

# RECORD OF PROCEEDINGS

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## MINUTES OF THE COMBINED SPECIAL MEETING OF THE BOARDS OF DIRECTORS OF THE MERIDIAN RANCH METROPOLITAN DISTRICT MERIDIAN SERVICE METROPOLITAN DISTRICT

Held: Wednesday, July 11, 2018, 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, President  
Bill Gessner, Asst. Secretary/Treasurer  
Mike Fenton, Asst. Secretary/Treasurer  
Wayne Reorda, Secretary/Treasurer  
Tom Sauer, Asst. Secretary/Treasurer

Also present were:

David Pelsler; Meridian Service Metro District  
Jennette Coe; Meridian Service Metro District  
Tom Kerby; Tech Contractors  
Fred Jackson; Meridian Service Metro District  
Ryan Kozlowski; Meridian Service Metro District  
Braden McCrory; Meridian Service Metro District  
Angela Maxey; TechBuilders  
Sue Blair; Community Resource Services  
Marcos Pacheco; Community Resource Services  
Ron Fano, Spencer Fane  
Raul Guzman, Tech Builders (via telephone)  
Blake Jordan, Esq. (via telephone)  
Jim O'Hara; GTL (via telephone)  
Samantha Riley and Kelsi Wolf; YMCA  
Nancy Lowe, Homeowner  
Dan \_\_\_\_\_ (did not sign in with a last name)

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

**Disclosure Matter** 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. President Gabrielski requested that the following items be added to the agenda: under Board Member Items, Jan Pro Contract, Recreation Center Contract, District employee policy and handbook, and Board members being paid through Paychex. Also under Legal Items, Locker Room Age Restriction. Director Reorda moved that the agenda be amended as requested.

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

## **Comments from Visitors**

Dan \_\_\_\_\_ commented to the Board that he has been approached by several vendors around the community. He thinks that the no soliciting signs around the community should be enforced or be taken down. Director Gabrielski mentioned that there is an exception for children's groups like boy scouts. The Board agreed that if the solicitor is reported to the Board or Community Resource Services, they will be contacted to stop trespassing.

Ron Fano noted that the District is not a law enforcement agency.

Nancy Lowe stated to the Board that there are several reasons why she decided to move to the area - one being the management of the community and she thinks the covenants are not being enforced and was wondering where the monthly HOA fee is being spent. Also, the grass is not being mowed, there are invasive weeds, the fences have not been stained recently and the wood mulch was not a good decision. She also commented that the recreation center is giving the community less opportunities to socialize and exercise and they only offer 33 classes which is less than before. She asked the Board what classes were being offered but most never came to fruition. She mentioned that all these topics she has brought up in previous meetings and feels that she has been ignored. Director Gabrielski stated that all her questions cannot be answered at this time and David Pelser has spent time answering these questions in the past. The rock mulch has been delivered but has not been installed at this time. He spoke about the different things the District has done to keep up with all the projects. The crosswalks and other areas are still in the process with the county. Director Gabrielski also discussed the park at Stonebridge and the new tables being considered and the re-seeding taking place.

## **Approve Minutes**

The Board reviewed the June 6, 2018 Board Minutes. Director Reorda moved to approve the Minutes as presented. Upon second by Director Sauer, a vote was taken and the motion carried unanimously.

## **Update on Meridian Ranch Recreation and Facility Usage Report**

Recreation Center: Ms. Riley introduced Kelsi Wolf to the Board and discussed new camps that are coming up. Currently, with sports, there is only one team for baseball. The class "women on weights" will be available in August. Also, there are 44 kids attending the camp.

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## **Water, Sewer Grounds and Drainage and Recreation Operations Report**

Water, Sewer, Grounds and Drainage Operations Report: Angela Maxey reported to the Board that on Falcon Freedom Days, it was cold and wet but overall it was successful but there was a lot more people on Stapleton watching the show.

Mr. Jackson reviewed all the reports with the Board and discussed the specifics of watering the different areas and the reasons surrounding why some areas are not watered.

Ryan Kozlowski reported that the recreation center has received the new bars and the plates and treadmills and box jumps will be arriving soon. The center has been slowly inspecting all the equipment and they passed the state inspection with minimal recommendations. The center has switched the acid in the pools to "Magic Acid". Work is continuing on light replacement and installing new cameras.

Water, Sewer, Grounds and Drainage Operations Report:  
Presented to the Board:

1. Mr. McCrory reviewed the water system report.
2. Mr. Jackson reviewed the drainage report.
3. Mr. McCrory reviewed the sewer report.

## **Financial/Admin Items**

Approval of Payment of Claims: Ms. Blair reviewed the updated claims presented for payment at this meeting represented by check nos. 2024-2029 totaling \$2,771.85 for Meridian Ranch and to approve check nos. 10687-10776 totaling \$468,237.77 for Meridian Service. Ms. Blair also requested that the Board ratify Meridian Service claims #10681-10686 totaling \$12,149.31. Director Gessner moved that the Board approve and ratify the payment of the claims as presented. Upon a second by Director Sauer, a vote was taken and the motion carried unanimously.

