

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, March 8, 2017, 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; Water Operator
Brayden McCrory; Sewer Operator
Tom Kerby; Meridian Service Metro District
Fred Jackson; Meridian Service Metro District
Mark Whittle; TechBilt
Angela Maxey, Meridian Service Metro District
Raul Guzman, Construction Manager; TechBilt
Abby Harlan; YMCA
Megan Priday; YMCA
Jessica Ehlen; YMCA
Jess Wilson; YMCA
Angie Kelly; Community Resource Services
Matthew Dalton, Esq; Spencer Fane

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 Fenton moved to approve the agenda as amended; moving the executive session to the end of the meeting, adding ORC contract approval and adding trail map information. Upon a second by Director Gessner, a vote was taken and the motion carried unanimously.

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Minutes

The Board reviewed the minutes of the February 1, 2017 combined special meeting. Director Gessner moved that the Board approve the minutes as presented. Upon second by Director Reorda, a vote was taken and the motion carried unanimously.

YMCA Report

The report distributed in the Board packet was reviewed by the YMCA. Abby Harlan noted that the YMCA is operating approximately \$4,000 ahead of budget for the year, thus far. Ms. Harlan noted that the YMCA is focusing on program growth and development and discussed the Fit Path Program again. Also of importance is a program to engage the teenagers at the YMCA to keep them occupied while at the recreation center. Ms. Harlan noted that the YMCA needs staff for the summer and encouraged attending residents to send those they know over to apply. Ms. Harlan outlined upcoming events and facility repairs that have been completed. Vandalism/theft in the locker rooms is also of concern and the YMCA will start a lock check-out system to help residents who forget a lock.

Comments from Visitors

Dan Barlow addressed the Board about the increased rates in 2017. Mr. Barlow noted he feels the rates have gone up too much in the last 6 years he has lived in the District. He noted he has heard complaints from other residents also. Mr. Barlow asked the Board to move funds around in the budget and reduce the fees charges to homeowners. Mr. Barlow also requested night meetings of the Board so more residents can attend.

Tom Slade then spoke in favor of the fee increases as he noted the Board is trying to meet the requests of homeowners for more services.

Director Gessner addressed the attending parties and noted that many residents attend meetings to ask for more hours at the pool, more hours at the recreation center, more programs, etc. This increase is working to satisfy many of these requests and the increase is part of that.

Sami Hajjar spoke to the Board about the idea of starting a small committee of residents to focus on the recreation center, from the point of the consumer. His main recreation center concerns are the cleanliness and safety. Ms. Harlan noted that the cleanliness should be improved when the new Facility Technician starts.

Nancy Loew addressed the Board about her concern that communication is still lacking from the District to residents. She feels more communication should be sent from the District to residents. Director Gabrielski noted that a new signage program is being developed to help with communication.

Carol Green addressed the Board about residents not picking up after their pets along community walkways. She requested two more dog waste stations be installed. Director Gabrielski noted that 12-13 more stations will be installed this spring.

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Phil Jones addressed the Board about the vandalism taking place at the recreation center. He feels is the YMCA & the District do not get a handle on it now, the place will deteriorate quickly. Mr. Jones also expressed concern about the large quantity of trash providers driving through the neighborhood and would like there to be one provider or one day providers are allowed to service the area. Director Gessner noted that the trash issue is a DRC function and that this conversation has occurred before. It was noted that vendors will be abide by a particular day of service.

Mark Jones addressed the Board about the teenagers around the recreation center; he would like to see them engaged in programs instead of just kicked out of the recreation when causing trouble. Mr. Jones also asked the Board if other budgets can be cut, instead of the recreation center budget, to help with the fee increase.

Operations Report

Mr. Fackerell distributed and reviewed the water operation report for February 2017. Mr. McCrory reviewed the sewer operation report for February 2017. A resident asked for clarification on how the system works with Woodman Hills. Raul Guzman outlined the relationship between Meridian, Woodman Hills and Paint Brush. Fred Jackson provided a verbal drainage report to the Board and noted that all systems are working well.

Financial Items

Approval of Payment of Claims - The Board reviewed claims presented for payment at this meeting represented by check nos. 1919-1924 totaling \$4,728.71 for Meridian Ranch and check nos. 9369-9462 totaling \$336,080.91 for Meridian Service. Ms. Kelly noted that a developer advance was not needed for these claims. Director Fenton moved that the Board approve and ratify payment of the claims. Upon a second by Director Reorda, a vote was taken and the motion carried unanimously.

Cash Position – Ms. Kelly reviewed the cash position summary for Meridian Service Metropolitan District and Meridian Ranch Metropolitan District with the Board. Upon a motion and by Director Gessner and a second by Director Fenton, the motion unanimously carried to accept the cash position summary.

Items from the Manager

LSC Traffic Report: Tom Kerby addressed the meeting about the findings from the report presented by the Traffic Engineer. Recommendations were outlined to the Board that are in the report as these are the recommendations being made to the County. The Engineer suggested crosswalks at all 3 locations studied, a refuge added for people crossing Londonderry/Angeles, a 20 MPH sign on Londonderry as it approaches Rainbow Bridge with a flashing beacon, the installation of a rapid flashing beacon with crossing signs at all 3 Londonderry intersections. This report will be presented to the County for further action.

