

MINUTES OF A REGULAR MEETING OF THE BOARD OF
DIRECTORS

OF

MURPHY CREEK METROPOLITAN DISTRICT NO. 3

Held: August 19, 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
Jeremy Smallwood

Justin Bregenzer and Dan Adema were absent and were excused.

Also present were: District accountant Bob Colwell, District managers Shannon Torgerson, Angela Meyers, and David Prieto, Jenn Thomas of Front Range Recreation the pool contractor, District landscape contractor Brett Potthoff, District security manager Andy Carroll, District counsel Brian Matise, District communications contractor Margie Sobey, and approximately 15 members of the public who joined in the videoconference as viewers during the course of 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. Schriner noted that a quorum of the Board was present and the Directors confirmed their qualification to serve.

Mr. Schriner noted that Dan Adema has announced

his intention to resign at the conclusion of the litigation against the developer due to lack of time commitment. Mr. Schriner stated that we will miss him.

Approval of Minutes of July 15, 2020 Meeting

Mr. Schriner asked if there were any additions or corrections to the minutes of the July 15, 2020 meeting. Ms. Rash noted that the list of members of the public was incomplete as others joined the videoconference. It was moved by Mr. Schriner, seconded by Ms. Rash, and carried (3-0) to approve the minutes as amended.

Approval of Agenda

Mr. Schriner asked if there were any changes to the agenda. There were none. It was moved by Mr. Schriner, seconded by Mr. Smallwood and carried (3-0) to approve the agenda as presented.

Financial Report

Mr. Colwell presented the financial report. He is working on generating a list of tax funds that have been received for the debt service account that are pledged to the bonds and will be presenting that so that the correct amount of pledged revenue is paid to the bonds.

Mr. Colwell expects the audit to be completed next month.

Mr. Prieto presented the report on the general fund. There is approximately \$220,000 - \$230,000 in the bank account. Homeowner receivables are about \$75,000, with about 6% delinquency rate which is typical of similar neighborhoods.

Legal Report

Mr. Matisse presented the legal report:

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

2) Collections activity was discussed. Legal counsel has sent out pre-foreclosure letters for accounts that it has already placed a lien on and for which payments have not been made. This is generating a fair amount of collections from homeowners that requested a payment plan to get caught up.

Pool Report

Ms. Thomas gave the pool report. Everything is going well in terms of operations. There was a question as to whether smoking is allowed in the pool area. Staff members should not be smoking. The Board considered replacing the pergolas, but decided that would need to be built into next year's budget.

The windmill on Old Tom Morris was discussed. The City has sent a letter to Murphy Creek, LLC requesting they repair the windmill. The District continues to pursue transfer of that property to the District for maintenance.

Landscaping Report

Mr. Potthoff gave the landscaping report. They have replaced solenoids for the sprinkler system in several zones. They have also replaced numerous sprinkler heads. It has been extremely hot so they have been watering a lot. The system will be shut down October 15 unless the temperature is still very high.

Mr. Potthoff recommended applying Revive in several areas to improve the turf. It was moved by Mr. Schriner, seconded by Ms. Rash and carried (2-1, Mr. Smallwood voting no) to authorize spending \$2,400 for application of Revive.

The Board discussed a bid to spend \$22,403 to remove dead trees and grind the stumps in lieu of replacement at this time. The Board discussed obtaining a second bid and requested the manager to seek a second bid. On a motion by Mr. Schriner, seconded by Ms. Rash and unanimously carried (3-0), the Board authorized spending \$22,403 to remove the dead trees and grind the stumps CONTINGENT ON not receiving a lower second bid in the next 10 days.

The Board discussed weed control issues. In particular, there are a lot of weeds and dead turf at the detention pond at Arkansas and Haleyville. It was moved by Mr. Schriner, seconded by Mr. Smallwood and unanimously carried (3-0) to authorize up to \$2,500 for weed control and turf restoration at that detention pond.

The Board ratified the tree trimming work that was done earlier this year by ColoradoScapes and payment of the invoices submitted.

Safety Report

Mr. Carroll presented the safety report. There were no significant issues to report.

Property Manager Report

Ms. Torgerson gave the property manager report.

1) The Board has received a bid to resurface the tennis courts. If deferred to next year, it is anticipated to increase 3-5%.

2) The clubhouse status was discussed. The clubhouse is not yet open for rental. She is expecting the cost to rent the clubhouse to \$100 due to increased cleaning costs.

3) The vinyl fencing was damaged due to hail. She has requested an adjuster be assigned by the insurance company to consider hail damage. Potential fence contractors were discussed.

Communications Report

Ms. Sobey is working on a privacy policy and website policy and rules for the Facebook page.

She is looking into hard wired and wireless internet service from AT&T. The minimum cost for a hard wired connection would be a \$471 + tax monthly fee for 10 mbps service. The Board thought that cost was very high for such fairly low speed internet service. Ms. Sobey also discussed lower priced wireless options with higher speeds and suggested trying out the wireless service to see if that would work. Mr. Schriner asked Ms. Sobey to work with Mr. Smallwood to review previous research and potential options for cost savings.

Ms. Sobey also discussed the status of new development in the area.

Public Comment

Mr. Smallwood read a statement on behalf of Emily Crile, Shayna Reibman, Margaret Booker, Hollis Booker, and others. These members of the public object to the new policy for meetings limiting the public to be heard to submit statements in advance

not more than three minutes to be read, or statements submitted in the chat box. They believe this was in bad faith. They object to Ms. Rash's statements and Mr. Schriners' statements as discussed at the last meeting.

An email from Cara Cloverdance was read. She made several demands regarding the need for more Board sensitivity.

Statements from Shayna Reibman were read.

The Board discussed "no parking" signs on private property. The Board is willing to take them down.

Ms. Torgerson read statements that were added in the chat box during the meeting.

For the Good of the Order

The new town homes were discussed. They will not be part of the master HOA.

It was discussed whether the District can legally give money to an HOA. District counsel answered that it is illegal for the District to provide donations to an HOA, which is a private entity. However, if the HOA provides services to the District that the District would ordinarily be responsible for providing, the District may contract to pay the HOA for those services provided.

The Board questioned that as the District owns some common driveways, can the District charge the individuals who benefit from the common driveways for the services it provides such as snow removal? Counsel responded that yes, the District can charge service fees.

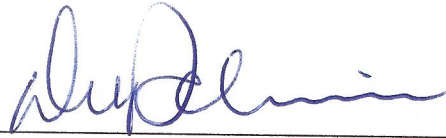
Next Meeting

The next regular meeting is scheduled for Wednesday, September 16, 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. Schriners, seconded by Ms. Rash and unanimously

carried (3-0), the Board decided to adjourn at approximately 8:48 pm.

A handwritten signature in blue ink, appearing to read "Dupont", written above a horizontal line.

Secretary for the District