

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, September 11, 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:

Bill Gessner, Asst. Secretary/Treasurer arrived at 10:20 during audit review
Wayne Reorda, Secretary/Treasurer
Mike Fenton, Asst. Secretary/Treasurer
Tom Sauer, Asst. Secretary/Treasurer

Absent was President Gabrielski, whose absence was excused.

Also present were:

David Pelser; Meridian Service Metro District
Jennette Coe; Meridian Service Metro District
Deawne Maddox; Meridian Service Metro District
Carrie Billingsly; Meridian Service Metro District
Kevin Fackerell; Meridian Service Metro District
Ryan Kozlowski; Meridian Service Metro District
Andrea Orth; Meridian Service Metro District
Tobias Bagley; Meridian Service Metro District
Ashley Esch; Meridian Service Metro District
Jon Bradley; Meridian Service Metro District
Angie Kelly; Community Resource Services
Matt Dalton; Spencer Fane (via telephone)
Jamie Cotter; Spencer Fane (via telephone)
Raul Guzman; Tech Builders
Tom Kerby; Tech Builders
Jim O'Hara; Tech Builders (via telephone)
Debbie Dorn; Homeowner
Linda Jay; Homeowner
Sami Hajjar; Homeowner
Kevin Markee; Homeowner
Bill and Colleen Kittle; Homeowners

Call to Order

A quorum of the Board was present, and the Directors confirmed their qualification to serve.

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- Disclosure Matter** 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. Director Fenton moved to approve the agenda as presented. Upon second by Director Sauer, a vote was taken, and the motion carried unanimously.
- Comments from Visitors** Sami Hajjar talked to the Board about having benches put in along the trails because some people need to rest along the way. He also explained that a new neighbor of his went to the recreation center with a friend who has a 3-year-old and a 6-month-old but the recreation center would not let them in because it was over the limit of guests. He would like a clear definition of a guest and for this policy to be reconsidered. Also, he stated that he and other residents have noticed a great deal of improvements in the recreation center. The maintenance is much better and he would like to give credit to the staff. Mr. Pelsler mentioned that the Board has not forgotten about the benches and they are working on submitting grant applications for park funds.
- Approve Minutes** The Board reviewed the August 7, 2019 Board Minutes. Director Sauer moved to approve the minutes as amended. Upon second by Director Fenton, a vote was taken and the motion carried unanimously.
- Financial/Admin Items** Approval of Payment of Claims: Ms. Kelly reviewed the updated claims presented for payment at this meeting represented by check nos. 2123 - 2128 totaling \$4,227.25 for Meridian Ranch, and to approve check nos. 11734 - 11809 totaling \$362,444.87 and ratify the check nos. 11732-11733 totaling \$15,083.14 for Meridian Service. Director Fenton 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. Kelly reviewed the cash position dated August 31, 2019 and monthly financials dated July 31, 2019 for Meridian Service Metropolitan District. Upon a motion by Director Sauer and a second by Director Fenton, the motion unanimously carried to accept the cash position summary and financial statements as presented.
- Review 2019 Tap Fee Report: Ms. Kelly reviewed the 2019 Tap Fee Report with the Board.
- Progress Report from CRS on 2018 Audits, Set Date for Public Hearing on Proposed 2018 Amended Budgets: The 2018 budget amendment hearing will be October 2, 2019. Ms. Kelly reviewed the audit with the Board. Director Gessner moved to accept the Meridian Ranch Metro District 2018 audit as presented, subject to final legal review. Upon a second by Director Sauer, a vote was taken and the motion

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carried unanimously. Ms. Kelly then reviewed the audit for Meridian Service Metro District. Director Fenton moved to accept the Meridian Service Metro District 2018 audit as presented, subject to final legal review. Upon a second by Director Sauer, a vote was taken and the motion carried unanimously.

