

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, August 2, 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
Bill Gessner
Mike Fenton
Wayne Reorda
Tom Sauer

Also present were:

David Pelsler; Meridian Service Metro District
Angela Maxey; Meridian Service Metro District
Kevin Fackerell; Water Operator
Brayden McCrory; Sewer Operator
Tom Kerby; Meridian Service Metro District
Raul Guzman, Construction Manager; TechBilt
Sue Blair and Angie Kelly; Community Resource Services
Matt Dalton, Esq.; Spencer Fane
Fred Jackson; Meridian Service Metro District
Mark Whittle; GTL
Abby Harlan, Dane Leecy, 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 Gessner moved to approve the Agenda as amended with the addition of IV.L (elevator floor replacement) and IV.M (Fines for trespassing). Upon a second by Director Fenton, a vote was taken and the motion carried unanimously.

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**Introduction of
New District
Manager**

President Gabrielski introduced David Pelsner, the new on-site District Manager for Meridian Ranch. David intends to start full-time by the end of August.

**Comments from
Visitors**

Debbie Dom thanked the Board for the great work on the median.. She asked the Board to add an agenda item for next month's meeting for consideration of a community action committee, the purpose of which is to help the Board understand issues going on in the community. Director Gessner asked Ms. Dom to provide the Board with a list of the items she feels need to be addressed.

Tom Shade asked the Board what is being done about the roof. The Board advised him that this will be discussed during meeting. He also asked if the special assessment was being used to pay for this repair and Director Gabrielski stated that it was not at this time.

Kevin Kinkey asked the Board if the gym will be usable in the near future. Director Gabrielski explained that the insurance claim for the roof repair was denied and the Board is considering, at today's meeting, a contract with an engineer/architect to outline the new parapet wall solution. The District knows where the water leak is coming from.

Carol Green advised the Board about all the weeds on the east bridge to the high school. She asked the Board why they are not being held accountable for this. Mr. Guzman explained that this is a contractor issue, and that the contractor's payment is being held until this matter is taken care of. She added that there has been excessive parking on the neighborhood streets by teenagers instead of parking at the high school. Mr. Guzman commented that these are public streets so she would have to take that up with the County.

Audrey (did not provide last name)_____ told the Board she has been hying to get in touch with Sarah with DRC. The Board told her that this was the wrong meeting. Director Gessner took her email and will pass it on to DRC. Further, he provided the DRC's meeting dates and times.

Nancy Lowe asked the Board what had been paid over the years for the roof and floors and how much difference there is in cost to replace everything in lieu of fixing it.

Minutes

The Board reviewed the minutes of the July 12, 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.

**Update on
Meridian Ranch
Recreation and**

Dane Leecy reported that there were 930 guests in June and 1,600 guests in July. The child watch program increased 61% in the past month. In general, from June to July the programs went up 28%. There has been a strong focus on the fitness floor

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Facility Usage Report and working with the youth so they know how to use the equipment. He added there is a new program called Fit Path which allows one hour with a personal trainer. They are also looking into new equipment for youth sports.

Water and Sewer Operations The water and sewer operations reports were reviewed by the operators.

Financial Items Approval of Payment of Claims – Ms. Blair outlined the revised payables dated August 1, 2017. She explained that this will be the last road impact fee credit from El Paso County and that Check No. 9863 (proceeds from the Sterling Ranch payment) is going to GTL. The Board reviewed the claims presented for payment at this meeting represented by check nos. 1947 - 1950 totaling \$2,872.45 for Meridian Ranch and to approve check nos. 9788 - 9865 totaling \$1,303,255.68 for Meridian Service. Director Reorda moved that the Board approve and ratify payment of the claims presented. Upon a second by Director Gessner, a vote was taken and the motion earned unanimously.

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

Items from the Manager

Londonderry Traffic Control Bond and Permit: The Board voted via E-mail to approve this action. Director Fenton moved that the Board ratify the Londonderry Traffic Control Bond and Permit. Upon second by Director Gessner, a vote was taken and the motion carried unanimously.

