

# RECORD OF PROCEEDINGS

---

## MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE FALCON HIGHLANDS METROPOLITAN DISTRICT

Held: Monday, February 13, 2017 at the Falcon Fire Station, 7030 Old Meridian Road, Peyton, CO 80831 at 5:30 p.m.

Attendance The regular meeting of the Board of Directors of the Falcon Highlands Metropolitan District was called 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  
Timothy Dickey, Secretary  
Kevin Haas, Treasurer  
Steven J. Davis, Assistant Secretary

Others in attendance:

Cynthia Beyer and Carrie Bartow, CliftonLarsonAllen LLP  
Jeffrey E. Erb, Seter & Vander Wall, P.C.  
Tom Napolilli, Kennedy Jenks Consultants  
Steve Dodd, Water Treatment Operator  
John Aker, Fire Flow; 5835 Northwind Drive, Colorado Springs, CO

Call to Order Director Knuffke noted that a quorum of the Board was present and therefore called the regular meeting of the Board of Directors of the Falcon Highlands Metropolitan District to Order at 5:39 p.m.

Approval of Agenda Upon a motion by Director Dickey, seconded by Director Knuffke and, upon vote, unanimously carried, the Board approved the Agenda as amended as follows: Item 4. E. "Approval of Agreement for Services for Kennedy Jenks Consulting - Arapahoe Well No. 1" was moved to Item 10. B. "Approval for Agreement for Services of Applied Ingenuity Agreement - Arapahoe Well No. 1" on the Agenda and Item 10. B. "Approval for Agreement for Services of Applied Ingenuity Agreement" was moved to replace Item 4. E.

Community Comments No public was present for community comment.

Administrative Matters- Consent Agenda Upon a motion by Director Knuffke, seconded by Director Harman and, upon vote, unanimously carried, the Board approved the Consent Agenda.

## RECORD OF PROCEEDINGS

---

Fire Flow  
Proposal –  
John Aker

John Aker from Fire Flow presented his proposal for fire flow testing. After discussion with the Board, Mr. Aker was asked to submit a new proposal with a reduced number of hydrants to be tested for fire flow. No action was taken at this time.

The Board directed its District Manager to work with the Engineer and Water Treatment Operator to determine if there are issues with loss of water pressure at certain homes that have recently reported low water pressure.

The Board considered the proposal from Alpine Controls for reprogramming the water plant and distribution system logic control program to streamline the programming and address certain issues related to water pressure in early morning. The Board discussed potential causes of the water pressure issue, including whether there were fault sensors indicating a problem when none was present, or whether the reprogramming would resolve the issue. The Board discussed the potential for sensor issues being a much less expensive fix than the reprogramming of the logic control program.

Upon a motion by Director Knuffke, seconded by Director Haas and, upon vote, Knuffke, Haas, Harman and Davis voting in favor and Director Dickey voting against, the Board approved the proposal from Alpine Controls for logic reprogramming in an amount not to exceed \$7,500, which includes additional funds for the testing of the pressure sensors, and replacement if necessary.

Resolution of  
Regarding  
Expression of  
Appreciation  
and  
Recognition of  
Steve Dodd

The Board presented the resolution regarding the expression of appreciation and recognition to Mr. Dodd for his exemplary service to the District during the District water outage and water system failures in late July 2016. The Board authorized a one-time payment in the net amount of \$500 in recognition of this service.

Operator's  
Report – Steve  
Dodd

A. Update on Operations

Mr. Dodd provided an update for the Water Treatment Plant as follows:

- Mr. Dodd reported that the flooring has been installed in the water treatment plant.
- Applied Ingenuity was at the plant to run initial tests of the well.
- The plant has been experiencing pump issues in the evening. Mr. Dodd is checking with Mountain View Electric to determine if there is an electrical issue. Also, Alpine Engineering will come to the plant in the evening to observe and investigate the issue.
- Message boards and lights will be installed on Wednesday.

## RECORD OF PROCEEDINGS

---

- The generator fuel tanks are scheduled to be filled diesel fuel in the coming month.

### Financial Matters

#### A. Ratify Approval of Previous Claims

Upon a motion by Director Dickey, seconded by Director Haas and, upon vote, unanimously carried, the Board approved the Consent Agenda as presented.

The Board asked its District Manager to move the ratification of previous claims to the Consent Agenda.

Board directed its District Manager to compare costs for using Sprint vs. Verizon as its mobile phone carrier and to also verify that Sprint has the capability of using the apps needed by Mr. Dodd. The Board also directed its District Manager to send the specifics of the Verizon bill and its features to Director Dickey for his review.

#### B. Review and Consider Approval of Unaudited Financial Statements as of December 31, 2016.

Ms. Bartow reviewed the unaudited financial statements as of December 31, 2016 for the Board.

