

RECORD OF PROCEEDINGS

**MINUTES OF THE COMBINED REGULAR MEETING
OF THE BOARDS OF DIRECTORS OF THE
MERIDIAN RANCH METROPOLITAN DISTRICT (MRMD)
MERIDIAN SERVICE METROPOLITAN DISTRICT (MSMD)
MERIDIAN RANCH METROPOLITAN DISTRICT 2018 SUBDISTRICT (MRMD 2018 Subdistrict)**

Held: January 6, 2021, 10:00 a.m., at the Meridian Ranch Recreation Center, 10301 Angeles Road, Peyton, Colorado 80831

Attendance: The following Directors were in attendance:

Butch Gabrielski, President (via teleconference)
Wayne Reorda, Secretary/Treasurer (via teleconference)
Bill Gessner, Asst. Secretary/Treasurer (via teleconference)
Mike Fenton, Asst. Secretary/Treasurer (via teleconference)
Tom Sauer, Asst. Secretary/Treasurer (via teleconference)

Also present were:

David Pelser; Meridian Service Metro District
Jennette Coe; Meridian Service Metro District (via teleconference)
Deawne Maddox; Meridian Service Metro District
Ryan Kozlowski; Meridian Service Metro District (via teleconference)
Braden McCrory; Meridian Service Metro District (via teleconference)
Ron Fano; Spencer Fane (via teleconference)
Tom Kerby; Tech Builders (via teleconference)
Jim O'Hara; Tech Builders (via teleconference)
Nancy Loew; Homeowner (via teleconference)

Call to Order A quorum of the Board was present, and the Directors confirmed their qualification to serve. The meeting was called to order at 10:02 a.m.

Disclosure Matter Mr. Fano noted that written disclosures of the interests of all Directors have been filed with the Secretary of State.

Approve Agenda The Board reviewed the Agenda. A motion was made to amend the agenda by correcting item III. B. 5. to Well LFH-9 only and changing from Hydro Resources to Applied Ingenuity for \$87,088.00, continuing item III. B. 6. to 02/03/2021 and deleting item VI. A., the motion was seconded and following a roll call vote was approved by unanimous vote of directors present.

Visitor Comments Ms. Loew shared her 2021 MSMD wish list:

- COVID-19 pandemic under control. Recreation center enforcing mandates, cleaning surfaces frequently and locker rooms made available as soon as COVID regulations allow.

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- Residential sidewalks must be cleared in a timely manner by all residents.
- Plow all Meridian Ranch trails, including trails in green space areas and pocket park areas.
- Lobbying by District to get residential roads plowed by El Paso County.
- Landscaping improvements.
- Make sure irrigation system is functioning correctly.
- Finish utility work at corner of The Lodge parking lot (Rainbow Bridge at Stone Valley) and replace landscaping.
- Link Eastridge Trail with Green Space at Mt. Lincoln and Mt. Columbia.
- Well and water storage projects completed on time, without issues.
- More social activities at the Recreation Center when COVID-19 restrictions have been lifted.
- Outdoor improvements – benches along trails, outdoor basketball court, and tennis/pickleball court.

Approve Minutes

The Board reviewed the December 2, 2020 Board Minutes and a motion was made, and seconded to approve the minutes as presented. Following a roll call vote, the minutes were approved by unanimous vote of directors present.

Financial Items

MSMD Cash Position Summary and Financial Statements: Ms. Coe reviewed the cash position summary and monthly financial reports for November, 2020. A motion was made to accept the cash position summary and financial statements as presented. The motion was seconded and following a roll call vote was approved by unanimous vote of directors present.

Review 2020 Tap Fee Report: Ms. Coe reviewed the 2020 Tap Fee Report with the Board for information only. A total of 203 taps were sold in 2019. A total of 340 taps were sold in 2020.

Approval of Payment of Claims: Ms. Coe reviewed the updated claims presented for approval at this meeting represented by check numbers:

- MSMD Interim checks for ratification: 12902-12922 totaling \$58,411.95
- MSMD: 12923-12990 totaling \$502,064.26
- MRMD: 02236-02241 totaling \$2,119.40

Director Gabrielski inquired about the large December payroll amount of \$225,000 and asked what the bi-weekly payroll amount is. Ms. Coe stated the bi-weekly payroll is \$60,000-\$65,000. Mr. Pelsler stated there were three payroll periods in December with bonuses as well. Director Gabrielski also asked what year Cherokee amounts were allocated to since we pay in arrears.

