

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS

OF

MURPHY CREEK METROPOLITAN DISTRICT NO. 3

Held: May 20, 2020 via videoconference.

Attendance

A meeting of the Board of Directors of Murphy Creek Metropolitan District No. 3 was called and held, as shown, in accordance with Colorado law. The following directors confirmed their qualification to serve on the Board:

Doug Schriener (arrived 6:08 pm)  
Margaret Rash  
Dan Adema  
Justin Bregenzer  
Jeremy Smallwood

Also present were: District accountant Bob Colwell, District managers Shannon Torgerson, David Prieto, and Angela Meyer, District landscape contractor Brett Potthoff, District security manager Andy Carroll, Jenn Thompson of Front Range Recreation, District counsel Brian Matisse, District communications contractor Margie Sobey, and the following members of the public: Chuck Marlow, Beth Dauer, Don Gordon, Kimberly Lucas, Louis Van Helden, Stan Moscinski, Anita Thurnish, Eric Bronsard, and Nancy Slinkard.

Call to Order

Ms. Rash, as Vice-President acting as President in Mr. Schriener's absence, called the meeting to order at 6:00 p.m.

Pledge of Allegiance

Ms. Rash led the Pledge of Allegiance.

Board members and consultants introduced themselves to the public

Declaration of Quorum/Disclosures of Potential Conflicts of Interest

Ms. Rash noted that a quorum of the Board was present and the Directors confirmed their qualification to serve.

Updated conflict of interest disclosures were filed with the Secretary of State prior to the meeting.

Mr. Schriener arrived 6:08 pm.

Election Results and Oaths of Office

Directors Bregenzer and Smallwood took office as they were the only candidates to apply for the two positions for three-year terms ending in May 2023. The election was therefore canceled according to state law.

The Board thanked Mr. Marlow for his service to the Board.

The new Board members previously took their oath of office, which were filed along with the bonds as required by state law.

Election of Officers

On a motion by Mr. Schriener, seconded by Ms. Rash and unanimously approved (5-0), the Board elected the following slate of officers:

Doug Schriener, President  
Maggie Rash, Vice-President  
Dan Adema, Secretary  
Justin Bregenzer, Treasurer  
Jeremy Smallwood, Sergeant-at-arms

Approval of Minutes of April 15, 2020 Meeting

Mr. Schriener asked if there were any additions or corrections to the minutes of the April 15, 2020 meeting. It was moved by Ms. Schriener, seconded by Mr. Adema, and carried (5-0) to approve the minutes as presented.

Approval of Agenda

Mr. Schriener asked if there were any changes to the agenda. Mr. Schriener added an item to the Property Manager's Report, item 13: Vendor Information Expert (VIE) product. It was moved by Mr. Schriener, seconded by Ms. Rash and carried (5-0) to approve the agenda with that addition.

## Public Comments

The Board invited members of the public to comment on items that were not on the agenda.

Ms. Sobey gave an update on the Murphy Creek East development.

Mr. Don Gordon had a question about the Taylor Morrison proposed development. Mr. Schriener answered the question as it does not appear that is proceeding at this time.

## Financial Report

Mr. Colwell discussed the financial report for April 2020. Mr. Adema asked a question regarding the accounts receivable and what was included in that item, which Mr. Prieto answered.

Mr. Colwell discussed the debt service payment to be made June 1. All pledged revenues for debt service are turned over to the trustee for the bonds.

## Legal Report

Mr. Matisse presented the legal report:

1) License agreement with City of Aurora – legal counsel has contacted the City and asked whether the City will agree to transfer the medians and roundabouts that it owns to the District for maintenance. They are considering it.

2) Clubhouse rental policy – waiting for word from the state on requirements for opening the clubhouse and cleaning which could affect the policy.

3) The trial against Murphy Creek, LLC and Murphy Creek Development is set to begin August 24, 2020.

4) Collections activity was discussed. Legal counsel collected a large amount of delinquent accounts during the past month including several large delinquent accounts that paid in full.

## Safety Report

Mr. Carroll gave the safety report.

1) There has been a lot more activity involving security due to very slow (or non-existent) response

by the City of Aurora police. The Board inquired into cost for additional security personnel. Mr. Carroll said additional security staff onsite would be provided for an additional, \$2,400 a month for the months of May-October. It was moved by Mr. Schriener, seconded by Mr. Adema, and unanimously approved (5-0) to authorize an additional \$2,400 a month for the months of May-October for security.