Cash Position and Financial Statements: Ms. Blair reviewed the cash position dated May 31, 2018 and financials dated July 6, 2018 for Meridian Service Metropolitan District and Meridian Ranch 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.

Review 2018 Tap Fee Report: Ms. Blair reported that there was 19 taps in June. Mr. Guzman asked that the Latigo tap fees be removed from the tap fee report, placing the Latigo tap fees on a separate spreadsheet.

Review and Accept 2017 Audit for Meridian Ranch: Ms. Blair reviewed the 2017 audit with Board. Director Fenton moved that the Board accept the 2017 audit subject to final legal and auditor review. Upon a second by Director Sauer, a vote was taken and a motion carried unanimously.

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Review and Accept 2017 Audit for Meridian Service: Ms. Blair reviewed the 2017 audit with Board. Director Fenton moved that the Board accept the 2017 audit pending final legal and auditor review. Upon a second by Director Sauer, a vote was taken and a motion carried unanimously.

Public Hearing to Amend 2017 Budget: Ms. Blair reviewed the proposed budget amendment with the Board. Director Gabrielski opened the Public Hearing to Amend the 2017 Budget at 10:57 a.m. With no public comment, the hearing was closed at 10:58 a.m. Upon a motion by Director Gessner, seconded by Director Reorda, the Board voted unanimously to approve the resolution to amend the 2017 Budget.

## Items from the Manager

### A. Consent Agenda Approval Items 1-3:

1. Adopt Meridian Ranch Metropolitan District Resolution Adopting the Colorado Special District Records Management Manual
2. Adopt Meridian Ranch Metropolitan Resolution Adopting the Colorado Special District Records Retention Schedule, Appointing an Official Custodian, and Adopting Policies and Fee Schedule for the Handling of Record Requests Under the Colorado Open Records Act (“CORA”)
3. Approve updated Job Descriptions for Support Personnel, Administrative Assistant, Water & Sewer Manager

Director Gessner moved to approve all Consent items 1-3 as presented. Upon second by Director Fenton, a vote was taken and the motion carried unanimously.

### B. Action Items from the Manager 1-7:

Ratify Contract Change Order No. 1 to Construction Contract for Guthrie Raw Water Pump Station with K.R. Swerdfeger Construction, Inc: David Pelsner spoke about the change orders and requested that the Board ratify Change Order No. 1 and approve Change Order No. 2. Director Gessner moved to ratify Change Order No. 1 and upon a second Director Fenton, a vote was taken and motion carried unanimously.

Approve Contract Change Order No. 2 to Construction Contract for Guthrie Raw Water Pump Station with K.R. Swerdfeger Construction, Inc: Director Reorda motioned that the Board approve Change Order No. 2. Upon a second by Director Sauer, a vote was taken and motion carried unanimously.

Accept proposal from Ross Electric for Video Surveillance Conduit and Electrical Maintenance at the Recreation Center: Director Reorda moved that the Board approve the proposal as presented. Upon a second by Director Fenton, a vote was taken and motion carried unanimously.

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Award Contract for Recreation Center Parking Lot Pavement Rehabilitation: David Pelsler asked that Board table this agenda item pending receipt of an additional proposal.

Award Contract to Low Bidder Alpine Contracting for Exterior Building Repairs at Water Filtration Plant: Director Gessner moved that the Board approve the contract as presented. Upon a second by Director Sauer, a vote was taken and motion carried unanimously.

Award Sole Source Contract to Frazee Construction Company for Rundown Outfall Improvements: Director Gessner moved that the Board approve the contract in amount of \$21,900.00. Upon a second by Director Fenton, a vote was taken and a motion carried unanimously.

Award Contract to Ground Solutions for Cedar Mulch Replacement Not to Exceed \$27,500.00: Director Gessner motioned that the Board award the contract to Ground Solutions. Upon a second by Director Reorda, a vote was taken and motion carried unanimously.

Jan Pro Janitorial Proposal: Director Gabrielski discussed with the Board the details of using Jan Pro Janitorial services. Jan Pro provided a quote for providing services at the Recreation Center, similar to those they provide at the District offices. Director Gessner question if the scope of services were the same as those provided by the YMCA under the current contract. Other Board members voiced concerns about whether this was a service in lieu of the current service provided by YMCA or in addition to. The Board made a motion to direct Director Gabrielski and General Manager Pelsler to consider the specifics of moving forward and approve a contract with Jan Pro only if it is determined the cost would be less than the same services by the YMCA.

**Manager's  
Verbal  
Informational  
Report**

Proposed Capital Projects and Funding Plan for Public Infrastructure: General Manager Pelsler reviewed the written staff report on this. After discussion, the Board concurred this was a good recommendation, and authorized Director Gabrielski and David Pelsler to work together to solicit proposals which will be brought back to the Board for consideration.

