

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE FALCON HIGHLANDS METROPOLITAN DISTRICT HELD SEPTEMBER 9, 2013

A special meeting of the Board of Directors of Falcon Highlands Metropolitan District was held on Monday, September 9, 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
Timothy Ladd
Al Smith
Chris Barnett

Absent and excused was Director Knuffke.

Others in attendance:

David Peak; CliftonLarsonAllen LLP
Kevin Collins; CliftonLarsonAllen LLP
Barbara Vander Wall, Esq.; Seter & Vander Wall, P.C.
Tom Napolilli; Kenney/Jenks Consultants
Dave Hazel; Multiband Renewables / Fowler Wind Energy
Bill Louis; Flynn Wright & Fredman, LLC, Attorney for Fowler Wind Energy
Ernest & Julie Branch; 7039 Honeycomb Drive

**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 Ladd, seconded by Director Smith and, upon vote, unanimously carried, the Board approved the agenda as amended and excused the absence of Director Knuffke.

**Community
Comment**

Mr. and Mrs. Branch introduced themselves as new residents to the District. They were attending the board meeting to better understand how the District operated. Mrs. Branch inquired about the Rolling Thunder and Antelope Meadows intersection and noted how dangerous she felt it was for traffic heading south.

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Administrative Matters

- A. Consider Approval of August 10, 2013 Special Meeting Minutes

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 August 10, 2013 special meeting minutes as presented.

Legal Matters

- A. Legal Report

1. Status of Fowler Wind Energy Agreement and Easement

Ms. Vander Wall distributed the final draft agreement with Fowler Wind Energy to the Board. Ms. Vander Wall indicated that Fowler Wind Energy had agreed to the terms requested by the District. The District has asked that the power lines be buried within the easement and offered a \$60,000 purchase price plus reimbursement of all out of pocket costs. The Board accepted a non-refundable payment of \$15,000 toward the purchase price from Fowler.

2. Consider Approving Contract for Easement with Fowler Wind Energy LLC

Following discussion, upon a motion duly made by Director Albright, seconded by Director Ladd and, upon vote, unanimously carried, the Board approved the contract for easement and form of easement with Fowler Wind Energy LLC, subject to final review and approval by legal counsel.

Water Issues

- A. Water Engineer's Report

Mr. Napolilli distributed and reviewed his report on the water consumption within the District.

- B. Executive Session

Upon a motion and second, the Board determined to go into Executive Session for the purpose of consulting with the attorney on specific issues and developing negotiating positions relative to certain potential sale of property or a property interest matters, pursuant to C.R.S. § 24-6-402(4)(a), (b) and (e), at approximately 7:26 p.m.

The Board reconvened at approximately 8:15 p.m. and affirmed that no actions had been taken during the executive session.

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- C. Discuss Request for "Letter of Availability of Water Service" from Cygnet Land, LLC for Commercial Parcel

Following review and discussion, upon a motion duly made by Director Albright, seconded by Director Ladd and, upon vote, unanimously carried, the Board approved a "Letter of Availability of Water Service" to be drafted by the District engineer and legal counsel, stating the requirements to be imposed by the District for Cygnet Land, LLC as a condition to service, and subject to District Rules and Regulations and El Paso County's acceptance of the water report.

The Board requested that Challenger Homes be notified of the District's continued investigation of availability of water.

- D. Discuss Emergency Interconnect Arrangement with Woodmen Hills Metropolitan District

Mr. Napolilli reported that he and his staff are putting together "as built" of the District's water lines for Woodmen Hills Metropolitan District to review. The Woodmen Hills Metropolitan District will need to determine the best location for making an emergency interconnect for water service to Falcon.

- E. Discuss Water Fee / Capital Needs Study

This item was tabled until the next board meeting.

Financial Matters

- A. Ratify Approval of Claims Totaling \$50,358.11, Represented by Check Numbers 1781 through 1795

Following review and discussion, upon a motion duly made by Director Albright, seconded by Director Ladd and, upon vote, unanimously carried, the Board ratified approval of claims totaling \$50,358.11, represented by check numbers 1781 through 1795.

- B. Review and Consider Approval of Unaudited Financial Statements as of July 31, 2013

Mr. Collins reviewed the unaudited financial statements as of July 31, 2013 with the Board. The Board accepted the financial statements as presented.

- C. Status of 2012 Draft Audit

Mr. Collins reported that staff is still processing the boxes of receipts received from P.J. Anderson of Cygnet Land, LLC. It appears that the 2012 audit will not be completed until the end of the year, but hopefully it could be sooner if all goes well with the research.

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Manager Items

A. Manager's Update / Report

Mr. Peak reviewed his manager's report with the Board and also noted a report of vandalism to a mail box cluster. Mr. Dodd is looking into what it will take to replace the pod.

1. Water Plant Operations Report

Mr. Peak reviewed the water plant operations report with the Board.

2. Discuss TV News Regarding Water Bill Issue

Mr. Peak discussed the news report with the Board.

Director Items

A. Monument Committee Report

Director Smith agreed to put together a monumentation committee. He had no updates at this time.

Other Business

A. Set Next Board Meeting – Saturday, October 19, 2013 at 9:30 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 Ladd and, upon vote, unanimously carried, the Board adjourned the meeting at 8:40 p.m.

Respectfully submitted,

By: 
Secretary for the Meeting