

RECORD OF PROCEEDINGS

MINUTES OF THE COMBINED REGULAR MEETING OF THE BOARDS OF DIRECTORS OF THE

MERIDIAN RANCH METROPOLITAN DISTRICT MERIDIAN SERVICE METROPOLITAN DISTRICT

Held: Wednesday, October 5, 2016, 10:00 a.m., at the Meridian Ranch Recreation Center, 10301 Angeles Road, Peyton, Colorado 80831

Attendance

The combined regular 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
Bill Gessner
Wayne Reorda

Absent was Director Woods, whose absence was excused.

Also present were:

Kevin Fackerell; Sewer Operator
Brayden McCrory; Water Operator
Angie Kelly; Community Resource Services
Sue Blair; Community Resource Services
Matthew R. Dalton, Esq; Spencer Fane
Tom Kirby
Mark Whittle; Tech Built
Angela Maxey, Meridian Service Metro District
Raul Guzman, Construction Manager; Tech Built
Abby Harlan; YMCA
Heather; YMCA

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.

Approve Agenda

The Board reviewed the agenda and Director Gessner moved to approve the agenda as amended; to add the sublease with GTL, to approve the repair of the tractor and to add a crosswalk update. Upon a second by Director Fenton, a vote was taken and the motion carried unanimously.

RECORD OF PROCEEDINGS

Comments from Visitors

Eunice Luster asked for an itemized list of financials showing how the money is divided and how the money is spent. She noted that she feels the financial statements are too vague and wants specifics. The Board noted that the audited financial statements are available and this will show the detailed information she is looking for.

Nancy Loew noted that she does not feel as though the Developer or the District are being held to the same covenants as the residents. She noted mowing, tree replacement and tree stump removal as some items of concern. Ms. Loew also noted that she does not agree with the decision to carpet the new event room in the recreation center. She also noted she would like the trails marked immediately so they can be properly plowed when snow falls.

Tom Slade echoed Ms. Luster's comments and would like to see the financials. Mr. Slade also asked about the election schedule and the Board answered by saying May 2018 is next election.

Marion Glorie expressed her concern to the Board about the lazy river hours and the lack of time for adults only. She understood it was a mistake that the hours were left off the schedule for Mon/Wed/Fri but she asked that it also be added to the schedule for Tues/Thurs.

Grace Jacobo addressed the Board about a personnel issue she experienced at the Recreation Center. She noted the situation with her mother not being on the household in the computer system when she once was on the household. This created an argument with a staff member of the YMCA. She is upset with the way she was treated. The police were called to the incident and the YMCA administration is aware of the incident also.

Gabe Jacobo spoke after Grace, noting that he went back to the Recreation Center the next day to ensure his mother-in-law was added to the household. He stated that when he left the building, the cards were working and she was a member of the household. Later that same day, the cards did not work again. Both Mr. & Mrs. Jacobo noted their frustration with the YMCA.

Minutes

The Board reviewed the minutes of the September 7, 2016 combined regular meeting. Director Gessner 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

Heather with the YMCA spoke to the report in the packet. Abby Harlan was introduced as the new Director for the Recreation Center. Ms. Harlan spoke to her experience and noted that she looked forward to making changes to improve the processes of the YMCA for Meridian Ranch.

RECORD OF PROCEEDINGS

Operations Report

Mr. Fackerell distributed and reviewed the water operation report for September 2016.

Mr. McCrory reviewed the sewer operation report for September 2016. The annual sewer report was also presented and discussed. Upcoming projects for 2017 were outlined for the Board. It was requested of Mr. McCrory that he prioritize the projects to help with the budget for 2017.

Financial Items

Approval of Payment of Claims - The Board reviewed claims presented for payment at this meeting represented by check nos. 1886-1890 totaling \$6,223.90 for Meridian Ranch and check nos. 9011-9080 totaling \$417,197.42. Director Gessner moved that the Board approve and ratify payment of the claims subject to developer advances. Upon a second by Director Fenton, a vote was taken and the motion carried unanimously.

Cash Position – Ms. Blair reviewed the cash position summary for Meridian Service Metropolitan District and Meridian Ranch Metropolitan District with the Board. Upon a motion by Director Fenton and a second by Director Gessner the motion unanimously carried that the Board accepted the cash position summary pending funding for previously approved payment of claims.

