



FOREST LAKES

Residential Owners Association

SPRING 2018 NEWSLETTER



FUN FACTS. DID YOU KNOW?



300

More than **300 trees** have been **transplanted** along Forest Lakes Drive.

Forest Lakes is an **International Dark Sky Community**. We are one of the very few communities in our region to hold this designation.

The FLMD website www.ForestLakesMetroDistrict.com is a great go-to resource to learn about the **metro district**. There's also a FAQ page that may be helpful for residents.

10

The **Tri-Lakes YMCA** just celebrated its 10th Anniversary!

The water in Bristlecone and Pinon Reservoirs comes from the **Beaver Creek watershed**, which runs through the Forest Lakes area from its origin on the Rampart Range.

The **Monument Police Academy Department** offers a no cost, 8-week Citizens Police Academy program. The program is open to all who live in the Tri-Lakes area.

140

The **Town of Monument** will celebrate 140 years as an incorporated town in 2019. If you have been a long-time resident of the Tri-Lakes area, the "Stories of Monument" group is collecting stories from the area to capture great things about the area.

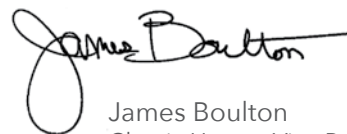
For those new to the area, I would like to welcome you to Forest Lakes. In this newsletter, we are addressing some of the frequently asked questions (FAQ's) that have been submitted by residents during the first quarter of 2018.

Before we dive into the FAQ's, I want to take some time to provide you with a brief overview of what we've accomplished over the past two years from a development and homebuilding standpoint. As we do with all of our Classic Communities, we approached the Forest Lakes development plan with strategic foresight, and in many ways, we have over-delivered on our commitments thus far. Classic first broke ground in August of 2015 with the opening of 33 homesites in the Estates (Filing 1) followed by 71 homesites in Bristlecone (Filing 3). Within the next few months we began shaping Waterfront Park to include: a dock, landscaped common areas, a playground area, gathering pavilion and an amphitheater - all of which, overlook Bristlecone Lake. In partnership with the HOA, we also spent considerable monies stocking Bristlecone with an abundance of trout and other fish species and put in place regulations which allowed Bristlecone to become an active recreational amenity for our community and not just an aesthetic one. In short, Classic went far and above the improvements required by the approved plans and we feel confident that this work will benefit our residents for many years to come.

In 2016 we opened Waterfront Park with a Summer Concert Series that ran from June through August. We plan to bring back the Summer Concerts again this year. As we began to develop the 160 homesites in Pinons (Filing 2), we also acquired right of way from the County to be able to design and construct the community entry feature, which includes a substantial entry sign and significant incremental landscaping to provide a sense of arrival for Forest Lakes Residents and guests. Simultaneously, we began integrating the landscape plan along Forest Lakes Drive. To date, we have transplanted more than 300 trees. The majority of the new trees came from Classic's Flying

Horse North project and appear to be acclimating very well in the new environment at Forest Lakes. Again, the tree planting, entry sign and additional design work was not required by any of our approvals; it was undertaken because we felt it appropriate for such a quality development and community and because we believe it to be the right thing to do.

As many of you know, we are now working on the development plan for Phase 2, located in the west valley of Forest Lakes. During this process, it appears that there is some confusion over varying topics from traffic and density, to water, mill levy and crime to name a few. Most, if not all, of these topics are addressed in depth in the contract addendum for Classic homeowners and/or lot purchase agreement for those who purchased a lot in the Estates. Some of the comments received are factually inaccurate and misleading, while others were good questions and comments that we feel should be shared with the entire community. Thus, we want to take the opportunity to publish those questions and comments in this newsletter.



James Boulton
Classic Homes Vice President/
Project Manager

QUESTIONS & COMMENTS

WATER

QUICK FACTS

About Forest Lakes Water

- 660 ANNUAL ACRE FEET OF WATER FROM BEAVER CREEK** (Bristlecone is the storage facility). This is a renewable surface water resource.
- DILLON WELL** - 400 annual acre feet.
- ARAPAHOE WELL** - 318 annual acre feet.
- FOREST LAKES LLC** - Has the right to drill 1500 annual acre feet of water (additional wells if needed).
- TRIVIEW INTERCONNECT** - This is a redundant backup supply of water (from Triview only if there is an emergency situation).

