



**MINUTES OF A SPECIAL MEETING  
OF THE BOARD OF DIRECTORS OF THE  
BENT GRASS METROPOLITAN DISTRICT  
HELD JULY 7, 2020 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, July 7, 2020 at 10:30 AM, via in person and electronic means and telephone conference call.

Attendance

In attendance were Directors:

\*Randle Case II, President  
\*Lena Gail Case, Director  
\*Bryan Long, Director  
Randy DeYoung, Director  
Brian Bahr, Director, Excused

Also in attendance were:

\*Kevin Walker, WSDM  
Pete Susemihl, District Counsel, Susemihl, McDermott & Downie, P.C.  
\*Ron Waldthausen, Land First Inc

\*= Present at meeting site 102 E. Pikes Peak Ave., Suite 200, Colorado Springs, CO 80903

1. Call to Order, Introductions & Approval of Agenda:

President Case II called the meeting to order at 10:30 a.m. Mr. Walker noted the removal of Agenda item 8.d.

Director Case moved to approve the Agenda as revised; seconded by Director Long. Motion passed unanimously.

2. Approval of the June 2, 2020 Minutes:

Director Case moved to accept the June 2, 2020 Minutes as presented; seconded by Director Long. Motion passed unanimously.

3. Public Comment:

There was no public comment.

#### 4. Review of Financials and Approval of Payables:

Mr. Walker presented the Financials and noted they are essentially the same as last month and he will have the June 30 Financials to the Board at the next meeting. President Case II asked about Treasurer's Office collections. Mr. Walker explained they have collected 50% and a lot of payments were delayed until August 30<sup>th</sup>. Director Case moved to accept the Financials and Payables as presented; seconded by Director Long. Motion passed unanimously.

#### 5. Board President Report:

President Case II reported the District had a successful bond closing on June 30, 2020. He noted they received one of the best interest rates for an unrated credit since COVID at 5.25%.

#### 6. Manager's Report:

##### a. Metro District Covenant Enforcement:

Mr. Walker reported that he met with a resident and former Board member, Brad Lam and toured the community with him. The community has gone 3 or 4 years without covenant enforcement, and the main problems are with trailers and campers being stored on the property. Mr. Walker noted enforcement could be a tricky process in the beginning. Mr. Susemihl has drafted documents and the Board can appoint a covenant committee to manage the covenant enforcement. Mr. Susemihl discussed having a source of revenue to pay for covenant enforcement and recommended creating a Colorado Nonprofit Corporation with the understanding that the District's involvement is limited to appointing the Directors of the nonprofit and paying for the cost of covenant enforcement and architectural control. Mr. Susemihl also recommended that the Board approves an assignment and assign the rights to the nonprofit organization, Bent Grass Covenants LLC.

President Case II asked about the transition and costs in other districts. He also asked what it looks like for a District Manager to also manage the Covenant Committee. Mr. Walker explained he and Mr. Susemihl have done this in Ventana Metropolitan District, a community with 320 houses south of the town of Fountain, Colorado and it is going well. He also discussed Mountain Vista Metropolitan District that is currently transitioning to covenant enforcement and it is going fine with no major difficulties.

Director DeYoung asked what the monthly costs are. Mr. Walker explained it is about \$2,000 a month in Ventana and less than \$1,000 a month at Mountain Vista. The Board discussed the details and structure of the nonprofit corporation. The Board discussed having the documents prepared and ready to review and approve for the August Board meeting. President Case II requested that Mr. Lam join the meeting and offer feedback as well.

##### b. Bent Grass Meadows Drive South Reimbursement Request:

Mr. Walker reported there have been numerous discussions between Director DeYoung, as property owner and his attorney and Mr. Susemihl and others working out the reimbursement agreement for the road that Director DeYoung partially built adjacent to the Falcon Storage and School District 49's bus / fleet facility. Mr. Walker discussed that the District's interest is to pay for that improvement and in order to do that the District needs to have more documentation around what the costs are. Mr. Walker continued sharing that the Board is in a position that they would like to have that reimbursement as a subordinate bond to the A bonds and it will just require some additional work to do that. Mr. Susemihl discussed documentation needed from Director DeYoung and his attorney. Director DeYoung noted he is working on providing that documentation, but he would like to bring this to a resolution soon. The Board discussed issuing a subordinate bond that is not tax exempt. The Board discussed moving this item along with the Board to review and accept the final documentation at the August 4<sup>th</sup> Board meeting.

