

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF
THE BOARD OF DIRECTORS OF THE
FALCON HIGHLANDS METROPOLITAN DISTRICT
HELD
MAY 1, 2023

A special meeting of the Board of Directors of the Falcon Highlands Metropolitan District (referred to hereafter as the “Board”) was convened on Monday, May 1, 2023 at 5:30 p.m. The District Board meeting was held via Microsoft Teams. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Timothy Dickey, Secretary
Kevin Haas, Treasurer

Absent and Excused:

Tonia Joyner, President

Also, In Attendance Were:

Carrie Bartow and Korben Heim; CliftonLarsonAllen, LLP (“CLA”)
Elizabeth Dauer, Esq. and Barbara Vander Wall, Esq.; Seter & Vander Wall, P.C.

ADMINISTRATIVE MATTERS

Call to Order and Agenda: The Board called the meeting to order at 5:30 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.

Following review, upon a motion duly made by Director Haas, seconded by Director Dickey and, upon vote, unanimously carried, the Board excused the absence of Director Joyner.

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 Ms. Vander Wall that disclosures of potential conflicts of

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interest were filed with the Secretary of State for all Directors; no additional conflicts were disclosed.

CONSENT AGENDA

March 27, 2023 Special Board Meeting Minutes: Following review and discussion, upon a motion duly made by Director Haas, seconded by Director Dickey and, upon vote, unanimously carried, the Board approved the March 27, 2023 special Board meeting minutes, as presented.

Previous Claims and Current Claims: Ms. Bartow noted that the schedule of claims were not included in the meeting packet, and agreed to circulate the claims for review and approval at the next meeting.

FINANCIAL MATTERS

March 31, 2023 Unaudited Financial Statements: There were no Financial Statements to review.

MANAGER MATTERS

Manager Report: Mr. Heim reviewed the Manager Report with the Board. No action was taken.

Proposal to Replace the Dog Stations: Following review, upon a motion duly made by Director Haas, seconded by Director Dickey and, upon vote, unanimously carried, the Board approved the proposal to replace the dog stations.

ENGINEERING MATTERS

Engineer Report: No report was provided to the Board for review.

DIRECTOR MATTERS

None.

LEGAL MATTERS

Fifth Amendment to Settlement Agreement and Final Settlement: Attorney Vander Wall reviewed the Fifth Amendment to Settlement Agreement and Final Settlement with the Board, effective April 30, 2023, which concludes the pending litigation between the District and BLH#1, BLH#3 and Archie Dennis. All parties have agreed to the Fifth Amendment. She also noted that a Memorandum of Termination of Water Tap Fee and Infrastructure Improvement Fee Agreement and Release of Deed of Trust has been prepared for recording against the subject property, in connection with the conclusion of the litigation. Following review, upon a motion duly made by Director Haas, seconded by Director Dickey and, upon vote, unanimously carried, the Board approved and ratified the Fifth Amendment to Settlement Agreement and Final Settlement, and the related Memorandum of Termination, as presented.

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Proposed Settlement Agreement Between County, Cygnet and the District: Attorney Vander Wall provided an update to the Board. No action was taken.

OTHER BUSINESS

The Board discussed management items to resolve, including the sale and removal of items stored in the water tank yard, repair of the sound wall and fencing.

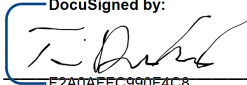
The Board addressed the well rehabilitation project.

Following discussion, upon a motion duly made by Director Haas, seconded by Director Dickey and, upon vote, unanimously carried, the Board cancelled the May 8, 2023 regular Board meeting.

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 Dickey and, upon vote, unanimously carried, the Board adjourned the meeting at 5:58 p.m.

Respectfully submitted,

By 
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 Secretary