

MINUTES OF A REGULAR MEETING OF THE BOARD OF
DIRECTORS

OF

MURPHY CREEK METROPOLITAN DISTRICT NO. 3

Held: July 15, 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 Schriner
Margaret Rash
Dan Adema
Justin Bregenzer

Jeremy Smallwood was absent and was excused.

Also present were: District accountant Bob Colwell, District managers Shannon Torgerson, Angela Meyers, and David Prieto, District landscape contractor Brett Potthoff, District security manager Andy Carroll, District counsel Brian Matise, District communications contractor Margie Sobey, and the following members of the public: Stan N., Margaret Booker, Norma Roth, Jerry, Trudy White, Marlo Steen, Hollis Booker, Brett Williams, Stephanie Bliss, Katia Campbell, Cory Crile, Linda Savage, and Johanna Carter, and several other members of the public who joined during the meeting.

Call to Order

President Doug Schriner called the meeting to order at 6:00 p.m.

Pledge of Allegiance

Mr. Schriner led the Pledge of Allegiance.

Board members and consultants introduced themselves to the public

Declaration of Quorum/Disclosures of Potential Conflicts of Interest

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

Mr. Schrinier disclosed that the District's accountant, Bob Colwell, is his personal tax accountant.

Approval of Minutes of June 17, 2020 Meeting

Mr. Schrinier asked if there were any additions or corrections to the minutes of the June 17, 2020 meeting. Ms. Rash noted one correction: the Board allotted \$750 for off-duty officers to assist security for the 4th of July. It was moved by Ms. Rash, seconded by Mr. Bregenzer, and carried (4-0) to approve the minutes as amended.

Approval of Agenda

Mr. Schrinier asked if there were any changes to the agenda. There were none. It was moved by Ms. Rash, seconded by Mr. Bregenzer and carried (4-0) to approve the agenda as presented.

Financial Report

Mr. Colwell discussed the financial report for June 2020. There is \$1.371 million in the District's ColoTrust account. Some of this is dedicated to the bond holders. He will put together a schedule as to the amounts that are pledged to the bondholders.

Legal Report

Mr. Matise presented the legal report:

1) License agreement with City of Aurora – the City has informed us that the developer (Murphy Creek, LLC) is responsible for maintenance of the windmill so they are requiring them to bring it up to good condition. We are proceeding re: agreement for maintenance of the other medians.

2) Clubhouse rental policy – we are waiting for word from the state on requirements for opening the clubhouse and cleaning. The Board discussed limiting the clubhouse to 20-25 people at most. The consensus was that it does not make sense to open it up at this time except for small groups. On a motion by Mr. Schrinier, seconded by Ms. Rash and carried (4-0) the Board directed that reservations for the clubhouse be canceled through August.

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 for the next meeting will be proceeding with pre-foreclosure letters for accounts that it has already placed a lien on and for which payments have not been made.

Pool Discussion

The Board discussed whether to increase the number of reservations allowed per week. No change at the present time.

The Board considered allowing immunocompromised individuals and those over 50 to use the pool in the mornings before opening the pool to the general public. On a motion by Ms. Rash, seconded by Mr. Bregenzer and unanimously carried (4-0) the Board approved allowing immunocompromised individuals with documentation and those over 50 to use the pool in the morning hours before it is opened to the general public.

Landscaping Report

Mr. Potthoff gave the landscaping report. Additional weed control will be applied. Native grass has been cut once and will be cut again later in the season. He would like guidance regarding what type of flowers and where to put them so that he can give a quote. He is waiting until the end of August/early September to start planting trees. A proposal to re-landscape the entrance was discussed but no decision was made on it.

It was moved by Mr. Schriener, seconded by Mr. Adema and unanimously carried (4-0) to authorize spending \$1,800 to clean out the detention ponds at Alabama and Louisiana.

The Board discussed \$57,653 proposal for tree removal and replacement. The Board did not have enough information on the location of the trees requested and therefore did not approve this. The Board requested Mr. Potthoff to provide this information for the next meeting.

Safety Report

Mr. Carroll presented the safety report.

The 4th of July went well with the extra security personnel. No fires were set this year.

The dumpster enclosure is almost completed.

Property Manager Report

Ms. Torgerson gave the property manager report.

