

# RECORD OF PROCEEDINGS

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

Held: July 13, 2015 at the Falcon Fire Station, 7030 Old  
Meridian Road, Peyton, CO 80831 at 6:00 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:

Al Smith  
Lauren Swenson  
Heather Knuffke

Absent: Mark Albright (absence unexcused).

Others in attendance:

David Peak; CliftonLarsonAllen LLP  
Tom Napolilli; Kennedy/Jenks Consultants  
Barbara Vander Wall and Jeffrey Erb; Seter & Vander Wall,  
P.C.  
Julie Branch; Resident  
Steven Davis; Resident  
Additional residents

### Call to Order

In the absence of Director Albright, Director Smith, as acting President, called the meeting to order and confirmed a quorum.

### Approval of Agenda

Upon a motion duly made by Director Smith, seconded by Director Swenson and, upon vote, unanimously carried, the Board approved the agenda as presented.

### Community Comment

No comments.

### Board of Directors

A. Consider Appointment of Director to Board Vacancy

The Board discussed scheduling a study session in August to review the history of the District, financial constraints, and process. The persons interested in serving on the board should

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attend to learn more about the District. Mr. Peak's office will coordinate and reserve Fire Station No. 3.

## Administrative Matters

### A. Consider Approval of May 11, 2015 Regular Meeting Minutes

Following review and discussion, upon a motion duly made by Director Knuffke, seconded by Director Smith and, upon vote, unanimously carried, the Board approved the May 11, 2015 regular meeting minutes as presented.

### B. Update on Water Operations and Landscape Maintenance – Steve Dodd

Mr. Dodd reported on the following issues:

- The water pump station control system is experiencing intermittent faults during storms. He is going to have several local companies try and evaluate the problem to come up with a solution to prevent that from happening in the future
- The individual well pump stations are in good conditions and he has not had any issues with their performance.
- There have been ongoing issues with the software program, as it's 15 yrs. old now and should be upgraded or replaced. The Board asked him to propose including a cost to take care of the problem in the 2016 budget.
- Developing control issues in the water system when there is a high demand for water, such as the Wal-Mart fire suppression being tested. Mr. Napolilli will work with Mr. Dodd to see if they can find ways to remedy that problem from continuing.
- The Board approved an expenditure of \$5000 to enable Steve Dodd to hire a specialized consultant to analyze the system in order to determine the extent of the problem.

## Financial Matters

### A. Ratify Approval of Claims Totaling \$65,133.03 Represented by Check Numbers 2221 through 2254

Following review and discussion, upon a motion duly made by Director Knuffke, seconded by Director Swenson and, upon vote, unanimously carried, the Board ratified the claims payable

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totaling \$65,133.03 represented by check numbers 2221 through 2254.

## B. Review and Approval of Current Claims

Mr. Peak reviewed the current claims with the Board. Following review and discussion, upon a motion duly made by Director Knuffke, seconded by Director Swenson and, upon vote, unanimously carried, the Board approved the current claims payable totaling \$69,902.91 represented by check numbers 2255 through 2264.

## C. Review and Consider Acceptance of Unaudited Financial Statements as of May 31, 2015

Ms. Bartow presented the unaudited financial statements as of March 31, 2015 to the Board. Following review and discussion, upon a motion duly made by Director Smith, seconded by Director Swenson and, upon vote, unanimously carried, the Board accepted the financial statements as presented.

## D. Update on Bond Refinancing

Ms. Vander Wall reported that Blake Jordan, Bond Counsel has asked indicated that he expects to be able to provide a report on the District's proposed bond refinancing. The work is in process.

## Legal Matters

### A. Legal Report

1. Review and Consider Approval of Water and Force Main Easement Request from Sterling Ranch MD
2. Follow up re IGA with El Paso county Regarding Road Repairs
3. Conveyance of Tract C Water

Ms. Vander Wall reviewed the water and force main sewer easement request from Sterling Ranch MD across Tract B.. Following review and discussion, upon a motion duly made by Director Smith, seconded by Director Swenson and, upon vote, unanimously carried, the Board approved subject to reimbursement to cover the District's cost of review of the documents, including legal fees.

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Ms. Vander Wall reported on the notice of award provided by the County for the roadway repairs being made in Filings 1 and 2. Pursuant to the terms of the IGA with the County, the Board has agreed to contribute \$50,000 toward the repairs. Upon motion, second and unanimous vote, the Board authorized the expenditure of the \$50,000 and directed the accountant to proceed with processing the check for delivery to the County.

Ms. Vander Wall discussed the deed from Cygnet to the District for the conveyance of the Tract C water. She indicated that the deed will need to be corrected, as there is a missing exhibit referenced. She will bring the deed back to the Board at the next meeting.

B. Discussion re: Request to Purchase a Portion of Tract G

Mr. Erb discussed with the Board the ramifications of the homeowner's proposal to purchase an open space tract from the District. After further discussion, the Board agreed that the proposed land conveyance was not feasible at this time. Mr. Peak stated that he will report the findings to the homeowner.

C. Other

None.

Engineering Matters

A. Water Engineer Report

1. Residential and Commercial Water User

Mr. Napolilli briefed the Board on his discussions with the commercial users regarding high water use. Out of the 88 commercial water taps, only a few are using an unreasonable amount of irrigation water. Mr. Napolilli reported on the letters sent to 20 residential users and 8 commercial users regarding excessive water use and the follow up conversations that are in process. Mr. Napolilli also reported on discussions he is having with Walmart and its water use. It appears that Walmart is irrigating a sloped property owned by El Paso County pursuant to an arrangement agreed upon as part of the platting process. It was noted that water consumption is down due to the wet weather.

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## B. Other

The Board discussed the underdrain system at Antelope Meadows Circle, and costs to correct the situation. Mr. Napolilli agreed to review the costs, and look at the 3-4 additional homes identified which share a similar situation. The Board asked Mr. Peak to prepare a response letter to the Antelope Meadows property owner regarding the District's current position.

## Manager Matters

### A. Manager Report

#### 1. Manager Report

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

The Board discussed the status of the monuments. Ms. Branch, as a member of the monument committee, reported that there are only two monuments per neighborhood. One monument is proposed to be moved to the park area, with the sign to read "Challenger Park." The other monument will be moved somewhere else. There was additional discussion from members of the public who disagreed with the placement of the monument and the naming of the park. After further conversation, the Board determined not to proceed with the proposal at this time.

### B. Other

None.

## Director Items

There were no director items at this time.

## Other Business

### A. Set Next Board Meeting

The next regular Board meeting is scheduled for September 14, 2015 at 6:00 p.m. There will also be a study session meeting which has been scheduled for either August 22 or August 29, 2015. Mr. Peak will research and get back to the Board on the final date.

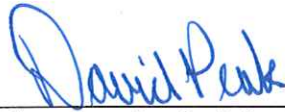
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Adjournment

There being no further business to come before the Board, the meeting was adjourned at 9:15 p.m.

Respectfully submitted,



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Secretary for the Meeting