

MINUTES OF A JOINT REGULAR MEETING OF THE  
BOARDS OF DIRECTORS

OF

MURPHY CREEK METROPOLITAN DISTRICT NOS.  
1, 2, 3 AND 4

Held: Wednesday, June 15, 2011 at 3:00 p.m., at 23801  
East Florida Avenue, Aurora, Colorado.

Attendance

The meeting referenced above was called and held in accordance with the applicable statutes of the State of Colorado. The following directors, having confirmed their qualification to serve, were in attendance:

District No. 1

Michael Sheldon  
Kathleen Sheldon  
Rodney Alpert

District No. 2

Michael Sheldon  
Kathleen Sheldon  
Rodney Alpert

District No. 3

Michael Sheldon  
Kathleen Sheldon  
Dennis Lyon  
Kammy Tinney

District No. 4

Michael Sheldon  
Kathleen Sheldon  
Rodney Alpert

Also present were: Jennifer Gruber Tanaka, Esq., White, Bear & Ankele Professional Corporation, District general counsel; Peggy Purcell, Simmons & Wheeler, District accountant; Larry Summers, District construction manager; Irene Borisov, Colorado Management, District manager; and Andy Carroll, District security.

Director Qualification

The directors in attendance confirmed their qualification to serve.

Call to Order

Mr. Sheldon noted that a quorum of each of the Boards was present and that the directors had confirmed their qualification to serve, and, therefore, called the meeting to order. The Boards noted the absences of Mr. Bransfield and Mr. S. Alpert and, upon motion, duly seconded, the Boards excused their absences.



Combined Meetings

The Districts are meeting in a combined Board meeting. Unless otherwise noted below, the matters set forth below shall be deemed to be the action of Murphy Creek Metropolitan District No. 1 ("District 1") with concurrence by Murphy Creek Metropolitan District Nos. 2, 3 and 4 ("District 2," "District 3" and "District 4", respectively).

Disclosure Matters

Ms. Tanaka advised the Boards that, pursuant to Colorado law, certain disclosures by the directors may be required prior to taking official action at the meeting. The agenda for the meeting was reviewed following which each director confirmed that nothing appeared on the agenda for which disclosures had not been filed. The disclosures were reviewed by the directors and were ordered to be made part of the official minutes of the meeting.

The Boards determined that participation by the directors with potential conflicts of interest was necessary to obtain a quorum or otherwise enable lawful action to occur.

Agenda

Ms. Tanaka presented the Boards with the agenda for the meeting. Upon motion, duly seconded, the Boards unanimously approved the agenda, as amended.

**Public Comment**

There was no public comment.

Approval of Minutes

Ms. Tanaka presented the minutes of the May 12, 2011 joint special meeting for approval by the Boards. Upon motion of Mr. R. Alpert, seconded by Mr. Lyon, the Boards unanimously approved the minutes, as presented, and ratified all actions taken at the May 12, 2011 joint special meeting.

**Financial Matters**

Ratification of Claims

Ms. Purcell presented claims in the amount of \$334.50 for May for ratification by the Boards. Upon motion of Mr. R. Alpert, seconded by Ms. Sheldon, the Boards unanimously ratified the claims as presented.

Payment of Claims

Ms. Purcell presented claims in the amount of \$6,212.79 for the Boards' review and consideration. Upon motion of Mr. R. Alpert, seconded by Ms. Sheldon, the Boards unanimously approved the claims as presented.

1. The first part of the document is a list of names and addresses.

2.

The second part of the document is a list of names and addresses.

The third part of the document is a list of names and addresses.

Status of 2010 Audits (District Nos. 1 and 3)

Ms. Purcell presented the Boards with the draft 2010 audits and noted that the opinions from the auditor are clean, unqualified opinions. Upon motion of Ms. Sheldon, seconded by Mr. R. Alpert, the Boards of District Nos. 1 and 3 unanimously accepted the audits, subject to comments received from legal counsel and Board members by June 30, 2011.

