

RECORD OF PROCEEDINGS

MINUTES OF THE COMBINED REGULAR MEETING OF THE BOARDS OF DIRECTORS OF THE MERIDIAN RANCH METROPOLITAN DISTRICT MERIDIAN SERVICE METROPOLITAN DISTRICT MERIDIAN RANCH METROPOLITAN DISTRICT 2018 SUBDISTRICT

Held: Wednesday, June 5, 2019, 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 and Meridian Ranch Metropolitan District 2018 Subdistrict 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
Tom Sauer, Asst. Secretary/Treasurer

Absent was Director Reorda, whose absence was excused.

Also present were:

David Pelser; Meridian Service Metro District
Jennette Coe; Meridian Service Metro District
Carrie Billingsly; Meridian Service Metro District
Ryan Kozlowski; Meridian Service Metro District
Andrea Orth; Meridian Service Metro District
Tobi Bagley; Meridian Service Metro District
Braden McCrory; Meridian Service Metro District
Jon Bradley; Meridian Service Metro District
Sue Blair; Community Resource Services
Ron Fano; Spencer Fane
Raul Guzman; Tech Builders
Nancy Loew; Homeowner
Renee Mastos; Homeowner

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. Director Sauer moved to approve the agenda as presented. Upon second by Director Gessner, a vote was taken, and the motion carried unanimously.

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Comments from Visitors Nancy Loew asked the Board who is responsible for getting information out to the residents because it is still an issue. She asked how many classes are at the recreation center and made a suggestion of having description of the classes on the back of the schedule. She also asked about the inventory on the trees and shrubs and fence staining.

Approve Minutes The Board reviewed the May 8, 2019 Board Minutes. Director Gessner moved to approve the minutes as amended. Upon second by Director Sauer a vote was taken, and the motion carried unanimously.

Financial/Admin Items Approval of Payment of Claims: Ms. Blair reviewed the updated claims presented for payment at this meeting represented by check nos. 2105 - 2111 totaling \$3,050.25 for Meridian Ranch, and to approve check nos. 11514 – 11590 totaling \$558,620.47 for Meridian Service. Ms. Blair also requested that the Board ratify Meridian Service claim nos. 11511 - 11513 totaling \$165,193.75. 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 June 1, 2019 and monthly financials dated May 31, 2019 for Meridian Service Metropolitan District. Upon a motion by Director Fenton and a second by Director Sauer, the motion unanimously carried to accept the cash position summary and financial statements as presented.

Review 2019 Tap Fee Report: Ms. Blair reviewed the 2019 Tap Fee Report with the Board.

Receive Status Report on Draft 2018 Audit Reports for MSMD, MRMD and Set Hearing Date for July 10 on Proposed Amended 2018 and 2019 Budgets: Mr. Pelsler told the Board he would handle the notice and the hearing will be held at the July 10, 2019 special meeting. Director Gessner moved that the Board call the special meeting for July 10th and authorize the publication of notice. Upon a second Director Sauer, a vote was taken and the motion carried unanimously.

Items from the Manager MSMD Operations Reports:
A. Mr. McCrory reviewed the water system report.
B. Mr. McCrory reviewed the sewer report.
C. Mr. McCrory reviewed the drainage report.
D. Mr. Kozlowski reviewed the recreation report.

Manager's Verbal Report: David Pelsler reported to the Board that there is a specialty inspector on site for the water tank project. The recreation center parking lot paving begins tomorrow and will take 3-4 business days to complete and it will cause temporary inconvenience for parking. Also, the volleyball court turf installation will begin soon. Ross Electric received County approval on Stonebridge Park lighting

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plans and the installation will start soon.

Consent Items From Manager:

1. Approve and Authorize President to Sign, Subject to Attorney Approval as to Form, Agreement with Pikes Peak Security, LLC (formerly STG Security) for Security Services During 2019 Falcon Freedom Days Events, \$1,480: Director Gessner moved that the Board approve the agreement with Pikes Peak Security, LLC subject to final legal review. Upon a second by Director Fenton, a vote was taken and the motion carried unanimously.

Action Items:

1. Receive for Information Only a Report on 1st quarter 2019 Payroll Expenses and Staff Time off: No action was needed at this time.
2. Accept Permanent and Temporary Sewer Easements From Curtis Hanson, Authorize President to Sign: Director Fenton moved that the Board authorize the President to sign permanent and temporary sewer easements from Curtis Hanson. Upon a second by Director Sauer, a vote was taken and the motion carried unanimously.
3. Award, Authorize President to Sign, Construction Contract with Low Bidder Hydro Resources for Drilling Water Supply Well No. 6, \$1,275,702: Director Fenton moved that the Board authorize President to sign notice of award letter. Upon a second by Director Sauer, a vote was taken and the motion carried unanimously.

Items From The Developer

Mr. Guzman reported to the Board on the following:

~~Phase II – The Shops is 17,000 Sq. Ft and the grading is ready to go and will be complete November 1st. There are 3 potential leases and it is anticipated it will be full by middle of 2020. The contractor paving will begin July 1st. Eatonville and Winding Walk has no update at this time. The easement for Rex Road will be dedicated to the City.~~

Board Member Items

There were none.

Legal Items

1. Director Gessner made a motion at 11:16 a.m. to enter into Executive Session pursuant to C.R.S. 24-6-402(4)(e): Receive Verbal Report and Provide Direction on Contract Negotiations Related to IGA with Sterling Ranch Metro District and Status of Payments. Upon a second by Director Fenton a vote was taken and the motion carried unanimously. Director Fenton made a motion at 11:25 a.m. to come out of Executive Session. Upon a second by

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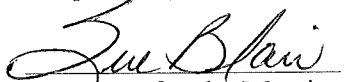
Director Sauer, a vote was taken and the motion carried unanimously. The Board agreed to direct staff to terminate Sterling Metro IGA if required payment to cure breach is not made by June 30, 2019.

2. Director Fenton moved that the Board Approve Revision to MSMD/MRMD Rules and Regulations to Insert in Article VII a Section Called "Assignment Prohibited". Upon a second by Director Gessner, a vote was taken and the motion carried unanimously.
3. Director Sauer made a motion at 11:28 a.m. to enter into Executive Session pursuant to C.R.S. 24-6-402(4)(e): Receive Verbal Report and Provide Direction on Contract Negotiations Related to Proposed Amendment to IGA, and Termination of Tolling Agreement with Cherokee Metropolitan District. Upon a second by Director Gessner, a vote was taken and the motion carried unanimously. Director Sauer made a motion at 11:47 a.m. to come out of Executive Session. Upon a second by Director Gessner, a vote was taken and the motion carried unanimously. Mr. Fano reported that this was properly announced and was privileged attorney-client communication. Therefore, no record or electronic recording of this executive session is required pursuant to Section 24-6-402(2)d.5)(II)(B), C.R.S.

Adjournment

There being no further business to come before the Board, the meeting was adjourned at 12:45 p.m.

Respectfully submitted,


Secretary for the Meeting