

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF
THE BOARD OF DIRECTORS OF THE
FALCON HIGHLANDS METROPOLITAN DISTRICT
HELD
JANUARY 8, 2024

A special meeting of the Board of Directors of the Falcon Highlands Metropolitan District (referred to hereafter as the “Board”) was convened on Monday, January 8, 2024 at 5:30 p.m. The District Board meeting was held at the Falcon Fire Department Community Room, 7030 Old Meridian Road, Peyton, Colorado, 80831 as well as virtually via Microsoft Teams. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Tonia Joyner, President
Timothy Dickey, Secretary (virtually)
Erin Ganaway, Treasurer
Leo Schuhmacher, Director

Also, In Attendance Were:

Josh Miller and Korben Heim; CliftonLarsonAllen, LLP (“CLA”)
Barbara Vander Wall, Esq.; Seter & Vander Wall, P.C. (virtually)
Ryan Mangino; RESPEC
Renee Kimble, Michael Best, Cassandra Jones, Rolan Jones, Christina Welch, Bertha MacMillan, Susanne Pestcoe, Emma Geitzenauer, Kyle Geitzenauer, Myra Hale, Dave Shay, Debbie Shay, Kayla Higbee, Janelle McNeil, Joshua Whittle, Lawrence Wilson, Tony Porter, Robert Aamodt, Kevin Compton.; Members of the public

ADMINISTRATIVE MATTERS

Call to Order and Agenda: Upon a motion duly made by Director Joyner, the Board called the meeting to order at 5:32 p.m.

The Board reviewed the agenda. Following review, upon a motion duly made by Director Dickey, seconded by Director Joyner and, upon vote, unanimously carried, the Board approved the agenda, as amended.

Quorum, Director Qualifications, Disclosure Items: It was noted that a quorum of the Board was present. 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 regarding 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

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of interest were filed with the Secretary of State for all Directors; no additional conflicts were disclosed. Attorney Vander Wall noted that updated disclosure forms were provided to the Board.

Designation of Legal Publication: Attorney Vander Wall discussed a new designation with the Board, noting that the previous publication is no longer an option. Attorney Vander Wall recommended the Falcon Herald or the Colorado Springs Gazette.

Following discussion, upon a motion duly made by Director Dickey, seconded by Director Joyner and, upon vote, unanimously carried, the Board designated the Falcon Herald as the newspaper for legal publications.

Appoint Assistant Secretary: Following discussion, upon a motion duly made by Director Schuhmacher, seconded by Director Joyner and, upon vote, unanimously carried, the Board appointed Director Ganaway as Assistant Secretary.

CONSENT AGENDA

The Board considered the following items under the Consent Agenda:

- November 13, 2023 Regular Board Meeting and December 12, 2023 annual Board meeting minutes.
- Previous Claims and Current Claims.
- Agreement between the District and Cummins Sale and Service for Booster Station Inspections.
- Agreement between the District and Utility Maintenance and Inspection for Underdrain Inspection and Repairs.

Upon a motion duly made by Director Joyner, seconded by Director Ganaway and, upon vote, unanimously carried, the Board removed Item D. from the Consent Agenda for further discussion.

Mr. Mangino reviewed the Utility Maintenance Inspection work (Item D.) noting that as of a couple of weeks ago, the initial known blockage was cleared, cleaned out and outflow improvements were in process and identifying next steps. Director Joyner asked about the status of the blockage material, whether Filing 1 needs additional work or if it is able to move on to Filing 2. Mr. Mangino believes that moving on to Filing 2 is possible, however he found a broken pipe past the initial bend up flow, and the pipe installed does not match planned pipework.

Following discussion, upon a motion duly made by Director Joyner, seconded by Director Ganaway and, upon vote, unanimously carried, the Board approved and or ratified approval of the Consent Agenda Items A., B. and C, as presented.

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FINANCIAL MATTERS

None.

MANAGER MATTERS

Public Comment:

Christina Welch: Asked for clarification that the pipe on the construction plan is noted as 8", cleanouts per installing contractor are on the downhill side for the most part and are 2 to 3 feet below surface. Questioned raising cleanouts during street repairs and discussion with EPCO engineering.

