

**MINUTES OF THE REGULAR AND BUDGET MEETING
OF THE BOARD OF DIRECTORS OF THE
HIGH PRAIRIE FARMS METROPOLITAN DISTRICT
DOUGLAS COUNTY, COLORADO**

December 7, 2016

The Board of Directors of High Prairie Farms Metropolitan District, Douglas County, Colorado, met on Wednesday, December 7, 2016, at the Pinery Water and Wastewater District, 5242 Old School House Road, Parker, Colorado. The meeting was called to order by President D'Ambrosio at 8:00 AM.

The purpose of the meeting was stated to be consideration of any and all business that may come before the Board of Directors. Notice of the meeting was duly posted as required by law, as evidenced by the Certificates of Posting attached to these minutes.

The following Directors were present:

Ines D'Ambrosio
Richard R. Nelsen
Charles Simmons
Sheldon Irish

Mert Wiechman was late and joined the meeting at 8:22AM

Also present were:

Kevin Collins, of Clifton Larson Allen LLP (CLA), accountants for the District
Susan L. Elkins, of Susan L. Elkins, L.L.C., attorney for the District
Kenny Black, Assistant Manager of the District
Dean Strange & Noelle Hoelsken of Stanley Consultants, representing IREA
Roger Christensen, Homeowner from Filing 26
Bob Gall, Homeowner from Filing 24

Disclosure of Potential Conflicts of Interest:

Each Director present stated for the record the fact of his potential conflicting interest and briefly described the nature of that interest by referring to a disclosure statement which had been duly filed with the Board and with the Colorado Secretary of State at least 72 hours earlier. Each Director's disclosure statement was available for review to the Board members and anyone present at the meeting. The Board ordered each such letters to be retained in the official records of the District. Since all Directors had conflicting interests, it was noted that all Directors

participation was necessary to obtain a quorum and enable the body to act.

Approval of Minutes:

The Minutes from the November 10, 2016 were not available for review.

It was noted that Dean Stange and Noelle Hoelsken of Stanley Consultants were present representing IREA to discuss an easement for electrical lines. Following discussion and review, at 8:20 AM Director D'Ambrosio MOVED and Director Irish SECONDED a motion to take these items out of order. Upon a roll call vote, Directors Nelsen, Simmons and D'Ambrosio voted "AYE." The motion was declared PASSED.

Director Wiechman joined the meeting at 8:22 AM.

IREA requests an easement for the purpose of designing and replacing facilities in the Bayou Hills Subdivision. IREA plans to build a three phase underground electric line (in yellow on map) to the "electric feeder" (in green listed Q3426 A PH X2) to accommodate future development and growth in the area. As it stands now, the line will be solely in High Prairie Metro District property (open space). The Board was presented copies of the proposed alignment for the line which in most cases would be in the same easement as the existing gas line. The Board discussed the proposed plan with the representatives and is willing to look into this further to see if it is feasible. Directors Nelsen and Irish agreed to verify if the electric line alignment is as described and will be placed within HPFMD property. It is understood that IREA will have to negotiate with the gas company for their approval (existing easement) and requirements so that it will not impact their use of the easement for their purposes. The Board indicated their willingness to work with IREA to see if this is feasible. Ms. Elkins was also directed to work with Ms. Hoelsken for language necessary for the easement. It was also noted by the Board that all homeowners adjacent to the new line must be notified in writing and provided the opportunity to obtain more information and ask questions about the proposed line. Ms. Hoelskin assured the Board that contacts had been made and public meeting(s) would be provided if requested. Director Irish asked for an informal meeting of property owners immediately adjacent to the intersection of Windhaven and Sage Thrasher and offered to also attend the meeting. Director and Kenny Black also offered to attend to answer questions regarding existing property boundaries and easements. The meeting would likely occur early in February once announcements are made.

Following discussion and review, Director Nelsen MOVED and Director Irish SECONDED a motion to return to the regular agenda at 8:45 AM. Upon a roll call vote, Directors Nelsen, Wiechman, Simmons and D'Ambrosio voted "AYE." The motion was declared PASSED.

Payment of Bills:

The disbursement schedule is for invoices currently due in the amount of \$309,122.77 and for invoices in the amount of \$3,856.48 for the period ending December 7, 2016 and checks

for the payment of the directors' fees for the December 7, 2016 meeting. Mr. Collins presented the Financial Statement as of December 7, 2016. Following discussion and review, Director Nelsen MOVED and Director D'Ambrosio SECONDED a motion to approve the financial statement as presented, approve the payment of the invoices for the period ending December 7, 2016 in the amounts of \$309,122.77 and \$3,856.48 and approve the payment of the directors' fees for attendance at the December 7, 2016 meeting. Upon a roll call vote, Directors Nelsen, D'Ambrosio, Wiechman, Simmons and Irish voted "AYE." The motion was declared PASSED. The Financial Statement is attached to these minutes.

Mr. Collins indicated that Mr. Urkoski was unable to make the meeting today due to weather. He presented Mr. Urkoski's website report and a chart summarizing the contacts of residents from the website and the pending status of each.

