



**MINUTES OF A SPECIAL MEETING  
OF THE BOARD OF DIRECTORS OF THE  
ELBERT & HIGHWAY 86 METROPOLITAN DISTRICT  
HELD DECEMBER 8, 2021  
AT 6:00 PM**

Pursuant to posted notice, the special meeting of the Board of Directors of the Elbert and Highway 86 Metropolitan District was held on Wednesday, December 8, 2021 at 6:00 p.m., at Legacy Academy, 1975 Legacy Cir., Elizabeth, CO 80107 and via tele/videoconference at <https://global.gotomeeting.com/join/222939405>.

**Attendance**

In attendance were Directors:

Larry Gable, President, Term to 2023  
Bradford Eidt, Secretary/Treasurer – Term to 2023  
Laura Carno, Assistant Secretary -Term to 2022  
Jay Hjellum, Assistant Secretary -Term to 2022  
Steve Christoffeson, Assistant Secretary -Term to 2022

Also in attendance were:

Kevin Walker, Walker Schooler District Managers  
Sue Gonzales, Walker Schooler District Managers  
Jason Downie, Susemihl, McDermott, & Downie, P.C.  
Members of the Public

1. ADMINISTRATIVE MATTERS

- a. Call to Order & Declaration of Quorum: President Gable called the meeting to order at 6:00 PM and declared a quorum with all Board members present.
- b. Confirm any Potential Conflicts of Interest: The Board had previously filed Disclosure of Potential Conflict of Interest Statements with the Board and with the Secretary of State at least seventy-two (72) hours in advance of the meeting in accordance with statutory requirements.
- c. Discussion and Approval of the Agenda: The Board approved the Agenda as presented.
- d. Consider Approval of Meeting Minutes from October 22, 2021: Mr. Walker requested the Board table the approval of the October 22, 2021 Minutes until the next meeting.

2. MANAGEMENT ITEMS

- a. Introduction of the New Board: President Gable introduced the new Board of Directors and thanked them for joining.

- b. Update on Change of Management: President Gable introduced Mr. Walker with Walker Schooler District Managers as the new District Management. Mr. Walker introduced himself and noted Walker Schooler District Managers is based in Colorado Springs and currently manages 30 to 35 metropolitan districts. WSDM offers full-service management from accounting to reporting, board management, covenant enforcement, and water system management and billing. WSDM has been in business since 2002 and Mr. Walker has owned the company since 2018 and has been involved in the metropolitan district business for over 40 years. Mr. Walker commented that he is looking forward to providing the services the District needs.
- c. Introduction of Walker Schooler District Managers and ratify approval of interim engagement: The Board unanimously ratified the approval of interim engagement with Walker Schooler District Managers.
- d. Introduction of Jason Downie as District Counsel and ratify approval of interim engagement: President Gable introduced Mr. Downie as District Counsel. Mr. Downie introduced himself and noted he is an attorney and partner with Susemihl, McDermott, & Downie, P.C. He has been practicing law for over 20 years. His senior partner, Mr. Susemihl has been practicing special district work for over 20 years and they represent many districts with Walker Schooler District Managers to provide cost-effective legal services. Mr. Downie noted he grew up in Elizabeth and is very familiar with the area and looks forward to representing a district in his hometown. The Board unanimously ratified the approval of interim engagement with Jason Downie as District Counsel.
- e. Adopt Resolution naming the Board members for use by Bond Trustee: Mr. Walker noted the Resolution is not required at this time and requested the removal from the Agenda. The Board agreed to remove from the Agenda.

### 3. FINANCIAL MATTERS

- a. Review of Unaudited Financial statement from September 30, 2021: Mr. Walker introduced Ms. Gonzales as the CPA for Walker Schooler District Managers. Mr. Walker presented the Unaudited Financial Statements from September 30, 2021 and noted he is working with the previous district manager to obtain financials. Mr. Downie left the meeting.
- b. Approval of Current Payables: Mr. Walker presented the Payables. The Board discussed the insurance payment and inquired why the insurance broker fee was so high. Ms. Gonzales explained the insurance broker is required for insurance claims, but she will further investigate why the fee is so high. After review, Director Eidt moved to approve the Unaudited Financial Statements and Payables as presented; seconded by President Gable. Motion passed unanimously.
- c. Public Hearing on the adoption of Resolution approving the amended 2021 and proposed 2022 Budget: Mr. Walker presented the Amended 2021 Budget and proposed 2022 Budget. Mr. Walker noted the proposed 2022 Budget reflects a reduction of the general fund mill levy to 10 mills. Mr. Walker noted the Amended 2021 Budget is due to higher expenditures for legal services than projected. The Board discussed expenditures from 2020 for road repairs and developer advance. President Gable opened the Public Hearing on the Amended 2021 Budget and 2022 Budget. Mr. Rice, the President of the HOA commented that the HOA Board will be writing a letter to inform of the intention and request approval from the District to take over landscaping maintenance and snow removal responsibility for 2022 due

