

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE FALCON HIGHLANDS METROPOLITAN DISTRICT

HELD: Monday, January 11, 2021, at 5:30 p.m. at 7464 Antelope Meadows Circle, Peyton, Colorado. Due to concerns regarding the spread of the Coronavirus (COVID-19) and the benefits to the control of the spread of the virus by limiting in-person contact, the public was asked to attend via Microsoft Teams. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Tonia Joyner*, President
Kevin Haas, Treasurer
Tim Dickey, Secretary

Also, In Attendance Were:

Barb Vander Wall*; Seter & Vander Wall, P.C.
Josh Miller, Chelsea Gondeck*, and Carrie Bartow*; CliftonLarsonAllen, LLP
John McGinn*; Ryan Mangino*; JDS-Hydro Consultants, Inc.

[*Participating virtually via telephone or computer via Microsoft Teams.]

ADMINISTRATIVE MATTERS

Call to Order and Approve Agenda:

Director Joyner noted that a quorum of the Board was present and called the special meeting of the Board of Directors of the Falcon Highlands Metropolitan District to order at 5:33 p.m.

The Board reviewed the Agenda for the meeting. Following discussion, upon a motion duly made by Director Haas, seconded by Director Dickey, and upon vote unanimously carried, the Board approved the Agenda, as presented.

Declaration of Quorum / Director Qualifications / Disclosure Items:

The Board discussed the requirements of Colorado law to disclose any potential conflicts of interest or potential breaches of fiduciary duty of the Board of Directors to the Secretary of State. The members of the Board were requested to disclose any potential conflicts of interest with regard to any matters scheduled for discussion at this meeting and incorporated for the record those applicable disclosures made by the Board members prior to this meeting in accordance with statute. It was noted by Attorney Vander Wall that disclosures of potential conflicts of interest were filed with the Secretary of State for all directors, and no additional conflicts were disclosed at the meeting.

Discuss Vacancies on the Board of Directors/Consider Appointment to the

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Board of Directors:

Ms. Vander Wall reviewed the vacancies on the Board. Following discussion, the Board directed the consultants to advertise and solicit interested parties to fill the vacancies on the Board.

Resolution Regarding Annual Administrative Matters:

Ms. Vander Wall reviewed the District's annual administrative resolution with the Board. The Board discussed certain changes to paragraph 13, to correct the delegation regarding the public securities report to accountant from management, and to paragraph no. 7 to correct the name of the alternative representative to the SDA Insurance Pool. Following discussion, upon a motion duly made by Director Joyner, seconded by Director Haas, and upon vote unanimously carried, the Board.

Community Comment: None.

CONSENT AGENDA

Review and Consider Acceptance of Unaudited Financial Statements as of November 30, 2020

Review and Consider Ratification of Previous Claims and Approval of Current Claims

Review and Consider Approval of Minutes from the November 9, 2020 Special Board Meeting

Upon a motion duly made by Director Haas, seconded by Director Dickey, and vote unanimously carried, the Board approved the consent agenda items as presented.

FINANCIAL MATTERS

Other: None.

LEGAL MATTERS

Legal Report:

Ms. Vander Wall reviewed the legal report and updated the Board on the status of the current litigation.

The Board discussed options for increasing District fees in the future to offset expenses. The Board agreed to defer this discussion.

MANAGER MATTERS

Manager's Report:

Mr. Miller reviewed the Manager's Report with the Board. Discussion ensued on park enhancement proposals, development in the Rolling Thunder Business Park, and Colorado Springs annexation activities.

Operations Report:

Mr. Miller reported on current operations activities being performed by

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ENGINEERING MATTERS

Engineering Report:

Mr. Mangino reviewed and discussed the engineering report with the Board.

Mr. Mangino reported that the District has achieved 100% compliance with the backflow prevention program. The Board discussed issues related to lack of access for homeowner meter reads. Mr. McGinn discussed options available to the District to allow for invoicing and collections. The Board also discussed the status of the water tank painting requirements, the District's "needs assessment" for potential CDPHE funding, and other future funding opportunities. Mr. Mangino noted the District's issues with chlorine residual, which can be addressed with an automatic chlorinator pump. The Board also discussed the need for ventilation for the LFH Well No. 2 building. After motion, second and unanimous vote, the Board authorized proceeding with the expenditure of up to \$5,000 to cover these expenses.

EXECUTIVE SESSION

Not needed.

OTHER BUSINESS

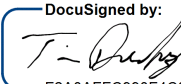
Confirm Quorum for Next Board Meeting:

The next Board meeting is scheduled for Monday, March 8, 2021. The management team will reach out to confirm the quorum should the meeting be necessary.

ADJOURNMENT

There being no further business to come before the Board at this time, upon a motion duly made by Director Haas, seconded by Director Joyner, and upon vote unanimously carried, the Board adjourned the meeting at 6:57 p.m.

Respectfully submitted,

DocuSigned by:
By  _____
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Secretary for the Meeting

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Document Pages: 3	Signatures: 1
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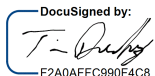
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