

RECORD OF PROCEEDINGS

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

HELD: Monday, March 14, 2022, at 5:30 p.m. 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, this meeting was held via Microsoft Teams. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Kevin Haas, Treasurer

Tim Dickey, Secretary

Directors Excused:

Tonia Joyner, President

Also, In Attendance Were:

Krista Baptist, Korben Heim, Seef LeRoux and Carrie Bartow;
CliftonLarsonAllen, LLP

Barb Vander Wall; Seter & Vander Wall, P.C.

Ryan Mangino; JDS Hydro Engineering

ADMINISTRATIVE MATTERS

Call to Order and Approve Agenda: It was noted that a quorum of the Board was present. Director Haas 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, and upon 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:

Following discussion, upon a motion duly made by Director Dickey, seconded by Director Haas and, upon vote, unanimously carried, the Board approved to excuse the absence of Director Joyner.

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.

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Public Comment: None.

CONSENT AGENDA

Review and Consider Approval of Minutes from the January 10, 2022, Regular Board Meeting

Review and Consider Approval of Minutes from the February 10, 2022, Special Board Meeting

Unaudited Financial Statements as of December 31, 2021

Previous Claims and Approval of Current Claims

The Board agreed to remove the February 10, 2022 special meeting minutes from the Consent Agenda for modifications, to be brought back to the Board to a later meeting for approval. Following discussion, upon a motion duly made by Director Haas, seconded by Director Dickey and, upon vote, unanimously carried, the Board approved the remaining Consent Agenda items.

FINANCIAL MATTERS

Other: None.

LEGAL MATTERS

Legal Report: None.

Second Amendment to Settlement Agreement: Ms. Vander Wall introduced the proposed Second Amendment to Settlement Agreement, which provides an extension of the deadline for completion of terms to June 30, 2022. Following discussion, upon a motion duly made by Director Haas, seconded by Director Dickey and, upon vote, unanimously carried, the Board approved the Second Amendment Settlement Agreement

Ratification of Services Agreement with Ramey Environmental: Following discussion, upon a motion duly made by Director Haas, seconded by Director Dickey and, upon vote, unanimously carried, the Board ratified and approved the Services Agreement with Ramey Environmental Compliance, Inc. for booster station pump seal replacement services.

Ratification of Services Agreement with Inland Potable: Following discussion, upon a motion duly made by Director Haas, seconded by Director Dickey and, upon vote, unanimously carried, the Board ratified and approved the Services Agreement with Inland Potable Services, Inc. for water tank cleaning and inspection services.

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Approval of Services Agreement with Ross Electrical for Electric Upgrade Services: Following discussion, upon a motion duly made by Director Haas, seconded by Director Dickey and, upon vote, unanimously carried, the Board approved the Services Agreement with Option “A” with Ross Electric-Enterprise, Inc. for the installation of an exterior well facility emergency shutoff, in an amount not to exceed \$17,200.00.

Services Agreement with Think Security for Security Upgrades (security cameras / alarms): No action taken.

Services Agreements with Timberline Landscaping for Weed Control: Following discussion, upon a motion duly made by Director Dickey, seconded by Director Haas and, upon vote, unanimously carried, the Board approved the Services Agreement with Timberline Holdings, Inc. for weed control services, in an amount not to exceed \$5,000.00.

Resolution Regarding Tampering with District Property: Following discussion, upon a motion duly made by Director Dickey, seconded by Director Haas and, upon vote, unanimously carried, the Board approved the Resolution Regarding Tampering with District Property, including fire hydrants, blowoff assemblies, water meters, or wastewater system, effective January 1, 2022.

Update Regarding the May 2022 Director Election: Ms. Vander Wall provided updates to the Board.

Other: None.

MANAGER MATTERS

Managers’ Report: Ms. Baptist provided an update to the Board.

Other: None.

ENGINEERING MATTERS

Engineering Report: Mr. Mangino provided an update to the Board.

Other: None.

DIRECTOR MATTERS

Other: Director Dickey suggested the Board consider increasing its regular meeting schedule to occur on a monthly basis, to allow sufficient time to cover pending business items. Upon motion, second and unanimous vote, the Board agreed to hold regular meetings once a month, until no longer necessary. Director Haas questioned legal counsel regarding indemnification and bond issues, as well as requested an update regarding the current discussions between Cygnet and the District for issues relating to bond issuance.

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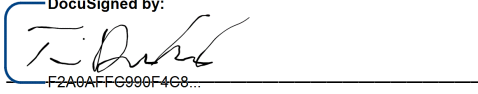
OTHER BUSINESS

Confirm Quorum for Next Regular Meeting: Ms. Baptist notified the Board that CliftonLarsonAllen, LLP would reach out requesting a quorum for the next regular meeting.

ADJOURNMENT

There being no further business to come before the Board at this time, Director Dickey adjourned the meeting at 6:56 p.m.

Respectfully submitted,

By  Secretary