Public Hearing on the 2017 Budget:

The President opened the public hearing on the budget for 2016 at 9:04 AM and noted that the budget had been duly published, no written objections had been received, and that no members of the public were present to comment on the budget. At 9:05 AM following brief discussion, the President closed the public hearing. Mr. Collins presented the Board members with a final draft of the Budget, subject to recertification by Douglas County.

Mr. Collins then went through the proposed budget. The Board requested CLA and Mr. Collins to look back over the expenditures for the last 5 years to help the Board determine reserves and review the depreciation schedules for helping the Board assure adequate foresight for budgeting for replacement; and, review anticipated future cash flow for the next 5 years for determining reserves. Director Irish volunteered to work with Mr. Collins to reformat the 2017 budget to more clearly delineate line items so that Board can more easily see expenditures broken down within line items. This will help also in budgeting for recurring and not-recurring expenditures.

Following review and discussion, Director D'Ambrosio MOVED and Director Simmons SECONDED a motion to approve and adopt Resolution No. 2016-2, summarizing expenditures and revenues for the District and adopting a budget for the calendar year 2017. Upon a roll call vote, Directors Nelsen, Wiechman, Simmons, Irish and D'Ambrosio voted "AYE." The motion was declared PASSED.

Following review and discussion, Director D'Ambrosio MOVED and Director Simmons SECONDED a motion to approve and adopt Resolution No. 2016-3, appropriating sums of money for the 2017 budget year. Upon a roll call vote, Directors Nelsen, Wiechman, Simmons, Irish and D'Ambrosio voted "AYE." The motion was declared PASSED.

Following further review and discussion, Director D'Ambrosio MOVED and Director Wiechman SECONDED a motion to approve and adopt Resolution No. 2016-4, levying general property taxes for the year 2017 to help defray the costs of government for the district for the

2017 budget year. Upon a roll call vote, Directors Nelsen, Wiechman, Simmons, Irish and D'Ambrosio voted "AYE." The motion was declared PASSED.

Ms. Elkins and Mr. Collins were authorized to make changes as necessitated by any reassessment determined by the County prior to their deadline for the 2017 budget.

Old Business:

Drainage Facilities Update - Timbers Creek Restabilization and Reclamation: Ms. Elkins advised that Kenny Black had contacted Jason Ingenthron to discuss the work completed on Timbers Creek per the County's request and that all remedial work was accepted. The Reclamation work has been paid for by the District.

Pond Renovation: The work is completed and the notice of final payment was timely published. Mr. Collins advised the Board that he was withholding 5% until he had received the requested lien release. Mr. Wiechman noted that a subcontractor had requested a change order for overages but he will send a letter that there will be no change order as the time had passed for presentation of any claim. Mr. Collins reported that the District engineer, Troy Carmann, certified that the work was complete and in accordance with the plans.

Security Patrols: Director D'Ambrosio reported that it has been very quiet and there was nothing to report.

Road Repairs: Director Simmons had nothing to report at this time but will follow up with Commissioner Weaver at Douglas County. Mr. Gall agreed to work with Director Simmons.

Speed Mitigation Update: Ms. Lanier has not forwarded a revised and completed packet to Director D'Ambrosio and Ms. Elkins so there is nothing new to report. Director Irish will connect with Douglas County Traffic.

New Business:

IREA Easement: Taken out of Order.

Beautification Requests: The Board discussed the school property. Roger Christensen agreed to work with Director Simmons on this project. Ms. Elkins will contact the County and advise Director Simmons of the protocol.

Manager's Report: Kenny Black reported as follows:

- Mr. Black will be doing some stump grinding.
- Will Travel will do the reseeding at the entryway pond.
- There is an issue with the pump for the fountain pond. Mr. Black will determine if it is covered under the warranty and report back to the Board.

Director Irish seconded a motion to approve the agreement. Upon a roll call vote, Directors Nelsen, Wiechman, Simmons, Irish and D'Ambrosio voted "AYE."

Road Repairs: Director Simmons had nothing to report at this time but will follow up with Ron Meredith at Douglas County.

Speed Mitigation Update: Taken out of order.

New Business:

Wildfire Mitigation: Mr. Black reported that High Prairie Tree and Turf is continuing to work on small areas and has completed the work for this year. Mr. Einar Jensen is scheduled to come to the January meeting to discuss moving forward.

Manager's Report:

- Mr. Black reported he will call Jason Ingenthron to finalize Timbers Creek Restoration.
- He will replace a sign on S. Pinery Parkway that was vandalized.
- Filling the pond will begin next Monday.
- There is a dead tree in Filing 22 which will be cut down.

Other Business:

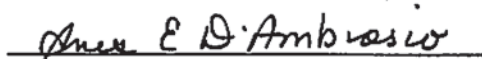
Mr. Christensen discussed improvements to the property dedicated for a school at S. Pinery Parkway and Democrat Road. He reported that universally the homeowners are in favor of a small scale park with unirrigated plantings (i.e. alfalfa) and a trail but no recreational improvements. Ms. Elkins was to contact the school district to determine the appropriate party with whom to discuss this.


Adjournment:


There being no further business to come before the Board of Directors, the meeting was adjourned at 11:30 AM. The next regular meeting is on December 7, 2016 at 8:00 AM at the Water District.


Richard R. Nelsen, Secretary

APPROVED:


Ines D'Ambrosio


Charles Simmons III


Sheldon Irish


Merton Wiechman