



**MINUTES OF A SPECIAL MEETING
OF THE BOARD OF DIRECTORS OF THE
WILLOW SPRINGS RANCH METROPOLITAN DISTRICT
HELD THURSDAY, SEPTEMBER 19, 2024
AT 9:00 AM**

Pursuant to posted notice, the special meeting of the Board of Directors of the Willow Springs Ranch Metropolitan District was held on Thursday, September 19, 2024 at 9:00 a.m. at 300 CO-105, Monument, CO via teleconference/Zoom.

In attendance were Directors:

Dan Brown, President
Bridget Myers, Secretary/Treasurer
Tim McConnell, Assistant Secretary
Dana Tucker, Director
Joel Hendrickson, Director

Also in attendance were:

Sean Allen, White Bear Ankele Tanaka & Waldron, by Zoom
Andrew Wheeler, D.A. Davidson, by Zoom
Lori VonFeldt

1. Call to Order:

President Brown called the meeting to order at 9:03 a.m.

Declaration of Quorum/Director Qualifications/Disclosure Matters:

Ms. VonFeldt indicated that a quorum of the Board was present. Each Director confirmed his/her District eligible elector status to serve on the Board. Ms. VonFeldt noted that the Directors' disclosures of conflicts of interest were filed with the Secretary of State's Office and the Board at least 72 hours prior to the meeting, in accordance with Colorado law, and those disclosures were acknowledged by the Board and no additional disclosures of potential or existing conflicts of interest with regard to any matters scheduled for discussion at the meeting were noted. The Board determined that 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:

The Board approved the agenda.

3. Approval of Annual Meeting and District Regular Meeting Minutes from 7/11/2024:

Director McConnell moved to approve the minutes from July 11, 2024, meeting; seconded by President Brown. Motion passed unanimously.

4. Series 2024 Bond Authorization Resolution:

Mr. Wheeler explained the structure of the Series 2024A and 2024B Bonds noting that all the Bonds, including the Series 2023 Bonds, are secured by property tax revenue less an annual operation and maintenance carve out to allow the District funding for its administrative, operation and maintenance costs. The operation carve-out will be \$110,000 /year subject to an annual 1% increase. The Series 2019 A and 2019B Bonds are being refinanced by the Series 2024A and B Bonds and some of the proceeds will be used to

make payment on outstanding public improvement construction cost reimbursement owed pursuant to the Infrastructure Acquisition and Reimbursement Agreement. Bond insurance will be acquired for the 2024A Bonds which will secure a “AA” rating. Mr. Wheeler explained further that the bond authorization resolution establishes parameters for the bonds and to appoint a delegate to act on behalf of the board to approve pricing. He noted that the interest rate currently is around 5% for the Series 2024A senior bonds and around 8.50% for the Series 2024B subordinate bonds. The Board authorized President Brown as the delegate. The Board approved the interest rate at a maximum of 9%. The maximum par amount, not to exceed, for the 2024A bond is \$13,500,000 and the 2024B bond is \$5,000,000. The term of the bonds is 30 years from the date of issuance as required by the Service Plan. Following discussion, Director Tucker moved to approve the Bond Authorization Resolution subject to the refunding and the issuance of the 2024A and B; seconded by President Brown. Motion passed unanimously.

The Series 2023C Bonds are also being amended to reflect the increased annual operation and maintenance annual carve-out amount. Mr. Allen noted this change is reflected in the first supplemental indenture to the 2023C Bonds. President Brown moved to approve the amendment to the indenture for the 2023C Bonds to reflect the new carve-out amount; seconded by Director Hendrickson. Motion passed unanimously.

Mr. Wheeler explained the schedule for posting and pricing of the bonds with closing targeted for November 1st.

5. Public Improvement Construction Development Update:

President Brown stated that they are finishing up some sidewalks and driveways, and a few other items in the development.

6. Financial:

- a. Approval of Resolution Accepting Certified District Eligible Public Improvement Costs No. 25 and No. 26 pursuant to the Public Improvements Acquisition and Reimbursement Agreement between the District and Polo Brown Company:
President Brown moved to approve the Resolution Accepting Certified District Eligible Public Improvement Costs No. 25 and No. 26; seconded by Director McConnell. Motion passed unanimously.
- b. Review and approval of Payables:
Ms. VonFeldt presented the payables to the Board. Director Myers moved to approve the payables; seconded by Director Tucker. Motion passed unanimously.
- c. Review and approval of unaudited Financial Statements as of 8/31/2024:
Ms. VonFeldt presented unaudited Financial Statements as of 8/31/2024. Director Hendrickson moved to approve the unaudited Financial Statements as of August 31, 2024; seconded by Director Tucker. Motion passed unanimously.
- d. 2024 Budget Amendment Hearing; Discussion and Resolution for Budget Amendment Approval:
President Brown opened the budget hearing. There being no public comments, President Brown closed the hearing. Mr. Allen stated that the 2024 Budget needs to be amended because of the issuance of the Series 2024 Bonds. Ms. VonFeldt explained the expenditure items that are impacted by the 2024 Bonds. Director Tucker moved to

approve the amended 2024 Budget subject to final numbers from the bond closing: seconded by President Brown. Motion passed unanimously.

- e. 2023 Audit:
Ms. VonFeldt reported that the audit was completed and submitted to the State on 8/20/2024.

7. Other Business:

- a. HB24-1267 Limitations on Covenant Enforcement Actions: Resolution Regarding Policies, Procedures and Penalties for the Enforcement of Governing Documents; Revision of the November 2023 Restated Design Guidelines As Needed for HB24-1267 Compliance; Acknowledgement of Unenforceable Provisions in 2021 Declarations due to Subsequent Legislative Changes:
Mr. Allen explained the recent changes in law regarding enforcement of governing documents and therefore the need to update the district's resolution. The document is still under revision and will be available for board approval at the next meeting.
- b. Covenant Enforcement, Foreclosure and Collections Special Counsel:
Mr. Allen encouraged the Board to engage special counsel to handle covenant enforcement, collections and foreclosure matters. The Board concurred. Ms. VonFeldt will seek proposals for these special counsel services.
- c. Updated Collections Resolution (Pending):
The document is still under revision and will be available for board approval at the next meeting.
- d. District Manager Report:
Ms. VonFeldt reported 306 homes have closed which is about 77% of the community. Director Myers noted that a new policy is being put into place regarding homes that are resales to make sure they are in compliance before they are sold.
- e. Community Discussion:
There was no discussion.


8. Public Comment: Members of the public may express their views to the Board on matters that affect the District that are otherwise not on the agenda. Comments will be limited to three (3) minutes per person.
There was no public comment.

9. Next Meeting, 2024 Regular Meeting Schedule, Adjourn:

The Board cancelled the regularly scheduled meeting for 10/10/2024. The next meeting will be held on November 14, 2024, at 9:00 a.m. for the Annual meeting and 2025 Budget Hearing meeting.

The meeting was adjourned at 9:48 a.m.

Respectfully submitted,
District Manager

By: 
Lori VonFeldt for the Recording Secretary