Operations Reports

MSMD Operations Reports:

- A. Mr. Fackerell reviewed the water system report.
- B. Mr. Fackerell reviewed the sewer & underdrain report.
- C. Mr. Bradley reviewed the grounds & pond inspection report.
- D. Mr. Kozlowski reviewed the recreation report.

A lighting strike took out a flow meter at Guthrie booster station. This is set to be installed as soon as it arrives.

Items from the Manager

Manager's Verbal Report:

- The GL Accounting report was given by Jennette and she updated the Board that the transition is starting and they are on track to take over the process January 1, 2020.
- Well 6 – The sound walls were installed and completed on 8/23/2019. The Hydro Resource (HR) was mobilized and installed on the surface casing for Arapahoe and LFH well. The total depth of surface casing for each well was 39-feet with 1-ft stickup. The Hydro Resource (HR) will begin drilling on 9/4/2019. The current drilling depth for LFH as of the morning of 9/10/19 is 300-ft and the total depth is 2337-ft.
- Status on the tank painting is that the 1.6 MG tank painting is done. They are preparing to fill with water for the final disinfection before putting in service. The next scheduled tank is pending on when the first tank goes into service.
- The District has been getting letters from the County about weed control. BrightView will have the weeds sprayed after the first frost for best control effect.
- The Golf course is hosting a Military Appreciation Tournament. The District will sponsor a hole for \$300.
- The County has hired AECOM as engineering firm to work on improvements on the Rex Road and Meridian Road intersection. Traffic studies are already under way.
- WHMD Coordination – There will be a 50/50 cost split on channel and stilling well improvements. With the SCADA improvements under way, MSMD will take operational leadership of the joint Guthrie Ranch water supply system including the wells and two booster pump stations. Guthrie Well LFH-2 Rehab work needed in cooperation with Woodmen Hills Metro District estimated between \$60-\$100K. The District is hoping to bid this year for a start in January. Also, staff and consultants are beginning to look at the need for another water supply well site at Guthrie Ranch. Possibly design in 2020 and construction in 2021. The sewer bypass design is about 90%

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complete; The District has an easement from property owner Curtis Hanson. They are acquiring easements from County and WHMD along 24. The rough cost estimate is \$700,000 and is not in the 2019 budget. The district is considering 2 phases for construction due to easement issues.

- Staff is receiving quotes on budgeted concrete repairs and may request Board approval mid-month with ratification at Oct meeting.
- Reminder – The 2020 Budget process starts in October with agenda items in November and December meetings and public workshop on 11/13/19 7-9 p.m.

Consent Items From Manager:

1. Approve (ratify) Revised District Policy on Retirement Plan Vesting and Approve and Authorize President to Sign Revised Governmental Money Purchase Plan and Trust Adoption Agreement
2. Approve (ratify) Brightview Extra Work for Irrigation Repairs in June-August, \$5,057.50
3. Receive and File Correspondence Accepting for Maintenance the Landscape Improvements for The Vistas Filing 1 and Estates Filing 3
4. Award Fence Repair Work to Low Bidder Back to Life Deck & Fence Company, \$20,000 Estimate, \$48,000 Budgeted
5. Approve Purchase from Low Bidder AH Water of 6,000-Gallon Double Walled Tank for Chemical Storage at the Sewer Lift Station, \$25,876 Cost, \$38,000 Budgeted

Director Fenton moved that the Board approve items 1 -5. Upon a second by Director Sauer, a vote was taken and the motion carried unanimously.

Action Items:

Award Contract for Annual HVAC/Pool Mechanical Maintenance Services to Low Bidder LONG Building Technologies, Inc., Approve and Authorize President to Sign Service Agreement Subject to Attorney's Approval as to Form, \$12,996: Director Gessner moved that the Board approve the President to sign agreement presented subject to attorney's approval. Upon a second by Director Fenton, a vote was taken and the motion carried unanimously.