Kyle Geitzenauer: Questioned regarding of Phase 1/2, Filing 1/2 clarity. It was noted that Phase 1 is the initial clearing of known blockage, Phase II is for additional work beyond that, not specific to filing by filing work. He questioned water running on the streets and freezing. There is ongoing discussion with the County, and they are aware of the issue and are not going to fine residents as they are working towards a resolution. Mr. Geitzenauer questioned responsibility, homeowner/District contact on insurance, etc. It was noted that there is no good answer on that for the time being, as the policy/procedure change the District will make public aware.

Kayla Higbee: Thanked the Board for holding meeting in-person. She is part of the Recall Committee, highlighting the cost of a recall election, noting petitions will be circulated within 3 weeks, and giving the Board an opportunity to resign without needing to go forward with a recall and incurring the expenses. She is also interested in seeing the vacancy filled at the meeting today.

Bertha MacMillan: Curious as to the scale of work for blockage clearing, repair, additional cleanouts, etc.

Kevin Compton: Filing 1 is experiencing some relief, but is not all cleared? It was noted that it has been cleared. He asked if jumping to Filing 2 was appropriate? It was noted that Filing 1 is not stopping, but works is starting at the bottom in Filing 2.

Manager Report: Mr. Miller provided an update to the Board on management issues, noting encouragement for having the issues stop, and if no change, or new issues arise to let the District management know. Mr. Miller noted a proposal is in the works on Phase II work with UMI. The County Public Works is involved as locating cleanout and related work impact EPCO roads. Mr. Miller noted that management is proceeding with granting permission to CDOT for property access unless the Board directs otherwise. Mr. Miller noted updates to the website have been made including, additional information regarding underdrain updates and

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contacts. Mr. Miller noted the snow removal threshold is at 2 inches. Snow is cleared on sidewalks adjacent to District-owned tracts.

ENGINEERING MATTERS

Engineer Report: Mr. Mangino provided an update to the Board on engineering issues, noting LFH2 is fully online and disconnect at the water plant is installed and functioning. Mr. Mangino, Director Dickey and Mr. Miller discussed identifying cleanouts, street work and repairs to keep cleanout access in the future.

LEGAL MATTERS

Amended and Restated 2024 Annual Administrative Resolution: Attorney Vander Wall reviewed the Resolution with the Board, noting changes made as discussed earlier i.e. newspaper for legal publications, in-person meetings and schedule to monthly meetings, as well as the appointment of the Assistant Secretary. Following discussion, upon a motion duly made by Director Joyner, seconded by Director Ganaway and, upon vote, unanimously carried, the Board adopted the Amended and Restated 2024 Annual Administrative Resolution.

Contract for Phase II Underdrain services with UMI: Attorney Vander Wall reviewed the Contract with the Board, noting it follows the same general lines as the previous contract with new dates and costs. Following discussion, upon a motion duly made by Director Dickey, seconded by Director Joyner and, upon vote, unanimously carried, the Board approved the Contract for Phase II Underdrain service with UMI, subject to finalizing the scope and participation of EPCO, and subject to final legal review and review by EPCO.

Engagement of Water Engineer, Wheeler & Associates: Attorney Vander Wall reviewed the Engagement with the Board. Following discussion, upon a motion duly made by Director Joyner, seconded by Director Ganaway and, upon vote, unanimously carried, the Board approved the Engagement of Water Engineer, Wheeler & Associates, with the engineer to attend the Board meetings regularly as part of the scope of work.

Engagement of Special Water Legal Counsel, Hayes Poznanovic Korver: Attorney Vander Wall reviewed the Engagement with the Board. Following discussion, upon a motion duly made by Director Joyner, seconded by Director Ganaway and, upon vote, unanimously carried, the Board approved the engagement of Special Water Legal Counsel, Hayes Poznanovic Korver.

DIRECTOR MATTERS

Board Vacancy: Mr. Miller discussed the Board vacancy, noting the expectation of a special meeting being scheduled for this matter. Mr. Miller noted there are three remaining candidates and will organize a meeting for

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interviews and discussion.

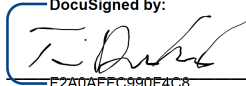
OTHER BUSINESS

None.

ADJOURNMENT

There being no further business to come before the Board at this time, upon a motion duly made by Director Joyner, seconded by Director Ganaway, the Board adjourned the meeting at 6:21 p.m.

Respectfully submitted,

By  Secretary