

**MINUTES OF A REGULAR MEETING
OF THE BOARD OF DIRECTORS OF THE
BENT GRASS METROPOLITAN DISTRICT
HELD SEPTEMBER 2, 2014 AT 10:30 A.M.**

Pursuant to posted notice, the regular meeting of the Board of Directors of the Bent Grass Metropolitan District was held on Tuesday, September 2, 2014 at 10:30 a.m., at 102 E. Pikes Peak Avenue, Suite 200, Colorado Springs, CO.

<u>Attendance</u>	<u>In attendance were Directors:</u> Randle Case II, President Brian Bahr, Director Bryan Long, Vice President Randy Case, Director	<u>Also in attendance were:</u> Pete Susemihl, Susemihl, McDermott & Cowan, P.C. Terry Schooler, Schooler & Assoc. Lori VonFeldt, Schooler & Assoc. Ron Waldthausen Jonathon Moore Ray and Tanya Reilly
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1. Call to Order & Certification of the Agenda:-

Director Randle Case II called the meeting to order at 10:30 a.m.

2. Approval of Minutes & Excusal:

Director Lindsay Case was absent and excused.

Director Long moved to approve the March 11 and April 29, 2014 meeting minutes seconded by Director Bahr. Motion passed.

3. Review of the Financials and Invoices:

After the Board reviewed the expenses, Director Long motioned to approve the invoices as presented; seconded by Director Bahr. Motion passed.

4. 2014 Budget Revision Items/Preliminary 2015 Budget:

Director Randle Case II stated that of the 30 mills the District is collecting in property taxes, 10 mills are authorized to be used for Operations & Maintenance (O&M) and 20 mills are to be allocated for debt service per the 2013 Bond Resolution. Director Randle Case II stated further that O&M expenses could go up to \$75,000 a year, but the District is nowhere near collecting that much in taxes yet. Mr. Susemihl noted that once there is an excess collected, the mills could be reduced to match the budgeted annual expenses. Director Randle Case II said that so far for this year, the District has collected most of its revenues and the Board would need to consider how to fund the O&M shortfall until such time as there are enough taxes to cover it. Director Bahr stated that there would be approximately \$137,000 coming into the District in platting fees for the first Residential Phase that could be used for O&M and suggested that any excess in platting fees be applied to the debt service. Director Randle Case reminded the Board that the O&M fund was designed to roll over to help cover O&M expenses in years where revenues may be lower maybe as long as 3 years. After some discussion, the Board tabled action until the next meeting. The Board also agreed to have the 2015 Budget Public Hearing on Tuesday, November 4th.

5. District Manager Report:

Mr. Schooler indicated that he had received the plans for the new Veterinary office from the County and has sent notification as to the fees that will need to be paid for the plat and building permit.

6. District Development Priorities:

A. Development & Market Update-

Mr. Waldthausen said that he would be paying fees to the District this year for a 4,000 sq ft building and that he would be going to the Board of County Commissioners (BOCC) to discuss a deviation for a fence on the south border of the property.

The Board discussed a detention pond on part of the East Commercial project for the benefit of both the Commercial and the western residential property and that the pond is needed but wasn't in the original preliminary plan. The pond will be privately constructed by Rivers Development on land owned by the Commercial developers and is expected to eventually be owned and maintained by the District. The Board agreed to table discussion on the pond and priorities of capital construction and costs. Director Bahr moved to continue the meeting until September 23rd at 10:30 a.m. and to have the regular meeting in October on the 14th; the motion was seconded by Director Long. Motion passed.

Director Bahr noted that they are in the process of getting contractors for the construction of the sanitary sewer and water mains in the east residential project area.

B. Review and Improvements funding-

The Board briefly discussed the street lights and Mr. Waldthausen indicated that the developers would have to install them and the District could then reimburse the developer assuming the street lights meet the criteria under the District regulations as safety improvements associated with roadways and sidewalks. The Board questioned who would have to maintain the street lights and Mr. Moore stated that he would contact Mountain View Electric to get the specifics.

Director Randle Case II asked about the landscaping on Bent Grass Meadows Drive and requested information regarding the District's obligation for it from Mr. Moore as well.

C. Proposed Bent Grass Metro District Construction Reimbursement Obligations Policy Statement-

The Board briefly discussed revisions to the Construction Reimbursement Obligations Policy and tabled revisions until the continued meeting.

7. Updates:

A. Bent Grass Meadow Drive-

Director Randle Case II stated that they were able to get a temporary deviation by the County engineer so they wouldn't have to build a southbound acceleration lane on Meridian from Bent Grass Meadows Drive. Mr. Waldthausen indicated that future growth is expected to trigger the need for a traffic light at Bent Grass Meadows Drive and Meridian.

B. Woodmen Road Access Plan Revision-

Director Randle Case II reminded the Board that a right-in, right-out connection was approved at Woodmen Road in 2007-2008 on the south end of the Development, but it's an expensive road realignment and suggested maybe the Woodmen Road Metropolitan District (WRMD) would be able to help with the construction of it since it would benefit WRMD by bringing more commercial development sooner to help retire bonds sooner. Mr. Schooler indicated that he does

not believe that the WRMD would be in a position at this point to contribute towards the improvements.

8. Old Business:

There was no discussion.

9. New Business:

Mr. Moore stated that there are four areas in newly developing east residential area that are within the County right of way and three areas with mail kiosks that will need landscaping that he proposed having eventually transferred to the District to maintain. Director Randle Case II said that an agreement would need to be drafted between the District and Rivers Development that states the developer would maintain the landscaping for two years. Mr. Schooler indicated that a budget doesn't exist for the maintenance yet and they would need to figure out where the funds would come from to pay for it and the District would need the irrigation plans. The Board discussed the fact that the taxes are not generating enough to cover the operating and maintenance costs yet, but platting fees could be used. Director Long moved to approve the execution of a maintenance and landscaping agreement for the four improvement areas that will be dedicated to the District subject to the 2 year warranty to be maintained after acceptance by the District thereafter; motion seconded by Randle Case. Motion passed with Director Bahr abstaining.

10. Other Business:

The continued meeting was scheduled for September 23, 2014 at 10:30 a.m. and a special meeting on October 14, 2014 at 10:30 a.m.

11. Adjournment:

The meeting was adjourned at 11:50 a.m.

Respectfully Submitted,

Terry E. Schooler, Manager