Approve and Authorize President to Sign Contract Change Order No. 1 with All Purpose Paving for Extra Work on the MRRC Parking Lot, \$63,180 – Continued from August 7, 2019 Meeting: Director Fenton moved that the Board approve the President to sign the contract with a 5% less retention pending the completion of all of the punch list items. Upon a second by Director Sauer, a vote was taken and the motion carried unanimously.

Approve and Authorize President to Sign, Subject to Attorney Approval as to Form,

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Agreement with Sandi Griffin Fitness, LLC for Personal Fitness and Small Group Fitness Training at MRRC – Continued from August 7, 2019 Meeting: Director Gessner moved that the Board approve the agreement presented subject to attorney’s approval. Upon a second by Director Sauer, a vote was taken and the motion carried unanimously.

Approve Adoption of the Starfish Swim Institute Instruction Program and Authorize Staff to Subscribe to the Program and Begin Staff Training Immediately: Director Gessner moved that the Board approve the adoption of the Starfish Swim Institute Instruction Program. Upon a second by Director Sauer, a vote was taken and the motion carried unanimously.

Receive Verbal Report from Staff and Provide Direction on Possible 2020 Bond Issue by the 2018 Subdistrict: This item was discussed in the Managers verbal report.

Receive Verbal Report from Staff on Status of Sterling Ranch Metro District Sewer Service: This item was discussed in the Managers verbal report.

Approve and Authorize President to Sign, Subject to Attorney Approval as to Form, Construction Agreement for Installation of Stilling Well and Channel Improvements as Required by the DWR Division Engineer: This item will be continued to the next meeting.

Items From The Developer

Mr. Guzman reported on development within the community. Milling and paving are taking place in the community. The leases for the shops are coming along nicely: they are looking at a possible urgent care/doc office but isn’t sure if that will allow room for all letters of intent. Rainbow Bridge is still closed due to traffic and will be until the majority of landscaping is complete. Eastonville has been assigned an engineer by the County. The District is pushing the County for the survey to get the design started and plans/proofs out to bid in the next 6 months. At well site #9, Mtn. View Electric is scheduled to come in early October to start installing system and is expecting to have the site energized by end of October. On the Stonebridge landscaping, Brightview has installed the majority of filing 3.

Board Member Items

There were none.

Legal Items

Director Sauer moved that the Board Enter into Executive Session at 11:48 a.m. pursuant to C.R.S. 24-6-402(4)(b): Consult with and Receive Advice from Legal Counsel Regarding Legal Issues Related to Termination of Tolling Agreement by Cherokee Metropolitan District and MSMD Demand for Arbitration with Regard to IGA and Replacement Plan. Upon a second by Director Fenton, a vote was taken and the motion carried unanimously.

Director Gessner moved that the Board come out of executive session at 12:26 p.m. Upon a second by Director Sauer, a vote was taken and the motion carried

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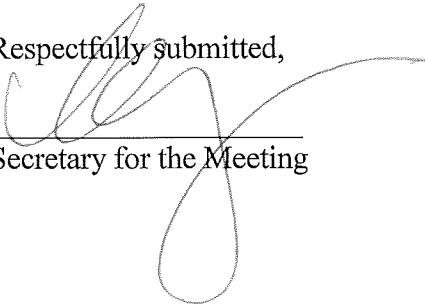
unanimously. There was no action taken following this executive session.

Director Gessner moved that the Board Enter into Executive Session at 12:26 p.m. pursuant to C.R.S. 24-6-402(4)(e): Receive Verbal Report and Provide Direction on Contract Negotiations Related to Paint Brush Hills Metro District Offer to Purchase 85 ac-ft of Water Rights from MSMD. Upon a second by Director Sauer, a vote was taken and the motion carried unanimously. Director Fenton moved that the Board come out of executive session at 12:43 p.m. Upon a second by Director Sauer, a vote was taken and the motion carried unanimously. There was no action taken following this executive session.

Adjournment

There being no further business to come before the Board, the meeting was adjourned at 12:43 p.m.

Respectfully submitted,


Secretary for the Meeting