

RECORD OF PROCEEDINGS

MINUTES OF THE COMBINED REGULAR MEETING OF THE BOARD OF DIRECTORS

OF THE

MERIDIAN RANCH METROPOLITAN DISTRICT
MERIDIAN SERVICE METROPOLITAN DISTRICT

Held: Wednesday, March 6, 2013, 10:00 a.m., at Meridian Ranch Recreation Center, 10301 Angeles Road, Peyton, Colorado 80831

Attendance The combined regular meeting of the Board 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
Gregg Gomes
Doug Woods
Joliene Weiss
Bill Miller

Also present were:

Wayne Monson; Community Resource Services
Jim Hunsaker, Esq.; Spencer Fane & Grimshaw LLP
Tim Hunker and Tom Kerby; Tech Contractors
Raul Guzman and Jenny Tchang Frost; GTL Development, Inc.
Martí Wallner, J. T. Adamson and Melissa Weaver; YMCA of the Pikes Peak Region
Steve Knepper; Paint Brush Hills Metropolitan District

Call to Order A quorum of the Board was present and the directors confirmed their qualification to serve.

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

Comments from Visitors There were no visitor comments.

Minutes The Board reviewed the minutes of the February 6, 2013 combined regular meeting. Director Woods moved that the Board approve the minutes with an addition that the purchase of the projector is authorized to an amount not to exceed \$1,200. Upon second by Director Miller, vote was taken and the motion carried unanimously.

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Update from
Meridian Ranch
Recreation Center
and Facility Usage
Report

Ms. Wallner representing the YMCA Pikes Peak Region reviewed the monthly report included in the Board packet. She reported on program activities and upcoming events. She forwarded a request from the Wounded Warrior group to use the gym to practice athletic events from April 25 to May 12. Upon motion by Director Woods and second by Director Gomes the Board indicated their support for the Wounded Warrior project and approved their use of the gym as requested at no cost provided they secure insurance naming the District as also insured.

Continuation of Management Services – The Board considered a Management And Service Agreement for continuation of services by the YMCA of the Pikes Peak Region for 2013. Upon motion by Director Woods and second by Director Gomes the Board approved the agreement with the correction of the termination date.

Financial Items

Approval of Payment of Claims - The Board reviewed Meridian Service claims presented for payment, represented by check nos. 6231 thru 6291, totaling \$545,314.80 including check 6231 signed subsequent to the last meeting, and for Meridian Ranch, represented by check nos. 1615 thru 1622, totaling \$4,108.95. Director Gomes moved that the Board approve and ratify payment of the claims as presented. Upon second by Director Weiss vote was taken and motion carried unanimously.

Cash Position – Mr. Monson reviewed the cash position summary for Meridian Service Metropolitan District dated January 31, 2013 adjusted as of February 28, 2013 for Meridian Service Metropolitan District with the Board. Upon motion by Director Gomes and second by Director Weiss and unanimously carried the Board accepted the cash position summary as presented.

Financial Statements – Mr. Monson reviewed the unaudited financial statements for the period ending January 31, 2013 for Meridian Service Metropolitan District. Upon motion by Director Gomes and second by Director Weiss and unanimously carried the Board accepted the financial statements as presented.

District Financing – The Board discussed the need for additional financing to meet upcoming infrastructure needs of the Districts including utility upgrades and expansion, water and sewer treatment requirements, recreation center expansion and park development as well as repaying developer advances and refinancing existing debt. Mr. Hunsaker reviewed a proposal from BBVA Compass to provide approximately \$32M in financing to the District. The proposal, which indicates the intention of both parties but does not commit either party, was executed by Director Woods subsequent to the last Board meeting. Upon motion by Director Weiss and second by Director Gomes and unanimously carried the Board ratified the execution of the proposal with Director Woods abstaining. The Board discussed the terms and conditions of the proposal and

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noted that the proposed schedule of activities anticipates a special Board meeting on March 22 to consider the final form of the financing and approve a bond resolution.

- Manager's Items Tap Fee Summary – Mr. Monson presented a schedule of the tap fees collected year to date for the Board's information.
- Construction
Manager Items Lift Station – Director Woods advised the Board regarding the construction progress of the lift station. The project remains on schedule and within budget. The projected in service date is August 21.
- Recreation Center Addition – The Board was advised that design of the Recreation Center addition has started and soils testing is underway. Anticipated construction start is September 2013.
- Soil Tester Purchase – The Board discussed the need to obtain a soil moisture tester to optimize the irrigation practices on District properties. Upon motion by Director Miller and second by Director Weiss and unanimously carried the Board authorized the purchase of a soil moisture tester for approximately \$1,200.00.
- Attorney's Items Wayne Schroeder Memorandum Mr. Hunsaker noted that the letter report from Mr. Schroeder was included in the meeting packet
- Executive Session Upon motion by Director Gomes and second by Director Miller and unanimously carried the Board entered into executive session pursuant to CRS 24-6-402(4)(b) and (e) to consult or receive advise from attorney on legal questions and to develop negotiating positions or strategy and/or instruct negotiators all as related to Upper Black Squirrel litigation on water case 98CW80.
- Board Member
Items No report was given.
- Future Meetings The next meeting of the Board is scheduled for April 3, 2013.
- Adjournment There being no further business to come before the Boards, the meeting was adjourned.

Respectfully submitted,


Secretary for the Meeting