

# RECORD OF PROCEEDINGS

---

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

Held: July 10, 2017 at Falcon Fire Station No. 3  
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:

Grace Harman, President  
Steven J. Davis, Vice President  
Kevin Haas, Treasurer  
Timothy Dickey, Secretary (arrived at 5:48 p.m.)  
Vacant, Secretary/Treasurer

Others in attendance:

Cynthia Beyer and Carrie Bartow; CliftonLarsonAllen LLP  
Jeffery Erb; Seter & Vander Wall, P.C.  
Mike Barnes; Kennedy/Jenks Consultants  
Steve Dodd\*, Water System Operator

Public:  
Julie Branch\*  
Tonia Joyner

[\*Departed where indicated]

Call to Order            Director Harman 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 5:35 p.m.

Approval of Agenda    Upon a motion by Director Harman, seconded by Director Haas and upon vote, unanimously carried, the Board approved the Agenda.

Community  
Comments                Julie Branch was present from the public. Ms. Branch expressed her concerns with the maintenance of the park. Ms. Branch requested additional maintenance be done.

# RECORD OF PROCEEDINGS

---

Administrative  
Matters –  
Consent Agenda

A. Consider Approval of June 12, 2017 Regular Meeting Minutes

B. Ratify Approval of Previous Claims

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

Administrative  
Matters

None.

Operator's Report –  
Steve Dodd

A. Update on Operations

Steve Dodd informed the Board that he received meters that are compatible with the District's systems that he can use to replace faulty meters.

Mr. Dodd reported that the fence by the Water Treatment Plant was repaired. Mr. Dodd and Director Haas will work with Alpine Control on new telemetry and logic for the Arapahoe Well.

Mr. Dodd reported the Arapahoe well passed all of its tests and is fully operational.

Upon a motion by Director Haas, seconded by Director Dickey and, upon vote, unanimously carried, the Board approved authorizing the use of Alpine Controls for the programming and trending needed for the Arapahoe well, not to exceed the amount of \$500.00.

The Board discussed the water use at 10805 Hidden Ridge Way. The property appears to be abandoned. Mr. Dodd noted that he may be able to turn the water off. Mr. Erb noted that the District will need to provide notice of the pending shut-off before the water is turned off, and that water is normally only turned off for lack of payment. The notice should be provided to the owners and any other interested parties, including the bank.

B. Other

Mr. Dodd requested a second mower at an estimated cost of \$8,000 to \$10,000. Ms. Bartow noted that the current mower is leased and that may be the less costly way to proceed with the second mower. The Board tabled the discussion to a later meeting.

[\*At this time, Mr. Dodd departed]

## RECORD OF PROCEEDINGS

---

### Financial Matters

#### A. Review and Consider Approval of Financial Statements as of May 31, 2017

Ms. Bartow reviewed the financial statements for the period ending May 31, 2017 with the Board. She noted there are 12 accounts that are past due.

Upon a motion by Director Harman, seconded by Director Haas and, upon vote, unanimously carried, the Board accepted the financial statements as presented.

#### B. Review and Accept 2016 Audit

Ms. Bartow reviewed the 2016 Audit with the Board.

Upon a motion by Director Haas, seconded by Director Davis and, upon vote, unanimously carried, the Board accepted the 2016 Audit.

#### C. Other – None.

### Legal Matters

#### A. Legal Status Report

Mr. Erb reviewed the legal status report with the Board. There is no additional update on the water supply at this time.

#### B. Discuss 2017 November Election

- a. Consider Approval of the November 2017 Election Resolution
- b. Discussion of Election Strategy and Calendar

Mr. Erb discussed the November 2017 Election Resolution. Mr. Erb also discussed the Election Strategy and the Calendar for the Election. Suggested dates for the Town hall meetings are August 26, 2017 from 11 a.m. to 1 p.m. and September 6, 2017 at 5:30 p.m. with the September date replacing the September 11, 2017 regular meeting.

Director Haas asked if the District should amend its Service Plan as part of the election process. Mr. Erb noted that the Board has previously discussed this option, and that the District may want to do so eventually but recommended addressing this issue following the election.

Upon motion made, seconded and unanimously carried, the Board appointed Ms. Bright of Seter & Vander Wall, P.C. as the designated election official for the election and determined to hold an independent

## RECORD OF PROCEEDINGS

---

mail ballot election. The Board did not adopt a ballot question or fix a ballot title at this time.

