

RECORD OF PROCEEDINGS

MINUTES OF THE COMBINED SPECIAL MEETING OF THE BOARDS OF DIRECTORS OF THE

MERIDIAN RANCH METROPOLITAN DISTRICT MERIDIAN SERVICE METROPOLITAN DISTRICT

Held: Wednesday, July 12, 2017, 10:00 a.m., at the Meridian Ranch Recreation Center, 10301 Angeles Road, Peyton, Colorado 80831

Attendance

The combined special meeting of the Boards of Directors of the Meridian Ranch Metropolitan District and the Meridian Service Metropolitan District was called and held, as shown, in accordance with Colorado law. The following Directors were in attendance:

Butch Gabrielski
Mike Fenton
Wayne Reorda

Absent were Directors Bill Gessner and Doug Woods whose absences were excused.

Also present were:

Kevin Fackerell; Water Operator
Brayden McCrory; Sewer Operator
Tom Kerby; Meridian Service Metro District
Raul Guzman, Construction Manager; TechBilt
Sue Blair; Community Resource Services
Ron Fano, Esq.; Spencer Fane
Tom Sauer
Fred Jackson; Meridian Service Metro District
Mark Whittle; GTL
Abby Harlan, Dane, Ashley, Alyson Hannan; YMCA

Call to Order

A quorum of the Board was present and the Directors confirmed their qualification to serve.

Disclosure Matters

Mr. Fano noted that written disclosures of the interests of all of the directors have been filed with the Secretary of State.

Approve Agenda

The Board reviewed the agenda and Director Gabrielski requested addition of two items: (1) Purchase of 2008 Colorado Truck; and (2) Londonderry Update. Director Fenton moved to approve the agenda as amended. Upon a second by Director Reorda, a vote was taken and the motion carried unanimously.

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Appointment of New Director

Mr. Fano reported that he had received from Doug Woods his resignation. Director Fenton moved to accept the resignation letter from Doug Woods. Upon second by Director Reorda, vote was taken and motion carried unanimously. Director Gabrielski introduced Tom Sauer to the Board. After introductions, Director Gabrielski moved to approve the appointment of Tom Sauer to fill the vacancy created with the resignation of Doug Woods. Upon second by Director Fenton, a vote was taken and the motion carried unanimously. The Board welcomed Mr. Sauer to the Board, and his Oath of Office was administered and President Gabrielski completed his Certification of Appointment.

Comments from Visitors

Ronny Wilson commented that he has bought a 2nd home in Meridian and he is the pastor of the church that meets at the Rec Center. He noticed that discussion of the Church Use Agreement was on the agenda for discussion. He reported that there was a 50% rate increase in September of last year. He thanked the Board for their time.

Debbie Dorn told the Board that they need replace the elevator floor as it is a tripping hazard. Director Gabrielski commented on this saying an estimate has been requested from El Paso Floors already, and as soon as the quote is received the flooring will be replaced.

Kathy Cunningham reported that not all the meeting minutes were on the website. Angela Maxey stated that all have been filed on the website and she will assist Ms. Cunningham in located them.

Nancy Loew addressed the Board that communication is still an issue. She said that the water and sewer are the main focus of the Board and their focus should be on the recreation center. She said the parking lot needs to be repaved. Further, in her opinion, the gym roof was a waste of money because it has restricted half of the gym for more than a year. She said that the indoor pool needs to be cleaned because it has not had a cleaning yet. She added that there needs to be more adult classes. Also, she asked that Board the status on the rock/mulch replacement project.

Minutes

The Board reviewed the minutes of the June 7 2017 combined special meeting. Director Reorda moved that the Board approve the minutes as presented. Upon second by Director Fenton, a vote was taken and the motion carried unanimously.

YMCA Report and Introduction of Alyson Hannan

Abby Harlan addressed the Board on the monthly activities at the YMCA. Two senior level staff have been added - Alyson Hannan introduced herself as the new YMCA Aquatics Director. Dave Leatty reported on the "Ready Now" program. Pickle ball is scheduled on Wednesdays. Abby reported that there is a need for part time staff for the front desk, child watch, wellness sports. If anyone is interested, please have them go to ppymca.org/careers for more information on the positions available.

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Water and Sewer Operations Kevin Fackerell reviewed the monthly water report and Brayden McCrory reviewed the monthly sewer report.

Update Regarding the Golf Course Pond Level Controls: Brayden McCrory reported that a new controller has been installed and that creek water and effluent from Woodman Hills waters the golf course.

Generator Maintenance at the Filter Plant: The Board reviewed proposals from Cummins Sales and Service for repairs on the emergency generator and replacement of the air filter pressure wash unit and coolant flush totaling \$3,347.38. Director Fenton moved that the Board approve the proposals as presented. Upon second by Director Reorda, vote was taken and motion carried unanimously.

Generator Annual Maintenance : Next the Board reviewed a planned maintenance agreement for the generator at 7320 McLaughlin Road in the amount of \$1,024.00. Director Reorda moved that the Board approve the proposal as presented. Upon second by Director Fenton, vote was taken and motion carried unanimously.

Truck Purchase: Director Gabrielski reported that an additional truck was needed requested that the Board approve the purchase of a 2008 Colorado truck in the amount of \$11,250. Director Fenton moved that the Board approve the purchase. Upon second by Director Fenton, vote was taken and motion carried unanimously.

