated traffic study is required and takes at least 8 weeks. He reported El Paso County is updating their comprehensive Master Plan requirements in May. Mr. Smith estimated the time to complete the preliminary plan process is 6 to 9 months.
- b. Report on various engineering reports – Water system review: Director Hagedorn III confirmed he dropped off documents yesterday and Director Randle Case II confirmed he provided the videos of the wells when the pumps were replaced in 2000 to HR Green. Director Hagedorn III discussed the blueprints and documents that he found in the archives and can provide to the Board if needed. He noted the system was shutdown yesterday due to a sinkhole that was discovered, but fortunately it was just a leak in pipe going to the tank and is being repaired.
- c. District’s Water Services Rates/Fee/Charges (30-day notice): Mr. Walker explained there is a required 30-day notice for water service rates, fees, and charges. Director Hagedorn III confirmed the rate increases are established by Colorado Springs rate increases and there were no such increases this year for outside city limits rates. The consumer price report came out today and showed 2.5% increase due to inflation, so it may be appropriate to make a change.
- d. Sage Subdivision: Director Randle Case II reported that they attended the March Board meeting for Sage Water Users Association and the Board approved and signed the agreement to assign the water users agreement for water. He noted the water increase process that is related to the Consumer Price Index is moving forward. Director Randle Case II referenced the Conceptual Plan of the 360 lots and noted 20 lots that would have pull-through use that could be valuable for those with equipment.

7. Financial Matters:

- a. Bond issuance – General review – Piper Sandler & Co.: Mr. Bishop reported they are anticipating a June 22, 2021 closing date with the posting of the offering document on June 1, 2021. Mr. Bishop explained they tightened up the financial model which now represents more proceeds than before. The interest rates are now at 5.25% on the senior debt and 8.25% on the subordinate debt which is conservative in today’s market. Mr. Bishop discussed that the market is currently very strong.
- b. Report updates
 - i. Market Study – MetroStudy: There was no discussion.
 - ii. Municipal Advisor: There was no discussion.

- c. Update bond process schedule: There was no additional discussion.
- d. Discuss Capital Facility Fee/Lot: Director Randle Case II discussed the Resource, Tap, and Facility fees. All lots will pay an \$8,500 Resource fee at the time of building permit and if tying into an existing system of the District that will be built by the bonds, an \$8,500 tap fee is required at the time of building permit. \$3,000 per acre foot for additional water that will be seasonally adjusted, and \$1,500 per unit Facility fee which will be pledged to the bonds. President Lindsay Case moved to approve and implement the fee program as discussed, that includes all lots will pay an \$8,500 Resource fee at the time of building permit and if tying into an existing system of the District that will be built by the bonds, an \$8,500 tap fee is required at the time of building permit. \$3,000 per acre foot for additional water that will be seasonally adjusted, and \$1,500 per unit Facility fee which will be pledged to the bonds; seconded by Director Hagedorn III. Motion passed unanimously.
- e. Update on Financial turnover: There was no discussion.

8. Developer Advance Agreements:

- a. Developer Advance and Reimbursement Agreement (Admin/Operations)
- b. Developer Advance, Acquisition and Reimbursement Agreement (Capital): President Lindsay Case moved to approve the Developer Advance and Reimbursement Agreement for Admin and Operations, and the Developer Advance, Acquisition and Reimbursement Agreement for Capital; seconded by Director Long. Motion passed unanimously.

9. Other Business:

- a. Davis Ranch inclusion: Director Randle Case II noted this item will need to be followed up on prior to bond closing.
- b. Next Regular Meeting Date: The Board confirmed the next meeting date of May 11, 2021 at 10:30 a.m.

10. Adjournment: The Board adjourned the meeting at 11:20 a.m.

Respectfully Submitted,
Walker Schooler District Managers

By: Recording Secretary