Mr. Erb will prepare a draft presentation for the town halls, flyers, reach out to third parties for contributions to the elections, and summarize the requirements for third parties to contribute to the election.

### C. Update on Financing

Mr. Erb reported that he had no new information on the financing at this time.

### D. Update on Park Place Enterprises vs. Falcon Highlands Metropolitan District

Mr. Erb reported that the parties filed a Status Report at the end of June with a case management conference requested for the end of July. The parties are working on the revised landscaping for the Park Place property.

### E. Update on Employment Manual

Upon a motion by Director Haas, seconded by Director Davis and, upon vote, unanimously carried, the Board approved the updated Employment Manual, subject to the Consultant's changes including the language regarding cleanliness at the Water Treatment Plant.

### F. Update on All Trades Concrete Contract

Upon a motion by Director Harman, seconded by Director Dickey and, upon vote, unanimously carried, the Board approved Proposal No. 1 and 2 for a total of \$19,950. Mr. Erb will prepare an updated contract and arrange for execution.

G. Executive Session Pursuant to Section 24-6-402(4) (b) & (e), C.R.S. related to the receipt of legal advice on specific legal questions, strategy, and negotiations related to the litigation in *Park Place Enterprises, LLC v. Falcon Highlands Metropolitan District*, El Paso County District Court Case no. 2016 CV 032406  
There was no executive session.

### Engineering Matters A. Water Engineer Report

Mr. Barnes presented the Water Engineering Report.

## RECORD OF PROCEEDINGS

---

### B. Status Report for Facility Plan – Supply & Demand Analysis

Mr. Barnes reported that the overall water use in the District appears to be dropping compared to prior years, and that he will prepare a more thorough comparison.

### C. Arapahoe Well No. 1 Rehabilitation Update

Mr. Barnes reported the Arapahoe Well No. 1 Rehabilitation was complete. He is working on updating the monitoring system to determine the production capability of the well following the rehabilitation work.

### D. Other

None.

[\*At this time, Mr. Branch departed]

### Manager Matters

- A. Manager's Report
- B. Billing Inserts due by 15<sup>th</sup> of the Month to CLA
- C. Code Enforcement Update
- D. New Mower Request
- E. Director Vacancy Status
- F. GOCO Grants
- G. Colorado Rural Water Association
- H. Meridian Road Project

Ms. Beyer presented the Manager's Report to the Board. Billing inserts are due to CLA by July 15. The District Manager has contacted El Paso County Code Enforcement for various issues.

One person responded to the director vacancy. The Board directed the District Manager to put a request for director applicants on the District's website

The Board directed the District Manager to bring additional information and the application for the GOCO grants to the next board meeting. Ms. Beyer asked the Board if it would like a copy of the Summer Edition of the Colorado Rural Water Association magazine. The Board requested copies for all board members.

Director Haas noted that the Meridian Road spur between the two properties located approximately across from the water treatment building is being removed. Mr. Erb noted that this spur was originally

## RECORD OF PROCEEDINGS

---

used as a second access point when the community was being developed. Once removed, the property will be owned by the two adjacent lot owners.

### I. Other

Ms. Beyer requested permission for the Board to allow another District to use the District's yard to store pool tarps. The Board declined the request.

The Board asked Ms. Beyer to obtain landscape proposals for the District to take over the landscape maintenance work currently performed by Mr. Dodd and the District's seasonal employee.

### Director Items

#### A. Playground Update

Director Dickey updated the Board on the status of the playgrounds. He received 5 different ideas for renovations and replacement and is waiting for estimates to provide these to the Board.

#### B. Other

Director Haas asked for input for the District's newsletter.

### Other Business

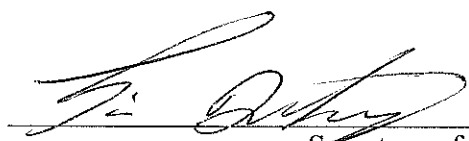
The Board confirmed a quorum for the next Board meeting on August 14, 2017 at 5:30 p.m.

There was no further business to come before the Board.

### Adjournment

Following discussion, upon a motion made by Director Haas, seconded by Director Davis, the Board adjourned at 8:16 p.m.

Respectfully submitted,

  
Secretary of Meeting