

RECORD OF PROCEEDINGS

MINUTES OF THE WORK SESSION OF THE BOARD OF DIRECTORS OF THE FALCON HIGHLANDS METROPOLITAN DISTRICT

Held: November 29, 2016 at the Falcon Fire Station, 7030 Old Meridian
Road, Peyton, CO 80831 at 5:00 p.m.

Attendance The special meeting of the Board of Directors of the Falcon Highlands Metropolitan District was called to order at 5:07 p.m. and held as shown above in accordance with the statutes of the State of Colorado. The following Directors, having confirmed their qualifications to serve on the Board, were in attendance:

Heather Knuffke, President
Grace Harman, Vice President
Kevin Haas, Treasurer
Timothy Dickey, Secretary
Steven J. Davis, Assistant Secretary

Others in attendance:

Cynthia Beyer and Carrie Bartow, CliftonLarsonAllen LLP
Barbara Vander Wall, Seter & Vander Wall, P.C.
Tom Napolilli, Kennedy Jenks Consultants

Call to Order – Director Knuffke noted that a quorum of the Board was present and therefore called the special meeting of the Board of Directors of the Falcon Highlands Metropolitan District to Order at 5:07 p.m.

Approval of Agenda – Upon a motion by Director Knuffke, seconded by Director Harman and, upon vote, unanimously carried, the Board approved the Amended Agenda and Revisions to B.1, 2, and 3. The Board noted the Special meeting was a work session meeting. Information was presented to the Board.

Work Session A. Strategic Financial Planning

1. Current Situation

Ms. Bartow provided an update to the Board regarding Bonds and Debts.
Ms. Vander Wall provided a background regarding Special Districts, the Falcon Highlands Metropolitan District and District Elections.

2. Bond Refinance Plan

Ms. Vander Wall provided a Bond Refinancing Plan for the Board. The Bond

RECORD OF PROCEEDINGS

Refinancing Plan will include restructuring the Senior Debt along with the consent of the other bondholders.

3. Preferred Outcomes to Bond Refinance

Ms. Vander Wall reported on the preferred outcome of the bond refinancing would be the restructuring of the senior debt along with the consent of the subordinate debt.

B. Strategic Water Planning

1. Background

Mr. Napolilli provided the Board with a background on the water rights history of the District.

2. Current District Wells/Water Rights

Mr. Napolilli provided the Board with current status of the infrastructure, wells, and water rights of the District.

3. Options for Wells

Mr. Napolilli provided the Board with a background on the options for well locations for the District, along with the pumping capacity for these wells.

4. Partnerships with other organizations

Mr. Napolilli provided the Board with a background on the other districts in the area and possible partnerships with them.

5. Other Investment Options

Ms. Vander Wall provided the Board with other investment options for financing considerations.

6. Benefits of Different Options

Ms. Vander Wall provided the Board with an analysis of the options for the District for its water issues.

Other Business None.

Adjournment Upon a motion by Director Knuffke, seconded by Director Harman and, upon

RECORD OF PROCEEDINGS

come before the Board, the meeting was adjourned at 8:41 p.m.

Respectfully submitted,



Secretary for the Meeting