A motion was made to approve the MSMD payment of claims, the motion was seconded and following a roll call vote was approved by unanimous vote of directors present.

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A motion was made to approve the MRMD payment of claims, the motion was seconded and following a roll call vote was approved by unanimous vote of directors present.

Receive Finance Committee Report: Ms. Coe noted the Finance Committee did not meet in December due to a lack of items to review and discuss. The December interim checks were reviewed and signed by Director Gabrielski and Director Sauer.

Manager Items

Information Items:

MSMD Operations Reports: Mr. McCrory presented the water, sewer, parks and grounds, and drainage operation reports which included information from pages 25-27 of the Board Packet. Director Fenton requested the mid-point building electrical plans be sent to him so he can submit to his electrician for a bid. Director Gabrielski asked about the issue brought up in the report regarding Well Site 8 and Mr. Pelsner explained that he would cover this in his Manager's Verbal Report. Director Gessner brought up concerns of possible irrigation system damages while El Paso County has been installing new sidewalks and curbs. Mr. McCrory and Mr. Myszkowski have this on their radar.

Mr. Kozlowski presented the Recreation Center Report to the Board which included information from page 28 of the Board Packet. The Recreation Center is operating under level orange restrictions now. Mr. Kozlowski also noted the Recreation Center will be losing three employees in the next few weeks: Ms. Orth, Mr. Ynostrosa, and Ms. Esch. He will be recruiting and hiring for a Recreation Center Administrative Manager, Aquatics Lead and Aquatics Manager. Director Gabrielski asked if this would delay the district from taking over the monthly newsletter in March as planned. Mr. Kozlowski reported that Ms. Orth will work on the newsletter remotely 8-10 hours monthly until her replacement feels comfortable in taking it over.

Managers Verbal Report: Mr. Pelsner provided status reports on the following matters:

- Completed and met filing deadlines for 2020 year-end
- 2020 was a year of survival under constantly changing public health orders
- Sewer Bypass Phase 1 project is progressing with work on The State Bank property and is essentially complete in spite of challenges associated with obstructions to access through our easements
- The Eastonville Raw Water Pipeline project construction is under way. The Contractor has mobilized and placed stormwater management BMPS. Excavation of the pipeline is expected to begin any day.

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- Construction of Wells 5,7,8 is progressing nicely. Drilling of LFH-8 reached bottom on Monday; drilling of LFH-5 is expected to reach bottom later this week; development of both wells is expected to begin over the weekend. The large drilling rig will move from LFH-8 to LFH-7 to begin drilling LFH-7. Current project substantial completion is expected as follows:
 - Well 5 by March 31
 - Well 8 by April 11
 - Well 7 by May 5
- Our staff have been working with Frazee and others to accomplish repair of a sagging sewer lateral on Morning Breeze Way. Even though this lateral was constructed over 2 years ago, Frazee is treating it as if it were still under warranty by performing the repairs at no cost to the District or to the property owner.
- 2 walls and doors are being installed in the District office at a cost of approximately \$7,000 to bring us into compliance with various security and privacy regulations concerning the storage of financial and personnel information. The work is being done in cooperation with our landlord.

Action Items:

1. Approve job description for Superintendent of Field Operations, Administrative Analyst/Human Resources Coordinator

Mr. Pelsler reviewed the Superintendent of Field Operations job description. After discussion, Director Gabrielski expressed concerns and noted that he does not agree with the approach to landscape maintenance management contracting. A motion was made, seconded and following a roll call vote was approved by four yes votes from Directors Reorda, Gessner, Fenton, Sauer and one no vote from Director Gabrielski to approve the Superintendent of Field Operations job description with minor modifications. The Administrative Analyst/Human Resources Coordinator job description was tabled until next month.

2. Approve one-year extension to BrightView Landscape Services Agreement for Landscape Maintenance Services and approve and authorize President to sign extra work authorization for maintenance services for additional landscaped areas and deducting irrigation winterization.