There are 325,853 gallons of water per one acre foot of water.

RESIDENT COMMENT

1

"Homeowners are concerned about the lower level of the water in Bristlecone Lake. Are you currently pulling any water out of the lake?"

DEVELOPER RESPONSE: The water level is down approximately 2-3' as of the beginning of April. We have not pulled any water out of the lake at this point. The reason the lake level is lower is because of the very dry year we are having. We have more than enough decreed water rights to supply the existing and future proposed residents. Forest Lakes had the foresight to acquire both renewable and deep water non-renewable water and is in a much better position than most "small area" water and sewer Districts that rely exclusively on non-renewable water. Forest Lakes Metro District (FLMD) is the standard to which most of these small area Districts aspire. Not only do we have a lake (surface water) which is fed by a renewable source of water, we have wells and an interconnect with Tri-view in case of emergency.

RESIDENT QUESTION

2

"Why are the lake levels going down?"

DEVELOPER RESPONSE: Water levels fluctuate due to weather, natural conditions and evaporation. FLMD has ownership and maintenance obligations for both reservoirs. FLMD maintains and shall have the sole and exclusive authority to use its discretion with regard to any and all water levels for both reservoirs.

Please refer to Pages 5-6 of the contract addendum for additional details:

["Purchaser is aware that Bristlecone Lake and Pinon Lake (jointly, the "Lakes") located in the vicinity of Forest Lakes Residential are owned by FLMD. Purchaser acknowledges that (i)The water in each of the Lakes is subject to natural conditions and fluctuation in water levels, including and without limitation, drought & evaporation conditions; (iii) FLMD has the right, and plans, to draw water from Bristlecone Lake to provide water to service the Forest Lakes development, including Forest Lakes Residential Lots; and (iv) FLMD has the right to use its property (some of which are located within the vicinity of the Lakes) as it elects, including to expand, improve and/or install new and different improvements, which may include, without limitation, a larger pump house and surface treatment improvements.]

RESIDENT QUESTION

3

"We have heard the lake is the source for watering Waterfront Park and the grass areas in the neighborhood. Is that true?"

DEVELOPER RESPONSE: No, we do not currently use the lake for watering these areas. There is no plan to use lake water as a separate system for watering the landscaping at this time. We are constructing the raw water pump station (west of the dam on the north shore) in such a way that, in the future, we could draw water directly from the lake to irrigate the park."

RESIDENT COMMENT

4

"You said the Lake water will only be used as a last resort."

DEVELOPER RESPONSE: This statement is categorically false. Please refer to Page 10 of the contract addendum. Bristlecone Lake is the primary source of water storage and will serve as drinking water for the community. The District has the right to restrict recreational use to preserve the primary use which is drinking water.

["FLMD will continue to manage the Bristlecone Lake for the primary purpose of a water storage facility for





Forest Lakes. FLMD maintains sole discretion regarding water levels and all management provisions and may amend, change or eliminate the recreational access and use in order to maintain and preserve the primary use of Bristlecone Lake as a drinking water supply.”]

[“Since the primary purpose of Bristlecone Lake is to serve as a water storage and drinking source facility, any actions by Residents and guests of Forest Lakes to endanger that use, could result in the immediate cancelation of recreational use of Bristlecone Lake for the Resident(s) and public. The primary objective for regulating the recreational activity is to preserve the natural surroundings of the Lakes and Lake Property.”]

6 RESIDENT QUESTION

“Is Bristlecone a public lake or a private lake?”

DEVELOPER RESPONSE: Bristlecone is a public lake owned by FLMD. The caveat is “outside” residents must pay a fee to access the lake and are required to follow the recreational rules. This is a common approach by metro districts. Forest Lakes residents are allowed access without paying for a permit because they are subject to Metro District fees and charges. The park adjacent to the lake is a county park and open to the public.

5 RESIDENT COMMENT

“I was never told a surface water treatment plant was being built.”

DEVELOPER RESPONSE: Please refer to Page 4 of the contract addendum.