Review and Accept 2015 Audit – Ms. Blair reviewed the 2015 Audits for Meridian Service Metropolitan District and Meridian Ranch Metropolitan District. Ms. Blair asked that the Board accept the audits, pending final legal review. A motion was made by Director Fenton to accept the 2015 audits for Meridian Service and Meridian Ranch, pending final legal review. Upon a second by Director Gessner, a vote was taken and the motion carried unanimously.

Manager's Report

GOCO Grand Application: Director Gabrielski noted that the District will meet with NES and Woodman Hills to finalize the application.

Water Quality Improvement Fund Grant: The District is working on a cost for drainage work and a line replacement. This grant can be discussed further once costs are determined.

Review 2016 Tap Fee Report: The Tap Fee Report was reviewed. Also, Ms. Blair distributed a draft 2017 budget during this review. The budget will be discussed again at the next Board meeting.

Pool Boiler Failure and Proposal: Director Gabrielski outlined the cause of the pool boiler failure and noted that it will be repaired on Friday, October 7th. A motion was made by Director Gessner to approve the repair of the boiler by Applied Engineering at a cost of \$6500. Upon a second by Director Fenton, a vote was taken and the motion carried unanimously.

Filer Plant Pump: The pump failure has not caused any loss of service. The cost of repair was \$3300. A motion was made by Director Fenton to ratify the

RECORD OF PROCEEDINGS

expense and repair of the pump. Upon a second by Director Gessner, a vote was taken and the motion carried unanimously.

Sublease with GTL: This agreement is for Meridian Ranch to sublease an office to GTL. Upon review, a motion was made by Director Gessner to accept the sublease with GTL as presented and subject to final legal review. Upon a second by Director Reorda, a vote was taken and the motion carried unanimously.

Tractor Repair Consideration and Approval: The District owned tractor has a blown head gasket. The repair will cost \$2,200. Upon discussion, a motion was made by Director Fenton to approve the repair of the tractor for \$2,200. Upon a second by Director Reorda, a vote was taken and the motion carried unanimously.

Construction Manager Report

Crosswalk Update: Mr. Guzman and Director Gabrielski met with the County Engineer to review the plans and requests. The County indicated that a crosswalk should be installed by the spring of 2017 near the Recreation Center as it seems like a reasonable request. The County will pay for the crosswalk work and the District is looking at the cost for the County for solar signs at the crosswalks. The crosswalk at the elementary school is still under review for warrant. The County has asked for the traffic engineer to prepare a written summary to help the process of approving the crosswalk. A motion was made by Director Gessner to approve the preparation of a summary as to the warranty of a crosswalk at the school at a cost not to exceed \$1000. Upon a second by Director Reorda, a vote was taken and the motion carried unanimously. At this time, stop signs are not seeming likely but the District will continue to request them for these areas.

Mr. Guzman reported that Longview park is almost complete as the gazebo is currently being installed. The Stonebridge Park is also having the gazebo installed currently. The Stonebridge building has been let to Thomas General and should be ready May 1, 2017 for the residents.

Filing 3 is paving in October. This will contain 29 lots.

The Vistas grading will be done this week and the underground will be going in next week; this will be paved by June/July 2017 and will contain 221 lots.

The Retail Center is progressing and is about 99% complete. Nana's should open November 1st as should the Liquor Store. The permit is almost complete for Jack's. Papa Johns is waiting for their permits and is currently on hold with this issue. There has been interest from a medical office, coffee shop, convenience store and night club owner but nothing signed yet.

Legal Matters

None were presented.

Board Member Items

November Budget Meeting: the Budget meeting will be November 2nd and CRS will publish all necessary notices for said meeting.

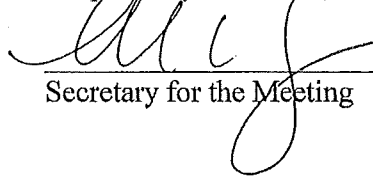
RECORD OF PROCEEDINGS

Executive Session 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 Gessner to enter executive session at 11:33 a.m. Upon a second by Director Fenton, a vote was taken and the motion carried unanimously.
A motion was made by Director Fenton to come out of executive session at 11:57 a.m. Upon a second by Director Gessner, a vote was taken and the motion carried unanimously.

Adjournment There being no further business to come before the Boards at this time, Director Fenton moved to adjourn the meeting. Upon a second by Director Gessner, a vote was taken and the motion carried unanimously.

The next meeting of the Board is scheduled December 7, 2016.

Respectfully submitted,



Secretary for the Meeting