2) Security cameras – Mr. Carroll discussed that the existing storage software for the security cameras uses Internet Explorer which is no longer supported. There is a need for a new software option that works on a modern browser. Ms. Rash, Mr. Adema, Mr. Prieto and Mr. Carroll agreed to investigate and recommend a software option.

3) Mr. Stan Moschinski asked whether the cameras were operational. Mr. Carroll responded that they were.

4) The Board discussed with Mr. Carroll adding additional lighting by the tot lot. Mr. Carroll proposed a solar powered motion activated light with 9000 lumens of brightness.

#### Landscaping Report

Mr. Potthoff gave the landscaping report. Fertilizing and weed control have been completed. Will follow up with another spraying where weeds are active. The irrigation system is running. Annuals and being planted. Tree pruning scheduled for next week. New irrigation controllers are being installed this week.

Chuck Marlow asked a question about a leaking valve. Mr. Potthoff will look into that.

#### Property Manager Report

Mr. Prieto described a proposed vendor information exchange system that would handle the submission of information from vendors (contracts, insurance, information, etc.). Cost is \$79 per vendor which CCHOA would waive as it would make things easier for them. There was discussion. Ms. Sobey had some concerns about it. Mr. Adema favored the system. Ms. Rash and Mr. Bregenzer recommending opting out of this system for this year. The Board therefore

decided to opt out for this year but may reconsider next year.

#### Pool Status

Jenn Thompson of Front Range Recreation reported that the pool remained closed. No input yet from the state or Tri County Public Health on when the pool may open or what limitations/conditions may be imposed. The Board reviewed the tentative operations plan for when the pool opens. Mr. Schriener suggested an at-risk user period at the beginning of the day.

The Board questioned Front Range on the proposed use of sanitizers outside and whether this does any good.

The Board discussed closing the pool for the year and whether it would save money. Front Range indicated it would not save much because of fixed maintenance costs. Labor and staffing hours would result in some savings.

The consensus of the Board was that no action can be taken now, but must wait for the State and Tri-county Health to take action first

#### Vending Machines

The Board discussed whether to have vending machines at the pool. It appears this year is not the appropriate time to introduce this.

#### Trash Containment Fencing

A fence around the trash container was vandalized and damaged. There is a proposal to replace the fence with a masonry enclosure. Cost is \$5,380. It was moved by Mr. Schriener, seconded by Ms. Rash and approved (4-1, Mr. Bregenzer voting no) to accept the bid for the masonry enclosure, but that it be painted green and white.

#### Tennis Courts

The windscreen replacement at the tennis courts was the wrong size. A replacement has been ordered and should be in soon.

Nets at the tennis courts will be replaced at the same time the windscreen arrives.

Communications Report

Ms. Sobey reported that the new website will be online soon. June 1 is the target date. She would like good pictures of the community for use on the website.

Executive Session

The Board considered whether to go into executive session to discuss the pending litigation with the developers, Murphy Creek, LLC and Murphy Creek Development Co., and settlement negotiations with the District's counsel.

On a motion by Mr. Schriener, seconded by Ms. Rash, and unanimously carried (5-0), the Board decided to go into executive session to discuss attorney-client privileged matters with the District's counsel related to the pending litigation with the developers, Murphy Creek, LLC and Murphy Creek Development Co., and settlement negotiations.

The Board entered executive session at 8:40 pm.

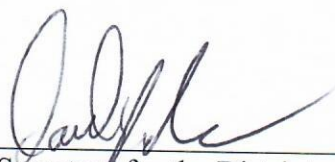
The Board returned from executive session at 9:00 pm. The Board confirmed on the record that the only matters discussed in executive session were attorney-client privileged matters with the District's counsel related to the pending litigation with the developers, Murphy Creek, LLC and Murphy Creek Development Co. No actions were taken in executive session.

Next Meeting

The next regular meeting is scheduled for Wednesday, June 17, 2020 at 6:00 p.m. at the community clubhouse, 23801 East Florida Ave., Aurora, CO 80018 (if allowed, or by videoconference otherwise).

Adjournment

There being no further business, on a motion by Mr. Schriener, seconded by Ms. Rash, and unanimously carried (5-0), the Board decided to adjourn at approximately 9:11 p.m.

A handwritten signature in black ink, appearing to be 'Cady H.', written in a cursive style.

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Secretary for the District