- c. Request for approval of Agreement to maintain drainage tracts – Challenger, DeYoung & Lena Gail Case parcels:  
Mr. Walker reported the easement documents have been signed as it relates to Challenger’s parcel and the District is prepared to sign a document for DeYoung’s and Lena Gail Case’s parcel as well. Challenger’s plats are being held by the County to resolve this issue for the 3 property owners that the District Board previously authorized proceeding similar to prior stormwater agreements in the District. He noted the exhibits are being finalized for all parcels as well to submit to the County for the County’s signature and recording.
- d. Review of Bent Grass/Meridian drainage improvement:  
Mr. Walker noted there were no other updates to report. President Case II reported that after the last meeting, he was informed there was a wastewater main line for Sterling Ranch coming down Meridian frontage near the Meridian Road drainageway to cross and connect to a Meridian Ranch Metro District existing wastewater line just north of Bent Grass Meadows Drive. They have been working with Sterling Ranch and determined that the size of the pipe and the manholes are closer than we would like to the intersection of Bent Grass Meadows Drive and but its hard to reengineer that when it has already been approved by the County. He shared that the depth of the line appears to be low enough to allow for the planned Bent Grass at Meridian street and stormwater improvements to be constructed without conflicting with the new Sterling Ranch wastewater line. President Case II noted the Bent Grass at Meridian street and stormwater improvements project is getting ready to commence with ordering the traffic signal equipment and additional pipe/bridge crossing supplies as soon as the Challenger plat is recorded and other fund arrangements hopefully from the County bridge fund can be committed.

7. Development Updates:

President Case II reported that Mr. Waldthausen, who was present but had to leave, has land use activity for his 5-acre parcel west of 7-Eleven. President Case II al shared that International Development Company (IDC), a partial affiliate of his family’s companies, is working on some land use layouts on the 8 acres to the north of 7-Eleven and hopes to have that brought forward for County land use review yet this year. He reported that the Woodmen Hills Metro District accepted and scheduled a hearing for that 8 acre parcel as well as the Bahr Holdings’ 9 acres (that was a former proposed school site). He shared that he attended the Woodmen Hills Metro District hearing on June 28 by Zoom and that Board accepted those 2 applications and authorized an inclusion hearing before their Board to be held on July 23<sup>rd</sup> at 5:30PM for formal acceptance. The actual inclusion agreements will be presented at that time and may involve Bent Grass Metro District responding to the inclusion request as well as Woodmen Road Metro District. Director DeYoung reported on his development updates that they are finalizing the Man Cave project documents contingent on completing the reimbursement agreement discussed earlier. President Case II reported that he spoke with Mr. Hummel, the original developer of the Falcon Marketplace and that Hummel Development has been removed from the project through a business structure change with the funding company after King Soopers had closed on their land purchase. With COVID-19, that project is somewhat stalled as the funding company has reportedly not paid their contractors and the County actually is pursuing a letter of credit for completion of some partially built stormwater improvements.

8. Review and Action on:

- a. BGMD Bond Refinance: Mr. Walker reported the refinance was closed last month and there are no more actions required at this time. The Board can expect to see the Audit that needs to be approved by July 31, 2020.

- b. Woodmen Road/Bent Grass Meadows Drive Access Update: There were no other updates.
- c. Bent Grass Meridian Traffic Signal Update: Mr. Walker reported the design plans have been resubmitted and they are waiting on an update from the County.

9. Executive Session to receive reports from consultants on water resources issues and receive legal advice: The Board indicated there was no need for an executive session.

10. Other Old Business:

There was no discussion.

11. New Business:

There was no discussion.

12. Confirm and Set Next Meeting:

The Board confirmed the next meeting will be August 4, 2020 at 10:30 AM.

13. Adjournment:

Director Long moved to adjourn; seconded by Director DeYoung. Motion passed unanimously at 11:49 AM.

Respectfully Submitted,  
Walker Schooler District Managers

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By: Kristina Kulick for the Recording Secretary