

MINUTES OF A REGULAR MEETING OF THE BOARD OF
DIRECTORS

OF

MURPHY CREEK METROPOLITAN DISTRICT NO. 3

Held: October 21, 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 was absent and was excused.

Also present were: District accountant Bob Colwell, District managers Shannon Torgerson, Angela Meyers, and David Prieto, District landscape contractors Brett Potthoff and Jake Willett, District security manager Andy Carroll, District counsel Brian Matise, District communications contractor Margie Sobey, and numerous 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.

Consider Appointment of New Board
Member

There is vacancy on the Board due to Mr. Adema's resignation. Mr. Schriner moved that Matt West be appointed as a new Board member. Ms. Rash seconded. Mr. Smallwood stated that Hollis Booker should be considered for the open position as well. Mr. Schriner called the question to appoint Matt West to fill the vacancy caused by Mr. Adema's resignation. On a 2-1 vote (Mr. Smallwood voting no), Mr. West was appointed by the Board to fill the vacancy. Mr. West will assume the position after his oath and bond are filed.

Approval of Minutes of August 19,
2020, September 16, 2020, and October

Mr. Schriner asked if there were any additions or corrections to the minutes of the August 19, 2020,

September 16, 2020, and October 5, 2020 meetings. The October 5, 2020 meeting incorrectly noted that Mr. Adema was present. It was moved by Ms. Rash, seconded by Mr. Schriner, 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 has removed the developer fees that the Court found to be in violation of the law. The next bond payment is due December 1, 2020 and there are sufficient funds to make this payment.

Security Report

Mr. Carroll presented the security report. The crime rate in Murphy Creek has been 80% lower than surrounding neighborhoods.

Pool Report

Jenn Thomas joined the meeting. Ms. Thomas gave the pool report. The season went well. She appreciates the support of the community and in particular the help of Ms. Rash. The end of the year review indicated there were some minor repairs needed such as gates and recommendations for filter media replacement. This was presented to the Board for consideration. The end of year inventory was also listed.

Ms. Thomas discussed the scheduling software. The Board discussed making sure that non-District residents from the neighboring development are not allowed to use the pool without paying the fees that District residents pay. Director Schriner thanked Ms. Rash for her efforts.

Landscaping Report

Mr. Potthoff gave the landscaping report. The fall cleanup is in progress. The water is scheduled to be shut off this Friday. The backflows will be drained.

Legal Report

Mr. Matise gave the legal report. The Court ruled against the District on two of the claims, holding that the District's fees imposed on the developer's property were not reasonably related to the cost of providing the services. The developer has filed a motion for attorney fees. District counsel do not believe that attorney fees may be awarded because the Court did not rule for the developer on claims for which attorney fees are recoverable. However, some costs may be awarded (such as filing and service of process fees).

Mr. Schriner presented the Board with an analysis of fees that the District may wish to impose on the vacant developer property based on the cost of service. For example, apportioning the snow removal costs based on linear feet of sidewalk, the actual costs of watering vegetation adjacent to the developer property, and prorating the cost of landscaping with pro rating administrative overhead yields \$8,052 per month for the remaining developer property. It was moved by Mr. Schriner, seconded by Ms. Rash, and unanimously carried (3-0) to approve the fees on developer property as set forth in Mr. Schriner's proposal.

Mr. Matise presented the Board with the collection

report.

Property Manager Report

Ms. Torgerson gave the property manager report.

1) An insurance claim has been filed and is proceeding regarding the hail damage to the fence.

2) The contractor Dark Star went to the City regarding covering the pool pergola. Unfortunately, it appears there are too many city requirements to proceed with covering it.

3) The District received a request to use the clubhouse for online learning. The Board expressed possible interest if it is possible to utilize the school district's internet service. Also need more information on whether or not this would be a for-profit enterprise. If it is for profit, it would not be allowed.

4) The 2021 insurance renewal is in process. The manager is making sure that all property is listed so that it will be covered.

5) One bid so far has been obtained for a reserve study.

6) Pool management contract proposals were received. Front Range bid was \$53,500 versus \$26,720 from USA Pools of Colorado. No action was taken at this time.

7) The need to replace the tennis court screens was discussed. It was moved by Mr. Schriener, seconded by Ms. Rash and unanimously carried (3-0) to authorize not to exceed \$5,500 to replace the tennis court screens.

Communications Report

Ms. Sobey has a meeting scheduled with Verizon regarding cameras. She is looking into replacing the phone lines. Two neighborhood meetings are planned regarding proposed developments in Murphy Creek. November 17 there is a Zoom meeting to allow the neighborhood to weigh in on a proposed development by Meritage Homes. December 3 there is a meeting planned by Montano Homes for their proposed development.

Public Comment

A homeowner questioned how much use the tennis courts get in winter, and whether the replacement screens could wait until spring. The Board clarified that the District was approving the purchase of the screens now but would likely not be installed until later.

A resident stated that a group of homeowners are pursuing the recall of directors and requested that Mr. Schriener and Ms. Rash resign.

A resident stated that she was opposed to the recall and said that the Board has done a good job.

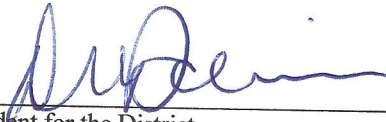
A resident stated that there should have been more discussion about appointing new board members at the beginning of the meeting.

Mr. Smallwood announced that he had resigned as a Board member effective immediately via email.

Due to Mr. Smallwood's resignation, the meeting no longer had a quorum. Therefore, the meeting adjourned for lack of a quorum at 7:39 pm.

Next Meeting

The next regular meeting is scheduled for Wednesday, November 18, 2020 at 6:00 p.m. at the community clubhouse, 23801 East Florida Ave., Aurora, CO 80018 (if allowed, or by videoconference otherwise).



President for the District