Financial Items Approval of Payment of Claims - The Board reviewed claims presented for payment at this meeting represented by check nos. -1941 - 1946 totaling \$2,225.25 for Meridian Ranch and to approve check nos. -9703 - 9784 totaling \$352,783.16 for Meridian Service. Director Fenton moved that the Board approve and ratify payment of the claims presented. Upon a second by Director Reorda, a vote was taken and the motion carried unanimously.

Cash Position and Financial Statements – Ms. Blair reviewed the cash position summary for Meridian Service Metropolitan District. Upon a motion and by Director Reorda and a second by Director Fenton, the motion unanimously carried to accept the cash position summary and financial statements as presented.

Items from the Manager Ms. Blair reviewed the 2017 Tap Fee Report, noting that 126 taps have been sold through June 30, 2017.

Discussion Regarding District Manager: Mr. Guzman reported that six candidates had been interviewed and requested that the Board consider entering into Executive Session at the end of the meeting to discuss the candidates.

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Adoption of Revised Recreation Center Rental Policy: After review, Director Fenton moved that the Board approve the revised Facility Reservation Agreement. Upon second by Director Reorda, a vote was taken and the motion carried unanimously.

Church Use Agreement: Director Gabrielski noted that the church contract has expired as of the end of June. He will be meeting with church representatives in the near future in anticipation of getting the new contract signed and moving forward so it is effective beginning July 1st. Director Gabrielski reported that the church would like to use the pool for baptisms. The Board was in agreement pending final terms noted in the Agreement.

Temporary Emergency 2017 Water Lease Agreement: Director Fenton moved that the Board approve the Temporary Emergency 2017 Water Lease Agreement between the District and the Cherokee Metropolitan District. Upon second by Director Reorda, a vote was taken and the motion carried unanimously.

UV System Contract: Director Reorda moved that the Board review and ratify the UV system contract with CEM Equipment. Upon second by Director Fenton, a vote was taken and the motion carried unanimously.

Sign In Policy: Director Fenton moved that the Board review and ratify the exception to the sign-in policy as presented. Upon second by Director Reorda, a vote was taken and the motion carried unanimously.

Roof Leak Options: Director Gabrielski met with the architect & Central States Roofing. He stated that with the new construction, they tied into an existing wall and said connection is not in accordance with the architectural drawings. Modifications will be incorporated from the east side system to the west side as designed by the architect. The new modifications could knock out 90% of the leakage. Director Gabrielski will have the proposals at the next meeting.

Recreation Center Sound System Upgrade: Tabled until August Meeting.

Recreation Center Rules Update: Director Gabrielski distributed the revised handbook for Board review and comment. Adoption of said handbook was tabled to the August Meeting.

Items from the Construction Manager

Monthly Report: Regarding the Londonderry Update, Mr. Guzman reported that the County has indicated it doesn't have the funds available to fund improvements until 2018; however, the County has agreed to put in striping in the District wants to pay for the repairs sooner. The estimated cost of the improvements at three intersections is between \$60,000 and \$70,000. In addition, the builder put in the wrong curb at another location. An agreement has been established whereby the District will pay for a maximum total of \$20,000; the building will pay \$20,000;

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and the County will pay \$20,000 plus complete the striping and signage. After discussion, Director Fenton moved that the Board approve the \$20,000 expenditure. Upon second by Director Reorda, vote was taken and motion carried unanimously.

Director Gabrielski reported that the median at Meridian Blvd. and Antler Creek Drive will be lowered 2% to improve drainage. The trees will be spade out and relocated. The roadway will be closed approximately one week. CDI is the contractor.

Mr. Guzman further reported on the following:

- The 40-acre business park is being turned into 126 residential lots.
- The 32-acre lake concept with Upper Black Squirrel is no longer a potential source or will be working lake in the future. Those 32 acres will be developed into 64 2 homes per acre in lieu of 1 home per acre.
- There will be 4,500 lots within Meridian.
- Paving will commence tomorrow in the Vistas.
- Paving will begin in Stonebridge Filing 2 next week.
- Bids will be obtained to grind the parking lot and overlay this winter.
- The Woodman Hills treatment plant groundbreaking was last week, and will process 1.3 mgd. Completion will be in November – running as a mechanical plant.

Legal Matters

Executive Session: Mr. Fano requested that the Board enter into Executive Session pursuant to Section 24-6-402(4)(b), C.R.S to seek legal advice. A motion was made by Director Reorda to enter executive session at 11:14 a.m. Upon a second by Director Fenton, a vote was taken and the motion carried unanimously.

A motion was made by Director Reorda to come out of executive session at 11:59 a.m. Upon a second by Director Fenton, a vote was taken and the motion carried unanimously.

District Manager

Director Fenton moved that the Board approve hiring David Pelsler as the new on-site District Manager. Upon second by Director Reorda, vote was taken and motion carried unanimously.

Sterling Ranch Default

Director Fenton moved that the Board authorize Mr. Fano to contact PJ Anderson regarding the Sterling Ranch default. Upon second by Director Reorda, vote was taken and motion carried unanimously.

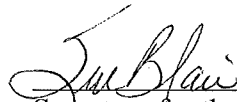
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Adjournment

There being no further business to come before the Boards at this time, Director Fenton moved to adjourn the meeting at 12:05 p.m.. Upon a second by Director Reorda, a vote was taken and the motion carried unanimously.

The next meeting of the Board is scheduled for August 2, 2017.

Respectfully submitted,



Secretary for the Meeting