

**MINUTES OF A REGULAR MEETING
OF THE BOARD OF DIRECTORS OF THE
BENT GRASS METROPOLITAN DISTRICT
HELD OCTOBER 1, 2013 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, October 1, 2013 at 10:30 a.m., at 102 E. Pikes Peak Avenue, Suite 200, Colorado Springs, CO.

Attendance In attendance were Directors:

Randle Case II, President
Lindsay Case, Secretary
Bryan Long, Director
Randle Case, Director
Brian Bahr, Director

Also in attendance were:

Pete Susemihl, Susemihl, McDermott
& Cowan, P.C.
Terry Schooler, Schooler & Assoc.
Lori VonFeldt, Schooler & Assoc.
Ron Waldthausen
Bob Garner
Ray and Tanya Reilly
Zach Bishop (by phone)
Blake Jordan (by phone)

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

Director Randle Case II called the meeting to order at 10:37 a.m.

2. Approval of Minutes & Excusal:

Director Long motioned to approve the July 2 and 9, and September 10, 2013 meeting minutes seconded by Director Lindsay Case. Motion passed.

3. Review of the Financials/2013 Budget:

A. Public Hearing and action on Bond Resolution and Related Documents-

Mr. Susemihl stated that a notice for a public hearing was posted regarding the bond resolution. Director Randle Case II opened the public hearing. Mr. Jordan stated that the bond documents authorized \$4.645M of a fill up bond. As advances are made, it sets the priority of reimbursements. The first bond holder will be paid off with interest and principal before any other funds that come in afterwards. Mr. Jordan explained how the mill levy could work and that any advance agreement in place now would be replaced by the new bond agreement. Once the construction work has been completed, a report will need to be submitted to the District for confirmation and then the work would have to be certified. The certification of the work will be the date that sets the reimbursement in place. The Board requested that the wording in the bond documents state that it would not have to be an engineer to certify the work, but could be a third party with expertise. Mr. Jordan concurred. Mr. Jordan noted that because this is a developer bond holder, there is no redemption rating and the bonds are immediately callable, which is an advantage to the District. The bonds compound annually on December 15th of each year. After some discussion regarding the increasing mill levy, Director Randle Case II closed the hearing.

Director Lindsay Case motioned to approve the Bond Resolution seconded by Randle Case. The motion passed unanimously with Director Bahr abstaining. Director Lindsay Case moved to approve the partial assignment of the \$100K of the reimbursement agreement seconded by Randle

Case. The motion passed unanimously with Director Bahr abstaining. Mr. Jordan indicated that the District could close on the bonds next week if the letter of credit is eliminated and an agreement from all signers of reimbursement agreements with the District are terminated. The Board continued this meeting until Tuesday, October 8th at 10:00 a.m. in case further action is needed. Mr. Susemihl stated that the County should be given formal notice regarding the mill levy, which will not require a modification of the service plan, but will give them 45 days to consider it and respond. The Board agreed.

B. 2013 Budget-

Tabled until the continued meeting.

C. Preview of the 2014 Budget-

Tabled until the continued meeting.

D. Improvements Funding-

Director Randle Case II indicated that there is approximately \$13K that needs to be added to the reimbursement agreement exhibit with Land First before the bonds close. Director Lindsay Case moved to approve the additional funds to the exhibit seconded by Director Bahr. Motion passed. Director Lindsay Case motioned to add a payment of \$100K to the payables for Land First for construction costs seconded by Director Bahr. Motion passed.

4. District Manager Report:

No additional report.

5. District Development Priorities, Development & Market update, and Reimbursement Agreements Review/Approval

As per the August meeting, Director Randle Case II stated that the District needed supplemental water that Woodmen Hills Metro District couldn't provide so Cherokee Metro District was asked and they approved the request. The rate is still to be determined. Director Randle Case II will continue to follow up with their attorney.

Mr. Waldthausen reported that the curb and gutter is complete, but pedestrian ramps and paving are still needed.

Mr. Waldthausen indicated that the Falcon Maser Drainage Basin Planning Study was completed in draft and submitted to the County. The current fee of about \$7,800 an impervious acre is now being proposed to be raised to \$31K. The Board discussed the new fee and the feasibility of having an engineer look at the report to see if the costs can be challenged. The Board tabled discussion until the next meeting.

6. Updates:

A. Bent Grass Meadow Drive-

Tabled until the continued meeting.

B. Woodmen Road Access Plan Revision-

Tabled until the continued meeting.

6. Old Business:

There was no discussion.

7. New Business:

There was no discussion.

8. Other Business:

A. The next continued meeting is scheduled for October 8, 2013 at 9:00 a.m.

9. Adjournment:

The meeting was adjourned at 11:47 a.m.

Respectfully Submitted,

Terry E. Schooler, Manager