

**MERIDIAN SERVICE METROPOLITAN DISTRICT (MSMD)
REGULAR MEETING AGENDA**

<u>Board of Directors</u>	<u>Office</u>	<u>Term Expiration</u>
Butch Gabrielski	President	May 2023
Wayne Reorda	Secretary/Treasurer	May 2025
Bill Gessner	Asst. Secretary/Treasurer	May 2023
Mike Fenton	Asst. Secretary/Treasurer	May 2023
Tom Sauer	Asst. Secretary/Treasurer	May 2025

DATE: Wednesday, September 14, 2022

TIME: 10:30 a.m. or as soon thereafter as possible upon adjournment of the MRMD meeting

PLACE: Meridian Ranch Recreation Center
10301 Angeles Road
Peyton, CO 80831

The Public may participate in person or by following this link [Click here to join the meeting](#) or by telephone by calling +1 872-242-8662 and using Phone Conference ID: 721546252#

I. ADMINISTRATIVE ITEMS:

- A. Call to Order
- B. Conflicts of Interest
- C. Approve Agenda
- D. Visitor Comments (Limited to 3 minutes per resident or household)
- E. Review and Approve August 3, 2022, Regular Board Meeting Minutes (enclosure) ***Page 3***

II. FINANCIAL ITEMS:

- A. Review and Accept MSMD Cash Position Summary and Unaudited Financial Statements (enclosure and/or distributed under separate cover) ***Page 7***
- B. Review Tap Fee Report for Information Only (enclosure and/or distributed under separate cover) ***Page 20 & 21***
- C. Review, Ratify and Approve Monthly Payment of Claims (enclosure and/or distributed under separate cover) ***Page 22 & 23***
- D. Receive Finance Committee Report ***Page 24***

III. OPERATIONS & ENGINEERING ITEMS:

- A. Information Items (No Action)
 1. MSMD Operations Reports – Water, Sewer, Parks and Grounds, Recreation (enclosure and/or handout) ***Pages 25-27***
 2. Manager’s Verbal Report

IV. ACTION ITEMS:

- A. Consider and Accept Agreement with Lytle Water Solutions for design, and construction observation, development, and testing of Latigo LFH Wells LFH-2P and LFH-3, \$79,265.00. ***Page 28***
- B. Consider and Accept agreement For Professional Services with Morgan Black for Brazilian Jiu Jitsu classes. ***Page 34***
- C. Consider and Accept request to have funds released to GTL Development for repayment of developer advances and to accept the GTL offer to reduce the outstanding interest by the same amount. ***Page 41***

- D. Consider and Accept Bill of Sale transferring ownership and maintenance of Meridian Road Sewer Line to FAWWA. **Page 46**

V. DIRECTOR ITEMS:

VI. LEGAL ITEMS:

VII. ADJOURNMENT:

The next regular meeting of the Boards is scheduled for Wednesday, October 5, 2022, at 10:30 a.m. or as soon thereafter as possible upon adjournment of the MRMD meeting at the Meridian Ranch Recreation Center, 10301 Angeles Road, Peyton, Colorado 80831.

RECORD OF PROCEEDINGS

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE MERIDIAN SERVICE METROPOLITAN DISTRICT (MSMD)

Held: August 3, 2022, 10:45 a.m., at the Meridian Ranch Recreation Center, 10301 Angeles Road, Peyton, Colorado 80831

Attendance: The following Directors were in attendance:

Wayne Reorda, Secretary/Treasurer
Bill Gessner, Asst. Secretary/Treasurer
Mike Fenton, Asst. Secretary/Treasurer
Tom Sauer, Asst. Secretary/Treasurer

The following Directors were excused:

Butch Gabrielski, President

Also present were:

Jim Nikkel; Meridian Service Metro District
Jennette Coe; Meridian Service Metro District
Beth Aldrich; Meridian Service Metro District
Braden McCrory; Meridian Service Metro District
Ryan Kozlowski; Meridian Service Metro District
Aleks Myszkowski; Meridian Service Metro District
Eileen Krauth; Meridian Service Metro District (via teleconference)
Carrie Billingsly; Meridian Service Metro District (via teleconference)
Debra Williams; Meridian Service Metro District (via teleconference)
Ron Fano; Spencer Fane
Tom Kerby; Tech Builders
Robert Guevara; Resident
Judy Taylor; Resident
Henry Taylor; Resident
Calley Wenzel; Resident
Ryan Flood; Resident

Call to Order A quorum of the Board was present, and the Directors confirmed their qualification to serve. The meeting was called to order at 11:16 a.m. A motion was made to excuse the absence of Director Gabrielski. The motion was seconded and approved by unanimous vote of Directors present.