[“NOTICE: The Forest Lakes Metro District will be constructing a Surface Water Treatment (SWTP) Plant beginning in November of 2017 which will provide drinking water from the lake to the residents of Forest Lakes. There will also be construction of a water intake line into the lake which will transport raw water to the treatment plant. If you have any questions with regard to location of the SWTP and construction activity, please consult your sales person. Estimated construction time is 10 months.”]



QUESTIONS & COMMENTS DEVELOPMENT

FOR PHASE 2 (WESTERLY LOTS)

RESIDENT COMMENT

1

"Classic is changing the rules, plan and is unethical."

DEVELOPER RESPONSE: Each homeowner in Forest Lakes was provided with a contract addendum and/or lot purchase agreement that addresses the master plan and land use. That document clearly states that the developer has the right to change any future development as long as it complies with County criteria and that portions of the preliminary PUD are merely estimates and reflect present day vision of uses, densities, features and amenities of build-out of the property based on current market conditions. Such changes may include, without limitation, changes in the use, timing, density modifications, lot line adjustments, development plans, zoning, plats, easements, location, size, program, and of parks and amenities reflected on any Forest Lakes related plans.

The proposal which Classic is now processing through the County is appropriate and responsible. Before Classic will be allowed to move forward with the proposed development, Classic will need to establish to the County that its plan meets the criteria for approval, including, without limitation, sufficiency of water, ability to appropriately convey traffic, etc. We have adjusted our proposal to be more sensitive to the transition of density from our neighbors to the north, a reduction of some 30 lots. We are actually disturbing fewer acres under our proposal than

the previous proposal contemplated. Finally, it is worth pointing out that incremental dwelling units paying into FLMD will create more efficient metro district operations and will result in reducing costs to Forest Lakes residents over time.

RESIDENT COMMENT

2

"Your proposed development is in the mouse ground and wetlands."

DEVELOPER RESPONSE: We are not in the mouse ground with the new proposed development to the west. The only place where we encroach into wetlands are the future road crossings. These same crossings were also contemplated in the 2002 approved plan and thus no changes within those areas are proposed by the Phase 2 Development Plan.

RESIDENT COMMENT

3

"No homes were to ever be built on the south side of Bristlecone."

DEVELOPER RESPONSE: This statement is also categorically not accurate. The currently approved sketch plan for Forest Lakes shows 61 future homesites ranging from the base of the hillside south of Bristlecone Lake up onto

the plateau. The master concept plan was displayed on a billboard near the mail kiosk for nearly two years showing homes could be built. It was also posted at Classic Homes sales office on Waterfront, and is currently displayed at the model on Pelican Bay.

4

RESIDENT COMMENT

“The old homestead in Phase 2 was bulldozed and not preserved.”

DEVELOPER RESPONSE: The old homestead was studied by Classic and it was determined that it was a hazard and an “attractive nuisance” that justified its remediation and removal. There were structural deficiencies in the various buildings. The liability and health risks associated with the old homestead far outweighed any historical or aesthetic value and it was removed.

5

RESIDENT TRAFFIC COMMENT

“We are concerned about the additional traffic and crime that will come with the additional homes in Phase 2.”

DEVELOPER RESPONSE: The reality is that Forest Lakes Drive and the associated community roads have been and are designed to handle traffic far in excess of that which would be engendered by the current and proposed development. Road capacity is computed and determined by third party experts and objectively there is plenty of road capacity by those measurements. A reasonable concern was raised relative to the velocity at which traffic utilizes these roads. Obviously the first answer is for our residents and guests to be conscious of driving at safe and responsible speeds. While we can plan for traffic volume, we cannot control

the speed at which residents and guests drive. However, we are contemplating a variety of “traffic calming” measure as a means to slow traffic down. These measures basically incorporate improvements within the right of way which require slowing down or breaking to navigate. We are currently under traffic engineering review and hope to be able to share these proposed measures soon. With regard to the concern about crime, we (or any other developer for that matter) cannot control crime in any community.

6

RESIDENT FIRE COMMENT

“There is only one way in and one way out of Forest Lakes.”

DEVELOPER RESPONSE: This statement is incorrect. There are two points of access. One is the main entrance along Forest Lakes Dr. and the other is to the north at Lindbergh and Mesa Top. There have always been two points of access, even with the old approved plan. The County takes these matters into consideration before they approve a development plan.

