

# RECORD OF PROCEEDINGS

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## MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE FALCON HIGHLANDS METROPOLITAN DISTRICT HELD JULY 8, 2013

A special meeting of the Board of Directors of Falcon Highlands Metropolitan District was held on Monday, July 8, 2013 at the Water Treatment Plant, 7464 Antelope Meadows Circle, Peyton, CO 80831 at 6:00 p.m. The meeting was open to the public.

**Attendance** Directors in attendance were:

Mark Albright  
Al Smith  
Heather Knuffke

Absent and excused were Directors Ladd and Barnett.

Others in attendance:

David Peak; CliftonLarsonAllen LLP  
Carrie Bartow; CliftonLarsonAllen LLP (via telephone)  
Kevin Collins; CliftonLarsonAllen LLP (via telephone)  
Barbara Vander Wall, Esq.; Seter & Vander Wall, P.C.  
Jeffrey Erb, Esq.; Seter & Vander Wall, P.C.  
Dave Hazel; Multiband Renewables / Fowler Wind Energy  
Kathy Fay; Multiband Renewables / Fowler Wind Energy

**Call to Order /  
Verify Quorum**

Director Albright called the meeting to order and confirmed a quorum.

**Approval of  
Agenda**

Following review, upon a motion duly made by Director Albright, seconded by Director Knuffke and, upon vote, unanimously carried, the Board approved the agenda as amended.

**Community  
Comment**

None.

**Administrative  
Matters**

- A. Consider Approval of June 8, 2013 Special Meeting Minutes and June 25, 2013 Special Meeting Minutes

Following review and discussion, upon a motion duly made by Director Albright, seconded by Director Smith and, upon vote, unanimously carried, the Board approved the June 8, 2013 special meeting minutes as presented.

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Following review and discussion, upon a motion duly made by Director Albright, seconded by Director Ladd and, upon vote, unanimously carried, the Board approved the June 25, 2013 special meeting minutes as presented.

### Financial Matters

- A. Ratify Approval of Claims Totaling \$18,605.88, Represented by Check Numbers 1732 through 1741

Following review and discussion, upon a motion duly made by Director Albright, seconded by Director Smith and, upon vote, unanimously carried, the Board ratified approval of claims totaling \$18,605.88, represented by check numbers 1732 through 1741.

- B. Review and Consider Approval of Current Claims

Mr. Peak presented the current claims to the Board. Following review and discussion, upon a motion duly made by Director Albright, seconded by Director Knuffke and, upon vote, unanimously carried, the Board approved the claims totaling \$17,619.81, represented by check numbers 1742 through 1747.

- C. Review and Consider Approval of Unaudited Financial Statements as of May 31, 2013

Ms. Bartow reviewed the unaudited financial statements as of May 31, 2013 with the Board. The Board accepted the financial statements as presented.

- D. Status of 2012 Draft Audit

No further action.

### Legal Matters

- A. Update on Fowler Wind Energy Easement Agreement

- i. Review Proposed Letter re Ongoing Negotiations for Easement

Ms. Vander Wall briefed the Board on the status of the request for an easement from the District to Fowler Wind Energy, including the history of ownership of the parcel and the status of current research. The Board discussed the ownership history, potential impact to home values and commercial property in and near the District.

Ms. Vander Wall advised that Fowler requested a "Letter of Intent" related to the easement for use during its power purchase negotiations with Excel Energy. Mr. Erb advised that the Letter of Intent was drafted in such a way that it might be construed as an agreement to provide an easement to Fowler and did not recommend its execution. In the alternative, Mr. Erb

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presented a non-binding letter generally stating that the District is in negotiations but no decision has been made to date.

Following review and discussion of the letter, upon a motion duly made by Director Knuffke, seconded by Director Albright and, upon vote, unanimously carried, the Board approved the letter regarding ongoing negotiations for the easement, subject to adjustment of the date in the letter.

### B. Legal Report

Ms. Vander Wall reviewed the legal report with the Board.

### C. Resolutions to Correct Water Rates

Mr. Erb advised that two resolutions were being presented regarding the 2013 Irrigation Tap Surcharge and Water Rate for Non-Residential customers to correct discrepancies between the resolutions and the actual rates charged.

#### i. 2013 Irrigation Tap Surcharges

Following review and discussion, upon a motion duly made by Director Knuffke, seconded by Director Albright and, upon vote, unanimously carried, the Board approved the resolution correcting the 2013 irrigation tap surcharge.

#### ii. Water Rate for Non-Residential Customers

Following review and discussion, upon a motion duly made by Director Knuffke, seconded by Director Albright and, upon vote, unanimously carried, the Board approved the resolution correcting the water rate for non-residential customers.

### Director Items

Upon a motion duly made by Director Albright, seconded by Director Knuffke and, upon vote, unanimously carried, the Board excused the absence of Directors Ladd and Barnett.

Director Knuffke inquired into the means for directors to access District records. A discussion followed regarding the method in which District files are retained, who is responsible for maintaining the records, and the means for access. Director Knuffke expressed a desire to have more of the records available for director review without having to contact the District's manager, who serves as the District's official custodian of records. The Board noted that a director of the District may obtain district records by asking the custodian of records for copies, but that there is no central, electronic, searchable database of District records.

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The Board suggested that a series of workshops for the Directors regarding how the District operates under the Special District Act, important historical events, and other requested issues would be useful. Mr. Peak agreed to prepare a list of proposed workshop topics for consideration at the next meeting.

Next, the Board asked that management and legal counsel continue to pursue locations for community monuments.

### Manager Items

A. Manager's Update / Report

Mr. Peak reviewed his manager's report with the Board.

B. Water Plant Operations Update / Report

Mr. Peak reported on the water plant operations with the Board.

### Other Business

A. Set Next Board Meeting – Saturday, August 10, 2013 at 10:00 a.m.

The Board confirmed the next meeting date.

**Adjournment** There being no other business to come before the Board, upon a motion duly made by Director Albright, seconded by Director Knuffke and, upon vote, unanimously carried, the Board adjourned the meeting at 8:32 p.m.

Respectfully submitted,

By: David Peak  
Secretary for the Meeting