

## RECORD OF PROCEEDINGS

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

HELD: Monday, May 10, 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  
Tim Dickey\*, Secretary  
Kevin Haas, Treasurer

##### Also, In Attendance Were:

Barbara Vander Wall\*; Seter & Vander Wall, P.C.  
Krista Baptist, Kimbrie Garcia\* and Carrie Bartow\*; CliftonLarsonAllen, LLP  
John McGinn\*; JDS-Hydro Consultants, Inc.

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

#### ADMINISTRATIVE MATTERS

**Call to Order and Approve Agenda:** It was noted that a quorum of the Board was present. The special meeting of the Board of Directors of the Falcon Highlands Metropolitan District was called to order at 5:31 p.m.

The Board reviewed the agenda for the meeting. Following discussion, and upon motion duly made by Director Haas, seconded by Director Joyner 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.

**Community Comment:** None.

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### CONSENT AGENDA

#### **Review and Consider Approval of Minutes from the March 8, 2021 Special Board Meeting**

#### **Review and Consider Acceptance of Unaudited Financial Statements as of March 31, 2021**

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

Following discussion, and upon motion duly made by Director Haas, seconded by Director Joyner and, upon vote, unanimously carried, the Board approved the consent agenda items as presented.

### FINANCIAL MATTERS

**Other:** Ms. Bartow informed the Board that the audit is underway and will be ready for approval at the next Board meeting.

### LEGAL MATTERS

**Legal Report:** Ms. Vander Wall provided a general update to the Board regarding the current status of outstanding items being monitored.

**Discussion Regarding Settlement Agreement:** This item was deferred until after the Executive Session.

### MANAGER MATTERS

**Manager's Report:** Ms. Baptist provided a general verbal update to the Board on outstanding matters.

**Award of Construction Contract for Park Improvements Project:** Ms. Vander Wall presented the draft construction contract for Park Improvements Project to the Board. The District published a notice of invitation to bid, and received one response from ColoradoScapes.com, Inc., in the amount of \$88,600. The Board discussed the project and the timing. Ms. Bartow indicated that the District has conservation trust funds available to be applied toward the project. Upon a motion duly made by Director Joyner, seconded by Director Dickey and, upon vote, unanimously carried, the Board approved the construction contract for Park Improvements Project, subject to review of timeline and satisfactory presentation of playground equipment.

### ENGINEERING MATTERS

**Engineering Report:** Mr. McGinn reviewed and discussed the engineering report with the Board. He noted that the District's water storage tank will need to undergo a comprehensive inspection in the next 6-8 months; he anticipates the District will be able to coordinate the for the tank dive when the contractor is on-site.

### EXECUTIVE SESSION

Upon motion, second and unanimous vote to go into executive session, pursuant to Section 24-6-402(4)(b) and (e), C.R.S. regarding the receipt of legal advice related to litigation in BLH #1, LLC and BLH #3, LLC v. Falcon Highlands Metropolitan District, et al., El Paso County District Court No. 2019 CV 31830, the Board entered into Executive Session at 6:10 p.m. The

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Board adjourned Executive Session and reconvened into open session at 6:47 p.m., and noted that no action had been taken in executive session.

### LEGAL MATTERS (CONTINUED)

**Discussion Regarding Settlement Agreement:** Ms. Vander Wall presented the draft Settlement Agreement to the Board. Following review, upon a motion duly made by Director Haas, seconded by Director Joyner and, upon vote, unanimously carried, the Board approved the proposed Settlement Agreement subject to final changes, review, and recommendation for approval by legal counsel and Mr. Miller.

Following further discussion, upon a motion duly made by Director Haas, seconded by Director Joyner and, upon vote, unanimously carried, the Board approved the hiring of a municipal financial advisor related to the refinance of the bonds which is anticipated as part of the settlement agreement.

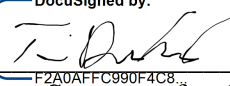
### OTHER BUSINESS

**Confirm Quorum for the Next Regular Meeting:** The next Board meeting is scheduled for Monday, July 12, 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 Joyner, seconded by Director Dickey, and upon vote unanimously carried, the Board adjourned the meeting at 6:53 p.m.

Respectfully submitted,

DocuSigned by:  
By   
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Secretary for the Meeting