7

RESIDENT COMMENT

“There was supposed to be a school built in Forest Lakes.”

DEVELOPER RESPONSE: A school site was identified on the master concept plan. However, D-38 is evaluating several school sites and we, as a developer and builder, have no control over which site they choose.

RESIDENT COMMENT

8

"The wildlife are going to be displaced if you develop in the west (Phase 2)."

DEVELOPER RESPONSE: Development in previously undeveloped areas does require wildlife to adapt to a changing environment. We have developed many areas in our community that had wildlife when we commenced and all of them still have natural wildlife in them today – from University Park, to Stratton Forest, to Flying Horse.

RESIDENT MILL LEVY COMMENT

9

"Classic never revealed additional taxes and the mill levy."

DEVELOPER RESPONSE: The only adjustment which has been made to the mill levy is to increase the mill levy by an amount equal to the reduction in assessment rate for residences, which is known as a "Gallagher Adjustment". Without going into too much detail, under a State Constitutional amendment known as the Gallagher Amendment, the assessed rates for residential and commercial property are re-established periodically by the State. Most recently the assessed rate was reduced for residential property from approximately 8% to 7%. The service plan for FLMD allows FLMD to raise mill levies in such a situation to ensure that the total revenue generated in such a situation does not fall due to the reduction. The net effect of all this is to leave the homeowners in the same position they would have been but for the reduction in the assessed rate.

We also wish to point out that the taxes and mill levy are consistent and competitive with

other northern El Paso County developments, such as Jackson Creek, Promontory Pointe, Sanctuary Pointe and the like. We encourage all residents to do their due diligence by visiting the County web site to research taxes. For quick reference, please refer to Page 3 of your contract addendum.

["Classic Homes makes no representations about the mill levies of the Metro Districts, the amount of real property taxes or fees payable to any Metro District, the size of the Metro Districts' outstanding indebtedness, the length of time until such debt is paid in full or any other matter relating to any of the Metro Districts. Purchaser is responsible for its own investigation regarding the Metro Districts, taxes payable to the respective Metro Districts, the Service Plans, and the effect the Metro Districts may have on home sales in Forest Lakes Residential."]



WE HOPE THE INFORMATION CONTAINED IN THIS NEWSLETTER IS HELPFUL TO ALL RESIDENTS OF FOREST LAKES.

As you can imagine, there are several steps that occur between the time we break ground in a community to the time homeowners move in. In our nearly three decades of experience, we have had the pleasure of building upwards of 75 communities and nearly 12,000 homes. Forest Lakes is one of our flagship communities. The foresight, planning and execution of this community is exemplary and one reason why it is one of the most sought after addresses in El Paso County. Thank you all for everything you do to create a sense of community in Forest Lakes.



TIPS & REMINDERS

Spring Spruce Up

Spring has sprung and summer is on the way! Now is the time to start thinking about freshening up the landscape around your home. Many residents that are new to the area will soon be in the process of landscape installation for the very first time in Forest Lakes—how exciting and welcome to the community!

HERE ARE SOME SPRING TIPS TO KEEP IN MIND:

1. Replenish flower beds with mulch or rock as needed.
2. Inspect tree/shrubs for damage.
3. Be a good neighbor by removing unnecessary material that may be laying around the exterior of your home.
4. It's time to show your gutters some TLC with a spring gutter cleanup.
5. Inspect your irrigation systems for leaks, adjust sprinkler heads. When you turn your water irrigation system on, make sure the backflow preventer is wrapped/covered to protect it from freezing at night. Spring temperatures can drop quickly.
6. As always, if you're planning for any home or landscape modification/improvements this spring or summer, please remember to submit your plan to the Association prior to embarking on your new projects!



For The Love Of Pets (And Your Neighbors)

Forest Lakes is home to quite a few pets! When you're out enjoying the great outdoors together, please remember to clean up after your dog and remember there is a local ordinance requiring dogs to be leashed in parks, common areas and on trails. Pets are not allowed to be in or on the lake. Please be courteous to your fellow homeowners and maintenance crews by policing your pet's business. And, by all means, don't forget the cleanup in your own backyard – your neighbors will thank you for it!