Disclosure Matter Mr. Fano noted that written disclosures of the interests of all Directors have been filed with the Secretary of State.

RECORD OF PROCEEDINGS

Approve Agenda The Board reviewed the Agenda. A motion was made to approve the agenda. The motion was seconded and approved by unanimous vote of directors present.

Visitor Comments Ms. Wenzel had questions about who is responsible for the upkeep of Rolling Hills Ranch. Mr. Gessner explained that Warren Management is the association management company that enforces the Declaration of Covenants, Conditions and Restrictions for Rolling Hills Ranch. Mr. Nikkel explained that Meridian Service Metro District oversees the parks and open spaces and that while Rolling Hills Ranch is still in development the builders and developer is responsible for keeping the area clean.

Approve Minutes The Board reviewed the July 13, 2022, Board Minutes and a motion was made, and seconded to approve the minutes as presented. The motion was approved by unanimous vote of directors present.

Financial Items Cash Position Summary and Financial Statements: Ms. Coe reviewed the cash position summary and monthly financial reports for June 2022. A motion was made and seconded to accept the cash position summary and financial statements as presented. The motion was approved by unanimous vote of directors present.

Review 2022 Tap Fee Report: Ms. Coe reviewed the July 2022, Tap Fee Report with the Board for information only.

Approval of Payment of Claims: Ms. Coe reviewed the updated claims presented for approval at this meeting represented by check numbers:

Interim: Bill.com payments for ratification totaling \$403,975.22

MSMD: Bill.com Payments totaling \$170,880.81

A motion was made and seconded to approve the MSMD payment of claims. The motion approved by unanimous vote of directors present.

Receive Finance Committee Report: Ms. Coe noted the Finance Committee met on July 25, 2022 and gave a summary of the Finance Committee Report on page 9 of the packet. The July Interim payments were reviewed and signed by Director Gabrielski and Director Sauer.

Operations & Engineering Items

Information Items:

MSMD Operations Reports:

- Mr. McCrory presented the water, sewer, parks and grounds, and drainage operation reports which included information from pages 15 and 16 of the Board Packet. Mr. McCrory also noted:

RECORD OF PROCEEDINGS

- A sprocket was replaced on the bar screen at the lift station.
 - Maintenance and clean up on the ponds are complete.
 - There were a few calls from residents over the weekend regarding damage from the severe storm that occurred on Friday. There was a concern that there may have been a blockage in the drainage system but that was not the case. We had more rainfall than the system could handle.
 - Vandals burned the porta potties at Greens Park and Longview Park last week and replacing them will be costly.
- Mr. Kozlowski presented the Recreation Center Report to the Board which included information from page 17 of the Board Packet.

Managers Verbal Report: Mr. Nikkel provided status reports on the following matters:

- Mr. Nikkel praised the office staff for doing a good job while he was on vacation.
- Mr. Nikkel addressed the concerns of the residents that attended the meeting and asked them to please call our office if they are having any issues and we will direct them to the person responsible.

Director Items

There were none.

Legal Items

Mr. Fano gave an update on the following matters:

- At the request of Director Guevara, Mr. Fano has researched the legality of the delinquency fees that the District charges on its bills to residents. He stated that his research shows that the fees are legal, and he gave background on the state law that governs such fees. He noted that \$20 of the District's \$35 delinquency fee relates to the separate water and sewer enterprise funds, which are government businesses by law and therefore not limited by the law applied to government/municipal funds. The remaining \$15 relates to government funds, which are limited by state law to \$15 or 5% of the bill. The Board can consider changing the delinquent fees when it reviews and approves the 2023 budget.
- Mr. Fano updated the Board on the process associated with the Board's consideration of opting out of the state FAMLI paid leave program. Since the Board has expressed interest in opting out of the program, a public hearing and resolution will appear on an upcoming Board agenda. If the Board chooses to opt out of the program, it must do so before the end of 2022.