Following review and discussion, and upon motion made by Director Knuffke, seconded by Director Harman and, upon unanimous vote, the Board accepted the unaudited financial statements as of December 31, 2016.

#### C. Other

None.

### Legal Matters

#### A. Collections Policy

Mr. Erb presented a draft collections policy and the accompanying resolution for the Board's approval. Mr. Erb reviewed the collections policy, including the hearing procedure to be followed before shutting off water to a customer.

Upon a motion by Director Knuffke seconded by Director Harman and, upon vote, unanimously carried, the Board approved the collections policy as presented.

The Board directed its District Manager to provide a summary of the District's disconnection procedures on the District's website.

## RECORD OF PROCEEDINGS

---

### B. Legal Status Report

There were no new updates for this meeting.

### C. Update on Financing

Mr. Erb noted that there were no material updates to share and that more information on the status should be available at the March meeting.

### D. Update re Park Place Enterprises vs. Falcon Highlands Metro District Litigation

Mr. Erb reported that the litigation has been stayed until mid-March. Progress is being made to determine the tap size required for the proposed Les Schwab Tire Center. Mr. Napolilli reported that he informed Park Place Enterprises they will need a separate tap for irrigation on the parcel.

### E. Other

None.

### Engineer Matters

### A. Water Engineer Report

Mr. Napolilli reviewed the engineering report with the Board.

### B. Approval of Agreement for Services for Kennedy Jenks Consulting - Arapahoe Well No. 1

Mr. Napolilli presented the proposal to the Board.

Following discussion, upon a motion by Director Haas seconded by Director Knuffke and, upon vote, unanimously carried, the Board approved the Agreement for Services for Kennedy Jenks Consulting- Arapahoe Well No. 1.

### C. Approval of Facility Plan Proposal

Mr. Napolilli presented the facility plan proposal to the Board.

### D. Resolution for Approval of Emergency Response Plan

Mr. Napolilli reviewed the emergency response plan with the Board.

Upon a motion by Director Haas seconded by Director Dickey and, upon vote,

## RECORD OF PROCEEDINGS

---

unanimously carried, the Board approved the Emergency Response Plan as presented.

E. Other

There was no additional engineer report.

Manager  
Matters

A. Tax Exempt Status from Verizon Wireless

CLA provided the District's tax exempt certificate to Verizon and it will be rebating the taxes paid.

B. Update on Protection One Monitoring

Ms. Beyer informed the Board that Protection One will be at the District on February 16 to provide an analysis of the system. Ms. Beyer also contacted other water districts and obtained recommendations for security system vendors. The Board directed Ms. Beyer to provide a cost comparison for the next board meeting.

C. Update on Delinquent Letters

Ms. Beyer will provide a copy of the collection policy to the billing department to ensure compliance with the policy.

The Board directed its District Manager to contact the El Paso Sheriff Department regarding the complaint related to vehicles parking on the curb and the sidewalks in the District.

D. Letter to Challenger Homes

Ms. Beyer reported that this letter had been sent.

E. Letter on Sinks for Homeowner

Ms. Beyer reported the letter had been sent to the homeowner who had a sink on District property. The Board stated the sink was gone but a trailer was now parked on the property. The Board directed the District Manager to send another letter regarding the trailer.

F. Sanitary Survey- New Date of April 12, 2017

Ms. Beyer reported the sanitary survey had been postponed until April 12, 2017. The State requested the date change because of poor road conditions on the

## RECORD OF PROCEEDINGS

---

previous inspection date.

G. Colorado Rural Water Association 2017 Annual Meeting

Ms. Beyer presented the information regarding the Colorado Annual Rural Water Association Meeting. The Board directed its District Manager to confirm the date of the meeting as either February 16 or February 17 and report back to Director Knuffke. If the meeting is on February 17, Director Knuffke will attend.

Director Items 1. Message Board & Solar Lighting Project – Director Haas

Director Haas provided an update on the lights and the message boards. The installation for the message board and lights is scheduled to be on Wednesday.

Director Haas is working on an IT refresh plan for the water plant.

Director Haas backed up the water treatment plant's computer on an external hard drive.

Other Business A. Monuments

The Board directed its District Manager to determine the status of the deposit for the monuments and, if a deposit was made, to request a return since the monuments will not be built at this time.

The next Board meeting will be at Guadalajara Restaurant pending confirmation of room, at 5:30 p.m. on March 13, 2017.

Adjournment There being no further business to come before the Board. Following discussion, upon a motion made by Director Haas, seconded by Director Dickey, the Board adjourned at 8:30 p.m.

Respectfully submitted,



Secretary of Meeting