*Walker Schooler District Managers*

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to it being more cost effective and the HOA having a surplus of funds. The HOA is also requesting the District give more serious consideration to the pond maintenance. He noted the HOA 2022 Budget is still subject to HOA Board approval. Mr. Rice noted a formal letter will be sent to the District Board and the HOA would like to work in a more cooperative way with the Metro District moving forward. Mr. Rice also suggested that moving forward the District include a line item for general maintenance of the common elements including the pond. After no further public comments, President Gable closed the Public Hearing. Director Eidt moved to adopt the Resolution approving the Amended 2021 Budget and 2022 Budget; seconded by Director Carno. Motion passed unanimously.

#### 4. LEGAL MATTERS

- a. Ratify settlement of traffic signal litigation: President Gable explained the history of the settlement of traffic signal litigation. The design improvement agreement stated that the signal at Legacy Circle and Highway 86 was not required until CDOT warranted it which was never done since traffic from Wild Pointe has not increased that much. The design agreement expired in 2020, so the Wild Pointe HOA filed a lawsuit against the Metro District arguing they are not responsible for the signal expenses which led to the high legal expenses in 2021. The lawsuit was settled out of court and the previous Directors resigned which led to the current taxpayer Board of Directors and saved the District close to \$400,000. President Gable thanked Mr. Rice for his role in saving the District a lot of money and helping the taxpayers gain control of the Board.
  - b. Consider Adoption of Resolution Calling for 2022 Election: President Gable discussed the 2022 Election and noted three Board positions will be up for election. Interested parties must submit a Self-Nomination form between January 1, 2022 and February 28, 2022. Mr. Rice noted he will include an election notice in the HOA's annual report. Mr. Walker discussed the District's website and noted all election forms and important information will be posted as well. Mr. Walker presented the Resolution Calling for 2022 Election. President Gable noted County of Elbert agreed to serve as the Designated Election Official. Director Hjellum moved to adopt the Resolution Calling for 2022 Election; seconded by Director Christoffeson. Motion passed unanimously.
5. PUBLIC COMMENT: Mr. Bill Trees asked to what extent the HOA and Metro District Boards could collaborate on a maintenance budget. Mr. Rice discussed that it is more practical and efficient to have the HOA coordinate and sometimes pay for the maintenance with the approval of the District since the property is owned by the District. He noted the HOA has a surplus of cash which allows it to pay for maintenance without having to raise taxes and that minimizes expenses for the District. Mr. Rice discussed the potential of an intergovernmental agreement between the District and HOA in the future. Mr. Walker explained the Metro District has specific things it is allowed to pay for which are restricted by State statute and the Service Plan. The Board is only allowed to make a commitment for one year at a time and multi-year obligations are only allowed if they are voted on and approved by the taxpayers. Mr. Walker clarified that the Board is allowed to develop a 5-year plan, but just cannot obligate itself to more than one year.

Mr. Mike Misheff asked about an easement on the east side of his property on Legacy Trail. The easement is a road connecting Legacy Trail to the Gold Creek development. It has a negative impact on the resale of his home, and he spoke to Mr. Jim Marshall, the developer who said that the easement was for Gold Creek, but they released it to the County. Mr. Misheff would like to find out how to get it erased so when he sells his home in the Spring it is not in County records. Mr. Misheff confirmed the easement is identified in the plat. President Gable said he will speak with the County Commissioner in the next few weeks about this issue.

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6. ADJOURNMENT: There being no further business to come before the Board at this time, the Board unanimously adjourned the meeting at 7:05 PM.

Respectfully Submitted,

DocuSigned by:

*Brad Eidt*

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Secretary for the Meeting