Mr. Pelsler presented the additional landscaped areas and the deletion of irrigation winterization and deletion of spring irrigation startup for the amended BrightView Landscape Services Agreement. After board discussion regarding irrigation winterization, a motion was made,

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seconded and following a roll call vote was approved by unanimous vote of directors present to approve and authorize President to sign amended one-year extension to BrightView Landscape Services Agreement for landscape maintenance services subject to attorney approval as to form.

3. Ratify Professional Service Agreement with Vivid Engineering Group, Inc. for materials testing services related to the construction of the Eastonville Raw Water Pipeline project, \$9,642

A motion was made, seconded and following a roll call vote was approved by unanimous vote of directors present to ratify Professional Service Agreement with Vivid Engineering Group, Inc. for \$9,642.00.

4. Approve and authorize President to sign MVEA Work Order 20-2300 for electrical service to Well Site No. 5, \$14,839.00

A motion was made, seconded and following a roll call vote was approved by unanimous vote of directors present to authorize President to sign MVEA Work Order 20-2300 for \$14,839.00.

5. Approve and authorize President to sign construction services agreement with Hydro Resources for Rehabilitation of Well No. A-9 and LFH-9, \$88,000; direct staff to return later in the year with a budget amendment to appropriate funds from the Capital Fund 30 fund balance and transfer funds from the Water Fund 40 fund balance to the Capital Fund 30 as necessary

Mr. Pelser presented corrections to the Board for this item. Hydro Resources was changed to Applied Ingenuity, Well No. A-9 was deleted, and the amount was changed to \$87,088.00. A motion was made, seconded and following a roll call vote was approved by unanimous vote of directors present to authorize President to sign construction services agreement with Applied Ingenuity for rehabilitation of Well LFH-9 for \$87,088.00.

Developer Items

Mr. Guzman was absent, and Mr. O'Hara stated a full report will be given next month. Mr. Pelser noted the Meridian Ranch Overall Lot Layout map requested by Director Gabrielski last month was provided by Mr. Guzman and is in the board packet on page 82 for future reference.

Director Items

Report from General Manager Selection Committee on status of GM Recruitment

Director Gessner reported two additional candidates were interviewed in December for the General Manager position. The selection committee recommended Jim Nikkel to the Board as the top candidate after positive reviews and reference checks. The committee recommended the Board

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present an offer to Mr. Nikkel. Mr. Fano gave legal advice recommending the salary and other details be discussed in executive session.

Legal Items

A motion was made, seconded and following a roll call vote was approved by unanimous vote of directors present to open an executive session pursuant to C.R.S. 24-6-402(4)(b), (e) and (f): to discuss issues related to planning for 2021 General Manager position and role, and to receive legal advice and potentially develop negotiating positions regarding same. A motion was made, seconded and following a roll call vote was approved by unanimous vote of directors present to close the executive session. There was no reportable action.

In open session, a motion was made, seconded and following a roll call vote was approved by unanimous vote of directors present to make an offer of employment as General Manager to Jim Nikkel and to authorize the GM Selection Committee to negotiate and set the terms of employment.

A motion was made, seconded and following a roll call vote was approved by unanimous vote of directors present to open an executive session pursuant to C.R.S. 24-6-402(4)(f) regarding personnel issues related to General Manager annual performance review, salary, and benefits. It was noted that Mr. Pelsler waived his right for this matter to be held in open session. A motion was made, seconded and following a roll call vote was approved by unanimous vote of directors present to close the executive session. There was no reportable action.

In open session, a motion was made, seconded and following a roll call vote was approved by unanimous vote of directors present to direct Mr. Fano to transmit to Mr. Pelsler the confidential performance review by the Board and that Mr. Pelsler shall receive a 2020 year-end bonus and a 1.1% cost of living adjustment to his salary effective January 1, 2021.

Adjournment

There being no further business to come before the Board, the President adjourned the meeting at approximately 12:41 p.m.

The next regular meeting of the Boards is scheduled for February 3, 2021 at 10:00 a.m. at the Meridian Ranch Recreation Center, 10301 Angeles Road, Peyton, CO 80831. This will be a virtual meeting conducted electronically due to the COVID-19 pandemic. The public may participate by telephone conference.

Respectfully submitted,



Secretary for the Meeting