

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF
THE BOARD OF DIRECTORS OF THE
FALCON HIGHLANDS METROPOLITAN DISTRICT
HELD
MAY 9, 2022

A regular meeting of the Board of Directors of the Falcon Highlands Metropolitan District (referred to hereafter as the “Board”) was convened on Monday, May 9, 2022, 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:

Tonia Joyner, President
Kevin Haas, Treasurer

Also, In Attendance Were:

Josh Miller, Korben Heim, Krista Baptist, Carrie Bartow, and Seef Le Roux;
CliftonLarsonAllen, LLP
Barbara Vander Wall, Esq.; Seter & Vander Wall, P.C.
Ryan Mangino; JDS Hydro Engineering
Tim Dickey; Public

ADMINISTRATIVE MATTERS

Call to Order and Agenda: Director Joyner called the regular meeting of the Board of Directors of the Falcon Highlands Metropolitan District to order at 5:35 p.m.

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

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 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.

Public Comment: None.

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CONSENT AGENDA

Minutes from the April 11, 2022, Regular Board Meeting

Unaudited Financial Statements as of March 31, 2021

Previous Claims and Current Claims

Following discussion, upon a motion duly made by Director Joyner, seconded by Director Haas and, upon vote, unanimously carried, the Board approved the Consent Agenda, as presented.

FINANCIAL MATTERS

Other: None.

LEGAL MATTERS

Water Tap Reservation Agreement between the District and Cygnet Land, LLC: Attorney Vander Wall reviewed. Following discussion, upon a motion duly made by Director Joyner, seconded by Director Haas and, upon vote, unanimously carried, the Board approved the Water Tap Reservation Agreement between the District and Cygnet Land, LLC. and related affidavits.

Settlement Agreement: Attorney Vander Wall reviewed the settlement agreement with the Board. No action was taken.

Updated Enterprise Bond Projections: Attorney Vander Wall reviewed the updated Enterprise Bond Projections with the Board. No action was taken.

Other: The Board discussed the acquisition of additional paper rights to water and exploring additional sources of water.

Attorney provided an update on Family Medical Leave Act insurance. No action was taken.

MANAGER MATTERS

Filing No. 3 and Will Serve Letter: Mr. Miller provided an update on the developer actions taken regarding Filing No. 3 to the Board. It was noted that the Will Serve Letter has been submitted. No action was taken.

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

Other: Mr. Miller provided an update to the Board regarding Timberline Holdings' weed control activities.

Director Haas requested that the Board receives the Will Serve Letter(s) before or as they are being sent to developers.

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Director Haas requested it be noted on the record that the Board is aware and prioritizing customer service issues relating to water meter repairs or replacement and billing reconciliation.

ENGINEERING MATTERS

Engineering Report: Mr. Mangino provided an update to the Board. No action was taken.

Other: None.

DIRECTOR MATTERS

Other: Director Haas expressed concern regarding the District's responsibility for the Woodmen Hills mowing and fire mitigation buffer with the Board. No action was taken.

EXECUTIVE SESSION

Pursuant to Section 24-6-402(4)(a), (b) and (e), C.R.S. regarding (1) the receipt of legal advice related and matters subject to negotiation in (1) BLH #1, LLC and BLH #3, LLC v. Falcon Highlands Metropolitan District, et al., El Paso County District Court No. 2019 CV 31830 (the "Litigation") and (2) performance under the Settlement Agreement related to the Litigation: The executive session was tabled by the Board.

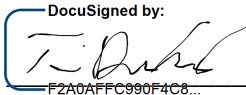
OTHER BUSINESS

Quorum for Next Regular Meeting: CliftonLarsonAllen, LLP will reach out requesting a quorum for the next Regular Meeting.

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 Haas and, upon vote, unanimously carried, the Board adjourned the meeting at 6:53 p.m.

Respectfully submitted,

By  _____
Secretary

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