FOG and Drains.

WHAT IS FOG? As it relates to sanitary sewer systems and wastewater collection systems, FOG stands for Fat, Oil and Grease and it is an ongoing issue in every community throughout the country. The FLMD and Donala Water and Sanitation District have noted an issue with build-up of FOG in the lift stations in the sanitary sewer system and are asking that all Forest Lakes residents be mindful of what goes down the drain. FOG consists of fat from animal meat, shortening, butter, food scraps, salad dressing, and marinades to name a few. The more FOG that goes down the drain, the more expensive it gets to treat the water in terms of chemicals and manpower. The second problem to FLMD and Donala (and foremost homeowners) is that household sewer lines can get clogged by that same FOG.

Also please remember that flushing dental floss, dental tape and "disposable" wipes down your sewer is a harsh thing to do to your plumbing as well as the wastewater treatment plant.

If you have questions, please feel free to contact Donala at 719-488-3603.



Trash Talk

Let's talk about trash. Actually, let's talk about the high winds and unsecured trash cans. Please remember to close and secure your trash and recycle receptacle lids when placing them on the curb for trash pick-up. We've received many complaints about trash throughout the community and on private property adjacent to Forest Lakes. Thanks to all the residents who are doing their part to keep the community trash free, if you aren't securing your trash lid...it's time to join the movement by investing in a bungee cord or strap for the lid.

REMINDER

The park, lake, and common areas are owned by FLMD and managed by the HOA.

GAZEBO RENTALS

Gazebo use is by reservation only.

Please contact Steve Emery at Hammersmith Management to reserve 719-389-0700.



FOREST LAKES RESIDENTIAL OWNERS ASSOCIATION (HOA)

CONTACT:

Hammersmith Management

Steve Emery, HOA Community Manager
1155 Kelly Johnson Blvd, Suite 495
Colorado Springs, CO 80920
Phone: 719-389-0700

FOREST LAKES METRO DISTRICT (FLMD)

CONTACT:

Ann Nichols
FLMD District Manager
Phone: 719-327-5810

UPCOMING EVENTS

You're Invited!

Classic Homes - Neighbor Meet & Greet Cinco De Mayo PRE-PARTY Potluck

Bring your favorite dish to share! Classic Homes and Pentrust will provide desserts and drinks.

WHERE: Classic Homes Model at 2312 Pelican Bay Dr., Monument CO 80132

WHEN: **MAY 3**, 2018 from 5pm to 7pm



THE 2018 SUMMER CONCERT SERIES, sponsored by Forest Lakes Development, begins Friday, June 8th!

FRIDAY, JUNE 8 6:00-9:00PM
Wirewood Station - Americana, Bluegrass, Pop, Folk,
Acoustic Variety
Food Trucks: Kona Ice, Witty Pork, Smokin' J BBQ

FRIDAY, JUNE 22 6:00-9:00PM
Wendy Woo - Rock, Pop, Blues, Variety
Food Trucks: Kona Ice, Lucy I'm Home, Witty Pork

FRIDAY, JULY 13 6:00-9:00PM
Miguel Dakota - Indy+ Classic Rock/Pop, Electric/Acoustic
Food Trucks: Kona Ice, Lucy I'm Home, Witty Pork, Smokin' J BBQ

FRIDAY, JULY 27 6:00-9:00PM
HeresToFightin - Indy Rock, Pop, Electric/Acoustic
Food Trucks: Kona Ice, Lucy I'm Home, Witty Pork

FRIDAY, AUGUST 10 6:00-9:00PM
Martini Shot - Pop, Rock, Variety, Old & New School
Food Trucks: Kona Ice, Lucy I'm Home, Witty Pork

FRIDAY, AUGUST 24 6:00-9:00PM
Inman Brothers Band - Pop, Rock, Americana, Country,
Blues, Variety
Food Trucks: Kona Ice, Lucy I'm Home, Witty Pork



SAVE THE DATE! JULY 4TH, 2018

The HOA sponsored Kids' Annual Fishing Derby will be held in the morning and picnic-style Independence Day

Celebration in the afternoon. Be sure to watch your email and mail for additional details!