District No. 3 Bond Payment

Mr. Sheldon noted that the District's Trustee, UMB Bank, did not timely make the District's bond payment that was due on June 1, 2011. As a result, the bondholder notified the District. The Board noted that if any interest accrued during this time, UMB Bank should be responsible for these costs since it was their error.

**Legal Matters**

None.

**District Manager Report**  
Operations Payables

Ms. Borisov presented the Boards with the operations payables for May through June 15, 2011 in the total amount of \$53,470.91. Upon motion of Mr. R. Alpert, seconded by Ms. Sheldon, the Boards unanimously approved the payables as presented.

Banners at Entrance Points

Ms. Borisov reported that the site plans for the area have been located by Mr. Summers and will be given to the contractor for the design and installation of the entrance banner to determine whether these are sufficient to proceed with the project.

Security/Access System

Ms. Borisov reported that the new security and access system has been installed and all of the access cards have been programmed. Ms. Borisov noted that the system is already proven helpful with controlling access and addressing issues that arise. Mr. Carroll echoed this sentiment noting that the installation has assisted him with security issues.

Proposal for Summer Cleaning of Lockers and Showers

Ms. Borisov noted that the showers and locker room areas are cleaned daily by the pool staff but they need to be cleaned more deeply on a regular basis. Ms. Borisov presented a proposal from Rita Borovik for cleaning of these areas in the amount of \$50 per week. Upon motion of Ms. Sheldon, seconded by Mr. R. Alpert, the Boards unanimously approved a cleaning every other week at the rate of \$100 per month for the remainder of the pool season.



Mechanical Solutions, Inc.  
Agreement for HVAC  
Maintenance Services

Ms. Borisov presented the Boards with a proposal from Mechanical Solutions, Inc., for preventative HVAC maintenance services in the amount of \$150 per quarter. Upon motion of Mr. R. Alpert, seconded by Ms. Sheldon, the Boards unanimously approved the proposal.

Pool Furniture Purchase

Ms. Borisov noted that much of the pool furniture needs to be replaced due to sun damage and ongoing wear and tear. Ms. Borisov noted that the line item budget contemplates \$2,000 for these replacements but she noted there is approximately \$5,500 worth of furniture that needs to be replaced. Ms. Borisov noted that the overall operations budget has sufficient funds to cover the overage. Upon motion of Mr. Sheldon, seconded by Mr. Lyon, the Board unanimously approved the purchase of pool furniture in an amount not-to-exceed \$5,500.

### **Security Update**

Mr. Carroll noted that the security system is working well and noted that he has had a few incidents with minors that have been resolved satisfactorily.

### **Construction Update**

Harvest Mile Road Construction  
Project

Mr. Summers reported that the City has approved the pavement design for the new road and that the City is requiring less asphalt depth than originally contemplated. By requiring less asphalt, Brannon Sand and Gravel was able to lower its original bid by approximately \$145,000. As a result of less asphalt, however, a deeper amount of moisture control will need to be used which will increase Scott Contracting's agreement by \$70,000. In all, these change orders will result in a net savings to the District of approximately \$70,000. Upon motion of Mr. Sheldon, seconded by Mr. R. Alpert, the Boards unanimously approved the change orders.

Mr. Summers reported that the dirt work is expected to begin in the next week or so.

