

# RECORD OF PROCEEDINGS

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## MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE FALCON HIGHLANDS METROPOLITAN DISTRICT HELD OCTOBER 19, 2013

A special meeting of the Board of Directors of Falcon Highlands Metropolitan District was held on Saturday, October 19, 2013 at the Water Treatment Plant, 7464 Antelope Meadows Circle, Peyton, CO 80831 at 9:30 a.m. The meeting was open to the public.

**Attendance** Directors in attendance were:

Mark Albright  
Timothy Ladd  
Al Smith  
Chris Barnett  
Heather Knuffke

Others in attendance:

David Peak; CliftonLarsonAllen LLP  
Carrie Bartow; CliftonLarsonAllen LLP  
Barbara Vander Wall, Esq.; Seter & Vander Wall, P.C.  
Tom Napolilli; Kenney/Jenks Consultants  
Jeffrey Erb, Esq.; Seter & Vander Wall, P.C.

**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 Smith and, upon vote, unanimously carried, the Board approved the agenda as amended.

**Community  
Comment**

None.

**Administrative  
Matters**

A. Consider Approval of September 9, 2013 Special Meeting Minutes

Following review and discussion, upon a motion duly made by Director Albright, seconded by Director Barnett and, upon vote, unanimously carried, the Board approved the September 9, 2013 special meeting minutes as presented.

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B. Acceptance of Director Ladd's Resignation

1. Discuss Filling Vacant Director Seat

Following review and discussion, upon a motion duly made by Director Smith, seconded by Director Albright and, upon vote, unanimously carried, the Board accepted Director Ladd's resignation and approved starting the process to fill the now vacant Director seat.

C. Other

The Board asked Mr. Peak to have Mr. Dodd remove the dirt pile and various litter items from the entrance area to the water well.

**Water Issues/  
Workshop**

A. Water Engineer's Report

Mr. Napolilli distributed and reviewed his report regarding water service.

B. Status of "Letter of Availability of Water Service" to Cygnet Land, LLC for Commercial Parcel

Mr. Napolilli reported that he is still working on the draft "Letter of Availability of Water Service" for Tract A and B, which the developer is proposing an urgent care facility to be located there.

C. Status of Emergency Interconnect Arrangement with Woodmen Hills Metropolitan District

Mr. Napolilli reported that he has had favorable correspondence with Woodmen Hills Metropolitan District regarding making water available through an emergency interconnect arrangement and will follow up regarding the potential terms for such an agreement.

D. Items for Discussion

1. Tap Fee
2. Water Rates
3. Water Resource Fee
4. Infrastructure Improvement fee ( Residential)
5. Facilities Fee (Commercial)
6. Water Conservation Policy

Mr. Napolilli discussed with the Board the need for the District to review and update their tap fees, water rates, infrastructure improvement fees and facilities fees. He also noted that the Board should adopt a water conservation policy for 2014.

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## Legal Matters

### A. Legal Report

#### 1. Status of Fowler Wind Energy Agreement and Easement

Ms. Vander Wall gave an update on the Fowler Wind Energy Agreement and Easement. The closing is scheduled for December 31, 2013, and if Fowler wishes to extend the deadline to December 31, 2014, an additional payment of \$15,000 is owed to the District.

#### 2. Consider Approving Developer Charges Deposit Agreement

Ms. Vander Wall discussed the proposed Developer Charges Deposit Agreement. This agreement will be presented to any developer who wishes to connect to the District's water system and requires the developer to pay for the District's costs associated with plan review, contract drafting, etc. associated with the development. Ms. Vander Wall explained that these types of agreements protect the District from incurring significant costs associated with individualized development activity. Following discussion, upon a motion duly made by Director Albright, seconded by Director Ladd and, upon vote, unanimously carried, the Board approved the Developer Charges Deposit Agreement as presented.

### B. Approve Contract with Pathway Roads Data Analysis

Mr. Erb presented and distributed a draft contract and indicated he is still in negotiation with Pathway Reads and Data Analysis. The remaining issue is whether Pathway Reads will agree to register to do business in the State of Colorado as a condition of the contract, primarily to provide a local agent in the event of a dispute over the contract. Pathway Reads has indicated that it is not in favor of registering, but has not definitely said no. The Board discussed the requirement that Pathway Reads register in Colorado and the potential to switch providers if Pathway Reads refuses to register in Colorado as requested.

## Financial Matters

### A. Ratify Approval of Claims Totaling \$54,435.52, Represented by Check Numbers 1796 through 1822

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 \$54,435.52, represented by check numbers 1796 through 1822.

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- B. Review and Consider Approval of Current Claims Totaling \$34,496.02, Represented by Check Numbers 1823 through 1835

Following review and discussion, upon a motion duly made by Director Albright, seconded by Director Smith and, upon vote, unanimously carried, the Board approved claims totaling \$34,496.02, represented by check numbers 1823 through 1835, and additional claims totaling \$4,505.59, represented by check numbers 1836 through 1840.

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

Ms. Bartow reviewed the unaudited financial statements as of August 31, 2013 with 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 accepted the financial statements.

- D. Update on 2012 Audit

Ms. Bartow reviewed documents which have been indexed by category. Staff is drafting the audit and hopes to be finished by next month. She will be sending a bill for \$22,000 to Cygnet for the District's cost to research the numerous boxes of documents in preparation for completing the audit.

- E. Discuss 2014 Draft Budget

Mr. Peak noted that the December board meeting in which the 2014 budget will be considered will be held at the Falcon Fire Station.

### Manager Items

- A. Manager's Update / Report

None.

### Director Items

- A. Monument Committee Report

Mr. Erb handed out several maps showing several revised monument locations. He explained that the two locations previously chosen by the District are either with a drainage easement or within the 100-year flood plain. While a specific restriction on monuments has not been identified based on the research performed, it seems highly likely that a monument would have a negative effect on the drainage easement and floodplain and recommended that alternative locations be considered. Director Albright stated that he would provide an easement to the District for installation of the monuments. The Board also

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identified an additional location on property owned by Cygnet Land Development, and asked Mr. Erb to continue work on this project.

B. Other

Following discussion, upon a motion duly made by Director Albright, seconded by Director Smith, upon vote, unanimously carried, the Board appointed Director Knuffke as the to Secretary/Treasurer to the Board.

**Other  
Business**

A. Set Next Board Meeting – Monday, December 9, 2013 at 6:00 p.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 Knuffke, seconded by Director Barnett and, upon vote, unanimously carried, the Board adjourned the meeting at 12:45 p.m.

Respectfully submitted,

By:   
Secretary for the Meeting