Review 2016 Tap Fee Report: The Tap Fee Report was reviewed.

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Items from the Construction Manager

State Bank Easement Agreement: Mr. Guzman outlined that the Woodman Hills line in which Meridian needs to parallel has a shortcut through the State Bank property. The property needs to complete the inclusion process and would become a customer of the District with this process. Once paperwork is complete, a public hearing will take place for this inclusion.

Guthrie Raw Waterline Extension: Mr. Guzman reported that 4 bids have been obtained for the Guthrie extension work in which the 4" line will be made into a 12"-14" line. Mr. Guzman will have the bids forwarded to the Board for their records but his recommendation is to accept the bid from K.R. Swerdfeger for \$525,532. Upon discussion, Director Fenton moved to accept the bid from K.R. Swerdfeger as presented. Upon a second by Director Gessner, a vote was taken and the motion carried unanimously.

Monthly Report: Mr. Guzman also reported that the water tank divers found repairs that needed to be made but that it can wait until February 2018. The District will try to work with Woodman Hills to coordinate the repairs so the wells are not out of commission together.

Mr. Guzman also noted that the Vistas lots will be paved mid-May and the house construction will start by July 1. Also reported was that the house sales in Meridian were up 36% in 2016 as compared to a county average of 20%. This was reportedly due to the retail center and pool additions. In addition, Stonebridge paving will start mid-May and Filling 3 will have 164 lots and brushing will begin soon. Mr. Guzman also outlined a meeting held with the County about improvements to Eastonville Rd. GTL will design the improvements and the County will obtain bids this fall.

Mr. Guzman reported on the Shops at Meridian: the Farmer's Market is looking to start again this year and operate from 3p-7p on Fridays; Jaks opened last week and is doing well; a sports bar/grill is looking to sign a lease next to Jaks; a woman's boutique is looking at the space next to the sports bar; a spa is looking at space next to the woman's boutique.

Board Member Items

Review and Approve Applied Ingenuity proposal: Director Gabrielski and Mr. Fackerell outlined the Applied Ingenuity proposal. Discussion took place regarding the gallons per minute and it was noted that this work should allow 100 gallons per minute to flow through the system as opposed to the 85 gallons per minute outlined in the proposal. Director Gessner moved to accept the Applied Ingenuity proposal, with a total spend of \$80,000 and all options included, subject to the increased gallons per minute being achieved. Upon a second by Director Reorda, a vote was taken and the motion carried unanimously.

Review and Possible Board action regarding SCADA: This item was tabled until further notice. Director Gabrielski outlined that more research was being done on the options available.

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Review and Approve engagement letters from L. Paul Geodecke for 2016 audits: The price has remained the same from last year and this auditor has previously prepared the audits for the Districts. Director Fenton moved to approve the engagement letters from L. Paul Geodecke for the 2016 audit preparation for both Meridian Service and Meridian Ranch. Upon a second by Director Reorda, a vote was taken and the motion carried unanimously.

ORC Contract Approval: ORC is the company currently providing the operator license for the District. Mr. Fackerell will be obtaining his certification this year so this will be the last contract needed from ORC. The cost did increase \$30 per month. Director Fenton moved to approve the contract for ORC for the 2017 calendar year. Upon a second by Director Reorda, a vote was taken and the motion carried unanimously.

Trail Maps: Director Gabrielski noted that GTL created trail maps that can be used for marketing purposes as well as to place on the District website. These maps were distributed to the Board for review.

Roof Insurance claim: Director Gabrielski noted that an insurance claim was submitted for the roofs at the recreation center as well as the filter plant as damage occurred during a wind event. Further discussion will take place once the report is submitted by the adjuster.

Board Communication: Director Gessner noted his concern about the publication date of the newsletter. He is asking that it be published earlier or the calendar be changed to match delivery dates. Many times, events have already happened before residents receive the newsletter.

Legal Matters

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 Fenton to enter executive session at 11:50 a.m. Upon a second by Director Reorda, a vote was taken and the motion carried unanimously.

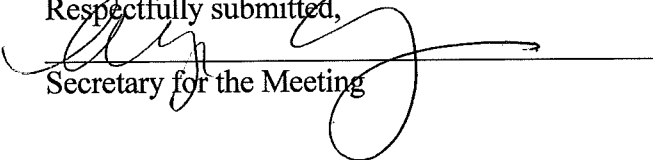
A motion was made by Director Gessner to come out of executive session at 12:25 p.m. Upon a second by Director Reorda, a vote was taken and the motion carried unanimously.

Adjournment

There being no further business to come before the Boards at this time, Director Woods moved to adjourn the meeting at 1:14 p.m. Upon a second by Director Fenton, a vote was taken and the motion carried unanimously.

The next meeting of the Board is scheduled for April 5, 2017.

Respectfully submitted,


Secretary for the Meeting