RECORD OF PROCEEDINGS

Adjournment

There being no further business to come before the Board, the President adjourned the meeting at 11:55 a.m.

The next regular meeting of the Boards is scheduled for September 14, 2022 at 10:30 a.m. or as soon thereafter as possible upon adjournment of the MRMD meeting, at the Meridian Ranch Recreation Center, 10301 Angeles Road, Peyton, Colorado 80831.

Respectfully submitted,

Secretary for the Meeting

DRAFT

MERIDIAN SERVICE METROPOLITAN DISTRICT
CASH POSITION SUMMARY
For the Period Ended July 31, 2022
Adjusted as of August 31, 2022

	CHECKING Wells Fargo
Account Activity Item Description	
Cash balance at end of period	\$ 1,676,342
August activity:	
Utility billing from residents	833,355
Recreation Center Program Fees	18,915
Tap fees and meter fees (In)	80,680
Tap fees transferred to MRMD (Out)	(78,000)
Hydrant & Temp License Deposits	(1,000)
AT&T, Falcon Freedom Days and reimbursements	13,794
Payroll	(176,392)
FAWWA Sewer Taps Payment	4,126,115
Transfer to Clean Water Loan Fund	(41,685)
August checks and payments	
Operations incl. interim payments	(644,081)
Interest, fees and returned checks	(1,933)
Sub-total	5,806,111
September 14th payment Estimate	(700,000)
Adjusted balance	\$ 5,106,111
Less restricted funds as of August 31, 2022:	
Conservation Trust Funds	38,204
5% Reserve Fund	(33,571)
Sewer Reserve Fund	(12,219)
Capital Project Funds	(74,296)
Rate Stabilization Fund	16,553
Capital TDS	(74,296)
Adjusted Unrestricted Balance	\$ 4,966,486

MERIDIAN SERVICE METROPOLITAN DISTRICT
CASH POSITION RECONCILED TO GENERAL LEDGER
CASH POSITION SUMMARY
For the Period Ended July 31, 2022
Adjusted as of August 31, 2022

Account Activity Item Description	INVESTMENTS									TOTAL ALL ACCOUNTS
	Checking Wells Fargo	Petty Cash	ColoTrust Plus/Edge					Bank of San Juan Loan Funds	Zions Bank Loan & Reserve Fund	
			Conservation Trust Funds	5% Reserve	Sewer Reserve (\$2)	Capital Project Funds	Rate Stabilization Funds			
Cash balance at end of period	1,676,342	386	66,696	2,194,956	441,784	6,423,706	650,041	125,027	197,788	11,776,726
August activity:										
Utility billing from residents	833,355	-	-	-	-	-	-	-	-	833,355
Recreation Center Program Fees	18,915	-	-	-	-	-	-	-	-	18,915
Tap fees and meter fees (In)	80,680	-	-	-	-	-	-	-	-	80,680
Tap fees transferred to MRMD (Out)	(78,000)	-	-	-	-	-	-	-	-	(78,000)
El Paso County Collection of Delinquent Accounts	-	-	-	-	-	-	-	-	-	-
Hydrant & Temp License Deposits	(1,000)	-	-	-	-	-	-	-	-	(1,000)
AT&T, Falcon Freedom Days and reimbursements	13,794	-	-	-	-	-	-	-	-	13,794
Payroll	(176,392)	-	-	-	-	-	-	-	-	(176,392)
FAWWA Sewer Taps Payment	4,126,115	-	-	-	-	-	-	-	-	4,126,115
Transfer to Clean Water Loan Fund	(41,685)	-	-	-	-	-	-	-	(41,685)	(83,370)
August checks and payments										
Operations incl. interim payments	(644,081)	-	-	-	-	-	-	-	-	(644,081)
Interest, fees and returned checks	(1,933)	-	-	-	-	-	-	-	-	(1,933)
Sub-total	5,806,111	386	66,696	2,194,956	441,784	6,423,706	650,041	125,027	156,103	15,864,810
September 14th payment Estimate	(700,000)	-	-	-	-	-	-	-	-	(700,000)
Adjusted balance	5,106,111	386	66,696	2,194,956	441,784	6,423,706	650,041	125,027	156,103	15,164,810
Less restricted funds as of August 31, 2022:										
Petty Cash	-	(386)	-	-	-	-	-	-	-	(386)
Conservation Trust Funds	38,204	-	(66,696)	-	-	-	-	-	-	(28,492)
5% Reserve Fund	(33,571)	-	-	(2,194,956)	-	-	-	-	-	(2,228,528)
Sewer Reserve Fund	(12,219)	-	-	-	(441,784)	-	-	-	-	(454,003)
Capital Project Funds	(74,296)	-	-	-	-	(6,423,706)	-	-	-	(6,498,002)
Rate Stabilization Fund	16,553	-	-	-	-	-	(650,041)	-	-	(633,487)
Capital TDS	(74,296)	-	-	-	-	-	-	(125,027)	(156,103)	(355,426)
Unrestricted cash balance	\$ 4,966,486	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,966,486