- 1) Clubhouse reservations will be canceled as directed.
- 2) There is a proposal to repair the tennis court surface due to hail damage and add pickle ball striping for \$12,166. The Board discussed whether there is insurance coverage. She will reach out to the insurance agent to see if hail damage is covered.
- 3) Toilet repairs in the clubhouse were discussed.
- 4) The vinyl fence has hail damage and a possible shot through the fence.
- 5) The slide in the tot lot has been damaged and needs repairs. It was moved by Mr. Schriener, seconded by Ms. Rash and unanimously carried (4-0) to replace the slide.

Communications Report

The Board and Ms. Sobey discussed recent Facebook posts. There is no censorship regarding discussions of District matters and management Districts assets, however, abusive conduct on Facebook and personal attacks inconsistent with the purpose of the Facebook page (to inform residents of District matters and events) led to the administrators to shutdown discussions.

The Board discussed the need for clear policies on Facebook postings. These will be developed in the next month.

There was a lengthy discussion with extensive public comment on the Facebook posts. Several members of

the public expressed concerns over the Board's actions.

Public Comment

Many members of the public expressed their concern over the postings on the closure of the pool the Sunday of the Black Lives Matter reconciliation/unity event. Many of the members of the public were critical of the way this was communicated on Facebook. Mr. Schriener explained that he had received a credible report of possible demonstrations and counter-demonstrations that could become violent and that certain pool staff were concerned about the safety of opening the pool if there was a protest march. Several members of the public expressed concern over the use of the term "Antifa" in connection with the event and believed that was false and biased. Mr. Schriener explained that he was concerned about protecting District assets. Several members of the public expressed concern over Ms. Rash's post on Facebook. Ms. Rash explained the circumstances of the post. Members of the public questioned whether there was racial prejudice. Mr. Adema and Mr. Bregenzer also commented regarding whether this matter could have been handled better. The Board entertained all public comment for more than one hour on this topic.

For the Good of the Order

Ms. Rash questioned whether the Board had approved \$45,000 expenditure for ET water controllers as it was not reflected in the minutes. The prior minutes did not reflect formal approval, although there were references made to Mr. Potthoff informing the Board that these would be installed. Ms. Rash noted that there needs to be approval before she would authorize payment of this. On a motion by Mr. Bregenzer, seconded by Ms. Rash and unanimously carried (4-0), the Board approved expenditure of \$45,000 for the controllers.

Ms. Rash brought up that last month the Board approved \$1,500 additional expenditure per month for security going forward but did not approve it retroactively to June 1. Therefore the invoice that reflects the additional security needs to be approved. On a motion by Mr. Schriener, seconded by Mr. Adema and unanimously carried (4-0), the Board

approved retroactively the expenditure of \$1,500 per month for security.

Executive Session

The Board considered whether to go into executive session to discuss a suspension of privileges for access to the pool and a homeowner appeal of that suspension regarding an incident that occurred at the pool on July 1. The discussion would involve matters that are likely to constitute privacy interests of the residents involved and possible minors.

On a motion by Mr. Schriner, seconded by Ms. Rash, and unanimously carried (4-0), the Board decided to go into executive session to discuss the incident and the appeals of the homeowners involved.

The Board entered executive session at 9:36 pm. The Board, District Counsel Brian Matise, Shannon Torgerson, Andy Carroll, and the homeowners involved.

The homeowners involved left the executive session at 10:06 pm. Mr. Bregenzer left the executive session.

The Board returned from executive session at 10:32 pm. and reconvened the general meeting. The Board confirmed on the record that the only matters discussed in executive session were the consideration of the homeowners' appeal regarding suspension of privileges regarding the incident at the pool. No actions were taken in executive session.

It was moved by Mr. Schriner, seconded by Ms. Rash, and unanimously carried (3-0) to have the manager send emails to the Clemens and Ramirez households that the Board heard their arguments and determined that their access to the pool be suspended until the end of the pool season, and that the Board is looking into the conduct of the other household involved (Shadron family) with an eye toward suspending them.

The Board discussed whether to give the Shadron family notice of intent to suspend their privileges as well. The Board discussed possible abuse of the pool

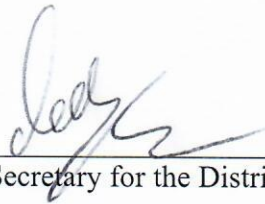
reservation system. On a motion by Mr. Schrinier, seconded by Mr. Adema and unanimously carried (3-0) the Board determined to give the Shadron family a 4-week suspension of pool privileges through the end of July.

Next Meeting

The next regular meeting is scheduled for Wednesday, August 19, 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. Schrinier, seconded by Mr. Adema, and unanimously carried (3-0), the Board decided to adjourn at approximately 10:42 p.m.



Secretary for the District