### **Other Business**

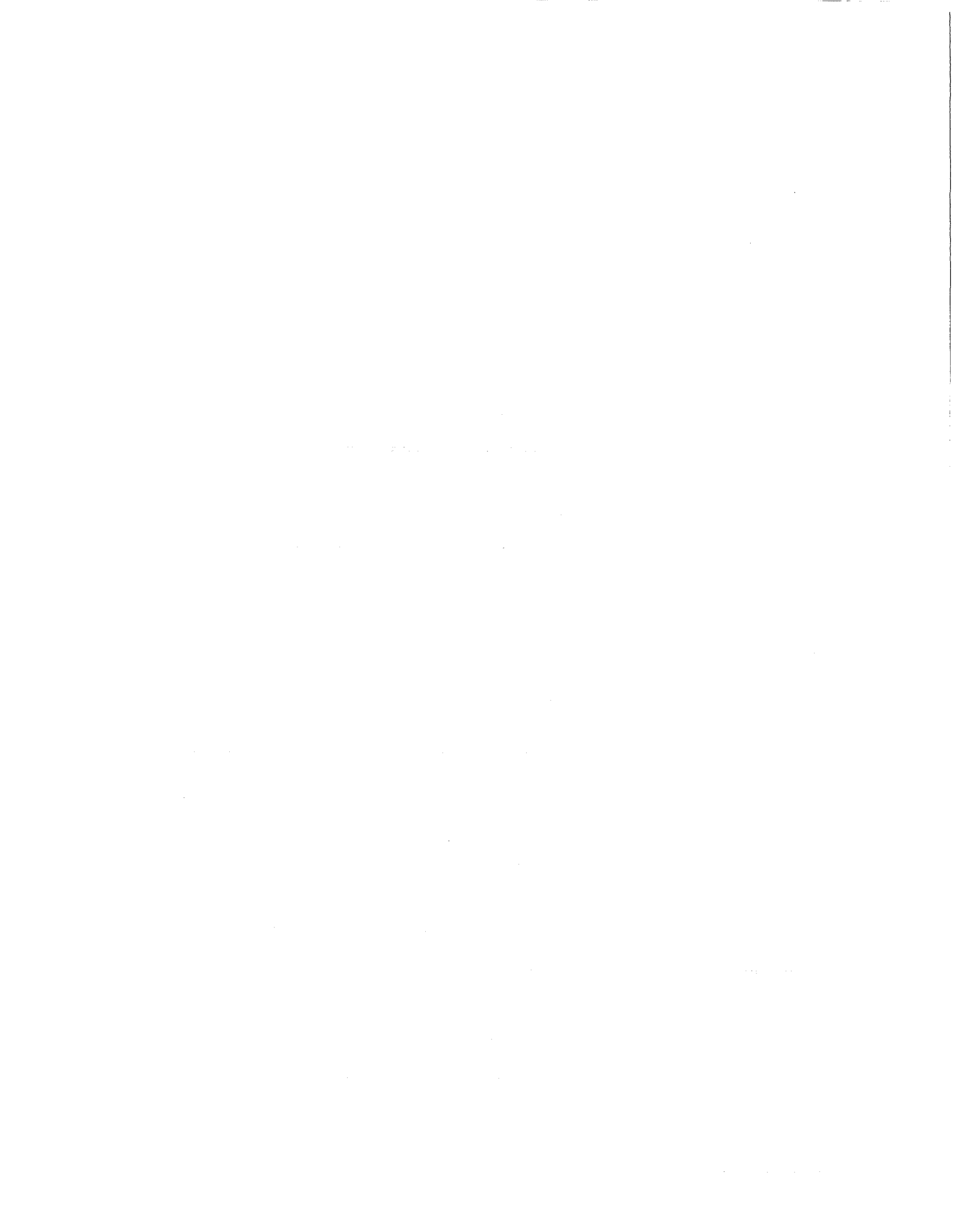
None.

Next Meeting

The next joint regular meeting will be held on September 21, 2011 at 3:00 P.M.

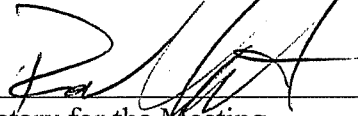
Adjournment

There being no further business to be conducted, the meeting was adjourned.





The foregoing constitutes a true and correct copy of the minutes  
for the above-referenced meeting

A handwritten signature in black ink, appearing to be 'D. H. A.', written over a horizontal line.

Secretary for the Meeting

The foregoing minutes were approved on the 21<sup>st</sup> day of ~~September~~  
2011.

19<sup>th</sup> OCTOBER

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