Note: Additional investment accounts can be used for extraordinary expenditures.

Meridian Service Metropolitan District
Statement of Revenues, Expenses and Change in Fund Balance
Budget vs. Actual - Accrual Basis
SUMMARY OF ALL FUNDS
For the One Month and Seven Months Ended July 31, 2022

	Month of Jul 2022	YTD Actual	Adopted 2022 Budget	Variance	
				Over (Under) Budget	% of Budget (58.3% YTD)
REVENUES					
General Revenue - Fund 10	\$151,553	\$360,870	\$368,634	(\$7,764)	97.9%
Parks/Grounds Revenue - Fund 15	109,310	740,741	1,271,805	(531,064)	58.2%
Rec Center Revenue - Fund 16	193,374	1,296,720	2,206,548	(909,828)	58.8%
Water Revenue - Fund 40	365,919	2,022,689	3,318,835	(1,296,146)	60.9%
Sewer Revenue - Fund 50	165,086	1,218,925	3,281,460	(2,062,535)	37.1%
Clean Water Surcharge	37,272	251,332	425,760	(174,428)	59.0%
Billing Fees	9,305	76,660	64,000	12,660	119.8%
Grant Revenue	-	55,317	55,000	317	100.6%
Development Inspection Fees	-	68,875	-	68,875	-
Interest Income	26,281	92,182	-	92,182	-
Miscellaneous Income	-	-	150	(150)	-
TOTAL REVENUES	1,058,100	6,184,311	10,992,192	(4,807,881)	56.3%
EXPENSES					
Fund & General Expenses					
General & Admin. Expense	74,036	372,146	800,989	(428,843)	46.5%
Personnel Expenses	268,456	1,223,394	2,542,460	(1,319,066)	48.1%
Parks/Grounds Expense - Fund 15	54,362	225,896	575,000	(349,104)	39.3%
MRRC Expense - Fund 16	58,929	273,032	508,720	(235,688)	53.7%
Water Expense - Fund 40	45,285	268,714	1,139,500	(870,786)	23.6%
Sewer Expense - Fund 50	47,966	408,844	843,800	(434,956)	48.5%
General Operating Expenses	103,095	614,262	1,133,520	(519,258)	54.2%
TOTAL Fund & General Expenses	652,130	3,386,288	7,543,989	(4,157,701)	44.9%
Capital Expenses					
Capital Expense - Other	-	39,660	60,000	(20,340)	66.1%
Capital Expense P&G Fund 15	-	300,000	321,000	(21,000)	93.5%
Capital Expense MRRC Fund 16	17,046	325,308	268,000	57,308	121.4%
Capital Expense Water Fund 40	1,209,433	1,931,881	6,312,000	(4,380,119)	30.6%
Capital Expense Sewer Fund 50	21,651	16,057	182,000	(165,943)	8.8%
Capital Outlay - Vehicle	(43,302)	-	-	-	-
Capital Interest Expense	-	47,754	703,240	(655,486)	6.8%
TOTAL Capital Expenses	1,204,828	2,660,660	7,846,240	(5,185,580)	33.9%
TOTAL EXPENSES	1,856,957	6,046,948	15,390,229	(9,343,281)	39.3%
EXCESS REVENUES OVER (UNDER) EXPENSES	(798,857)	137,363	(4,398,037)	4,535,400	
Other Financing Sources (Uses)					
Tap Fees Received	142,000	4,180,000	4,750,000	(570,000)	88.0%
Tap Fees Transferred to MRMD	(145,000)	(4,182,000)	(4,750,000)	568,000	88.0%
Contributions to Other Gov'ts	-	(354,996)	-	(354,996)	-
Transfer from (to) Other Funds	(23,323)	(161,813)	(280,000)	118,187	57.8%
Emergency Reserve (5%)	16,665	116,675	200,000	(83,325)	58.3%
Emergency Reserve (\$2) - Sewer	6,658	45,138	78,000	(32,862)	57.9%
TOTAL Other Financing Sources (Uses)	(3,000)	(356,996)	(2,000)	(354,996)	
NET CHANGE IN FUND BALANCE	(\$801,857)	(\$219,633)	(\$4,400,037)	\$4,180,404	
BEGINNING FUND BALANCE**		13,341,540			
ENDING FUND BALANCE		\$13,121,907			
Operating Fund Balance		3,085,172			
Capital Project Fund Balance		6,738,157			
Emergency Reserve Fund Balance 5%		2,213,816			
Sewer Reserve Fund Balance \$2		449,762			
Rate Stabilization Fund Balance		635,000			
Total Fund Balance		\$13,121,907			