**Items from the  
Construction  
Manager**

Monthly Report:  
Mr. Guzman reported that that he applied with the State for the Well 6 Site and is waiting to hear back. The Shops have been leased out and Phase II has been submitted for 30,000 sq ft of commercial space. There will be 30 more days of grading for Winding Walk. The sewer and water will be completed soon for the "future" Lambert development. He also reported that the Woodmen Hills Off Loading Agreement will not be complete by the end of October. They are asking for an extension through December. Once a formal request for an extension is received, it will be brought back to the Board for consideration.

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## **Board Member Items**

Director Gabrielski spoke about the employees and policies, vacation times and evaluations. He would like to direct CRS and Ron Fano to evaluate and put a program together and see how other districts handle staff policies and procedures. He also stated that checks and balances need to be established. Mr. Guzman commented that he would like to know actual employee expenses relating to water, sewer, etc. Mr. Pelsler mentioned that he can create a spreadsheet on these reports through Paychex. He also said that he has done 360 evaluations and recommended this only for the General Manager. Another thing to consider is to have working committees of the Board that will spend time working with the staff to capture and work through the items. Ms. Blair stated that a handbook had been started last year. Mr. Pelsler stated that the District has a handbook – they are using the one provided by Paychex. Mr. Guzman commented that the best process is to work directly with CRS and Ron Fano to develop policies that apply to Colorado laws. The Board concurred that Mr. Pelsler should work with Ron Fano and CRS to develop adequate policies and procedures.

President Gabrielski reported that there were some incidents where older boys were with their mothers in the women's locker room. Signs will be posted stating that only women are allowed in the women's locker rooms. There are two family locker rooms available that are gender neutral. In addition, Mr. Pelsler will review the current rules and regulations to make sure they are adequately updated.

## **Legal Items**

Director Gessner moved to approve resolution 18-8 and to also rescind the previous Resolutions: Meridian Service Metropolitan District 18-4, Meridian Service Metropolitan District 18-5, and Meridian Service Metropolitan District 18-6 which were to create the Meridian Service Metropolitan District Subdistrict and the inclusion of property therein. Upon second by Director Reorda, vote was taken and motion carried unanimously.

Next, Mr. Fano requested that the Board open a public hearing for consideration of a Meridian Ranch Metropolitan District Resolution to create a Subdistrict within the Meridian Ranch Metropolitan District. President Gabrielski opened the public hearing. Mr. Guzman made the following comments:

- Since its organization in 2000, the District has provided public improvements and services to the properties within its boundaries and its service area;
- In order to pay the cost of such public improvements and services, over the last 18 years the District has borrowed money through the issuance of various bonds and other debt obligations, and for the repayment thereof has imposed ad valorem taxes and various rates, fees, tolls and charges, the vast majority of which has been paid by the existing 2,763 residential lots, which does not include the subdistrict property;

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- The subdistrict property is served by and benefits from the existing public improvements of the District, but its current assessed valuation is minimal, and thus its tax base does not yet constitute a substantial source of revenue for payment of District debt;
- Significant additional public improvements will be necessary in order to allow the subdistrict property to be fully developed as planned, and while such improvements will benefit all of the property in the District, much of such benefit will accrue to the subdistrict property directly;
- While most of the District's existing facilities were designed to serve an anticipated 3,266 residential lots, full development of the subdistrict property will result in the addition of approximately 1,737 additional lots, bringing the total planned District development to a total of 4,500 lots, and such increased development is anticipated to require additional District-wide improvements and expansions to properly serve the entire District;
- In order to fairly and efficiently provide the additional improvements necessary in connection with the development of the subdistrict property without unduly burdening the existing taxpayers and residents of the District, the owners of 100% of the subdistrict property have requested and consented to the creation of a subdistrict upon the Subject Property, with the intent that such subdistrict will be empowered to incur debt and impose taxes in addition to the debt issued and taxes imposed by the District.

There being no additional public comment received, the public hearing was closed.

Director Gessner moved that the Board adopt the Meridian Ranch Metropolitan District Resolution 18-7 Creating the Meridian Ranch Metropolitan District Subdistrict. Upon second by Director Reorda, vote was taken and motion carried unanimously.

### Executive Sessions:

Director Sauer moved that the Board enter into Executive Session at 12:42 p.m. pursuant to Section 24-6-402(4)(e) to Receive Verbal Report and Provide Direction on Contract Negotiations related to Proposed District Acquisition of Tamlin Water System. Upon second by Director Fenton, vote was taken and motion carried unanimously. Upon motion duly made, seconded and unanimously carried, the Board reconvened into General Session as 12:48 p.m.

Director Reorda moved that the Board enter into Executive Session at 12:49 p.m. pursuant to Section 24-6-402(4)(e) to Develop Negotiating Positions and Strategy, and to Instruct Negotiators Regarding Potential Meeting with Cherokee

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Metropolitan District to Discuss Plans for Compliance with State Discharge Requirements and Obligations/Interests Under IGA. Upon second by Director Sauer, vote was taken and motion carried unanimously. Upon motion duly made, seconded and unanimously carried, the Board reconvened into General Session as 12:59 p.m.

### **Adjournment**

There being no further business to come before the Board, the meeting was adjourned at 12:59 p.m.

Respectfully submitted,

  
Secretary for the Meeting