

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 5, 2014, 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, in accordance with Colorado law. The following Directors were in attendance:

Butch Gabrielski
Gregg Gomes
Mike Fenton
Doug Woods

Also present were:

Wayne Monson; Community Resource Services
Matt Dalton, Esq.; Spencer Fane & Grimshaw LLP
Raul Guzman; GTL Development, Inc.
Tim Hunker and Tom Kerby; Tech Contractors
Marti Wallner; YMCA of the Pikes Peak Region
Larry Rodgers, resident
Jason Gray, resident and reporter

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

Disclosure Matters Mr. Dalton 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 5, 2014 combined regular meeting. Director Gomes moved that the Board approve the minutes as presented. Upon second by Director Woods 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 noted that there were 121 attendees at the Dad and Daughter dance.

The Board discussed the need for additional/replacement equipment at the Recreation Center. Upon motion by Director Gomes, seconded by Director Fenton, the Board approved the purchase of an air hockey table at an estimated cost of \$1,400. Upon motion by Director Woods, seconded by Director Gomes, the Board approved the purchase of a rowing machine at an estimated cost of \$900.

Appointment of
Director

The Board noted that there is a vacancy on the Board of each District. Mr. Larry Rodgers indicated his interest to serve as director of both Districts. Mr. Dalton advised the Board that Mr. Rodgers is qualified to serve as director. Upon motion by Director Fenton, seconded by Director Gomes, and unanimously carried the Board appointed Mr. Larry Rodgers to serve as director on both boards until the next regular election. Director Gabrielski as president of the board administered the oath of office to Director Rodgers. The Board appointed Director Rodgers as Assistant Secretary/Treasurer of both Districts.

Financial Items

Approval of Payment of Claims - The Board reviewed Meridian Service claims presented for payment at this meeting represented by check nos. 6972 thru 7024, totaling \$192,840.59, and for Meridian Ranch, represented by check nos. 1694 thru 1699, totaling \$2,882.35. Director Fenton moved that the Board approve and ratify payment of the claims as presented. Upon second by Director Gomes vote was taken and the motion carried unanimously.

Cash Position - Mr. Monson reviewed the cash position summary for Meridian Service Metropolitan District dated January 31, 2014 adjusted as of February 28, 2014 with the Board. Upon motion by Director Fenton and second by Director Gomes 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, 2014 for Meridian Service Metropolitan District. Upon motion by Director Fenton and second by Director Gomes and unanimously carried the Board accepted the financial statements as presented.

Manager's Items

Tap Fee Summary - Mr. Monson presented a schedule of the tap fees collected year to date for the Board's information. Year to date through February 19 the District has received 16 taps.

Groundwater Quality Study - The Board noted that the District has participated in past years in the groundwater quality study for the Black Squirrel basin. The

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Black Squirrel Water Quality Authority has established a mill levy to pay for its activities which should include this study. Upon motion by Director Gomes and second by Director Woods and unanimously carried the Board determined that the District will not continue to participate in the study.

Conditional Commitment Letter for Sterling Ranch – Upon a motion by Director Gomes and a second by Director Fenton, the Board ratified a conditional commitment letter to provide capacity in the lift station, transmission line and treatment facility for sewage effluent from the proposed Sterling Ranch development.

Short Elliot Hendrickson Agreement – Upon a motion by Director Gomes and a second by Director Fenton, the Board ratified a professional services agreement with Short Elliot Hendrickson to provide engineering services to the District regarding sewer capacity and operations.

Insurance Claim – Mr. Monson updated the Board on progress to obtain insurance reimbursement for costs incurred as a result of a lightning strike.

Falcon Freedom Days – Director Woods discussed with the Board the possibility of the District taking responsibility for the management of the Falcon Freedom Days celebration. The Board concurred that the celebration is a valuable community activity and that it would be an appropriate District activity. Following discussion, upon motion by Director Fenton and second by Director Gomes and unanimously carried the Board determined that the District would assume responsibility for the Falcon Freedom Days celebration provided that the cost to the District does not exceed \$25,000.00 with a commitment from the developer to cover additional costs not covered by contributions.

Construction
Manager Items

Tank Cleaning – Mr. Hunker advised the Board that the District's water storage tanks are now 5 to 7 years old and that it would be appropriate to undertake inspection and removal of sediment. He provided a quote to provide such services for a cost of \$6,000 to \$7,000. The Board authorized the maintenance activity as an operational cost of the District.

Attorney's Items

Wayne Schroeder Memorandum – Mr. Dalton 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 Fenton 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.

Board Member
Items

No report was given.

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Future Meetings

The next meeting of the Board is scheduled for April 2, 2014.

Adjournment

There being no further business to come before the Boards, the meeting was adjourned.

Respectfully submitted,

Secretary for the Meeting