State Bank Easement: Director Gessner moved that the Board approve the State Bank Easement as presented. Upon second by Director Reorda, a vote was taken and motion carried unanimously.

Playground Mulch Proposal: The Board reviewed the different options presented for consideration. Director Reorda moved that the Board approve the mulch for the play areas as presented. Upon second by Director Fenton, a vote was taken and motion carried unanimously.

Residents Handbook: The Board reviewed the handbook. Director Gessner moved that Board change the name of the handbook to Recreation Center Handbook and approve same as presented. Upon second by Director Reorda, a vote was taken and motion carried unanimously.

Gym Window Repairs: The vandalism to the gym window needs repaired. Additionally, Ms. Blair will check with insurance to see what deductible applies and possibly submit claim for reimbursement. Director Fenton moved to approve

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the bid from City Glass for \$2,847.58. Upon second by Director Reorda, a vote was taken and motion earned unanimously.

Gym Roof Parapet Design Proposal: Director Gessner moved that the Board approve the proposal with DesignEdge as presented to prepare the parapet wall design with a NTE cost of \$12,200. Upon second by Director Fenton, vote was taken and motion earned unanimously.

Review Charges for Church Use Agreement: The Church reserved the facility for an upcoming event [^]-aHhe-edd-rates- There were no objections from the Board to allow the reservation at the old rates. The Board approved 8 hours at \$50/hour for a total of \$800.00.

Landscape and Drainage Renovation for Westside and Northside of MR Recreation Center: A proposal was obtained to fix the drainage problems on the west and north sides of the recreation center. Director Gessner moved to approve the renovations by CDI, as presented. Upon second by Director Fenton, a vote was taken and motion earned unanimously.

Recreation Center Sound System Upgrade: The Board agreed to replace the entire system as announcements are currently being made through the fire emergency intercom and are difficult to hear. Director Reorda moved to approve the Sound System Upgrade by ISD. Upon second by Director Gessner, a vote was taken and motion earned unanimously.

Developer Advance Reimbursements: Ms. Blair reviewed a summary of balances in the Compass Bank bond reserve account and forecasts for permits through 2017 and 2018. There are sufficient monies to make the December 2017 debt service payments, and to allow the reimbursement to the developer of \$2.1 million. Director Gessner asked what the amount of the remaining balance owed to the developers. Ms. Blair stated between \$40-45 million. Director Fenton moved to approve the \$2.1 million reimbursement to the developer pending approval by Compass Bank. Upon second by Director Reorda, a vote was taken and motion earned unanimously.

2017 Tap Fee Report: Ms. Blair reviewed the current tap fee report. There were 16 taps sold in July and a total of 142 taps sold for the year.

Elevator Flooring Replacement: The Board discussed replacement of the floor in the elevator. Director Fenton moved to approve the floor replacement. Upon second by Director Reorda, a vote was taken and motion carried unanimously.

Fines for Trespassing & Destruction of Property: Discussion ensued regarding imposing fines for trespassing in the parks after dark and destruction of property by these trespassers or by contractors doing work on a homeowner property. The

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Board discussed adding fines to the water bills. District Manager Pelsler will report back to the Board on this matter.

Items from the Construction Manager

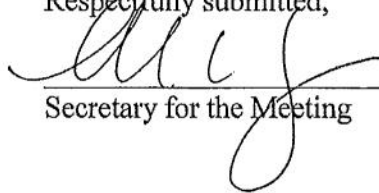
Mr. Guzman reported that he just confirmed that the minutes are up to date on the website. The Purple Toad that is being built is a sports bar. The barber shop and clothing boutique are in the final bidding stage. Mr. Guzman is trying to get a hold of the County for an update on the cross-walk issue but had received no response yet. Director Gessner noted he had received complaints about tractor trailers being parked on Londonderry as well as complaints regarding poor behavior by some teenage boys at Longview Park. He noted that he informed all parties to contact the Sheriff with the issues for remedy.

The next meeting of the Board is scheduled for September 6, 2017.

There being no further business to come before the Board, the meeting was adjourned at 11:38am.

Adjournment

Respectfully submitted,



Secretary for the Meeting