Meridian Service Metropolitan District
Statement of Revenues, Expenses and Change in Fund Balance
Budget vs. Actual - Accrual Basis
General Fund
For the One Month and Seven Months Ended July 31, 2022

	Month of Jul 2022	YTD Actual	Adopted 2022 Budget	Variance Over (Under) Budget	% of Budget (58.3% YTD)
REVENUES					
IGA - Meridian Ranch	\$150,000	\$350,000	\$350,000	-	100.0%
AT&T Lease	1,553	10,870	18,634	(7,764)	58.3%
Grant Revenue	-	1,655	-	1,655	-
Interest Income	2,452	7,952	-	7,952	-
Miscellaneous Income	-	-	150	(150)	-
TOTAL REVENUES	154,004	370,477	368,784	1,693	100.5%
EXPENSES					
Accounting	-	-	1,000	(1,000)	-
Audit	20,000	21,036	20,000	1,036	105.2%
Payroll & HR Services	6,693	34,150	54,000	(19,850)	63.2%
Election Expense	680	2,878	6,000	(3,123)	48.0%
Engineering/Consulting	119	873	2,000	(1,127)	43.6%
Legal	10,459	42,023	80,000	(37,977)	52.5%
Personnel Expenses	2,607	15,609	30,357	(14,748)	51.4%
Copier - Contract Expenses	191	411	5,000	(4,589)	8.2%
IT/Computer/Software	1,800	7,080	14,200	(7,120)	49.9%
Rent - Shared	3,734	25,288	47,080	(21,792)	53.7%
Telephone & Internet	1,041	6,491	7,500	(1,009)	86.5%
Utilities	163	1,949	4,000	(2,051)	48.7%
Repairs & Maint - Office	271	1,977	5,000	(3,023)	39.5%
Office Furniture	-	12,113	-	12,113	-
Supplies	50	1,149	5,500	(4,351)	20.9%
Licenses,Certs & Memberships	38	537	-	537	-
Subscriptions	(25)	-	250	(250)	-
Insurance	362	2,781	5,839	(3,058)	47.6%
Bank Charges	-	25	-	25	-
Public Information	20	20	500	(480)	4.0%
Meals & Entertainment	104	1,462	6,284	(4,822)	23.3%
Miscellaneous Expense	-	-	1,000	(1,000)	-
Vehicle, Equipment & Travel	438	2,803	4,900	(2,097)	57.2%
TABOR Emergency Reserve 3%	-	-	11,062	(11,062)	-
TOTAL EXPENSES	48,747	180,655	311,472	(130,817)	58.0%
NET CHANGE IN FUND BALANCE	\$105,258	\$189,822	\$57,312	\$132,510	
BEGINNING FUND BALANCE**		89,803			
ENDING FUND BALANCE		<u><u>\$279,625</u></u>			

Meridian Service Metropolitan District
Statement of Revenues, Expenses and Change in Fund Balance
Budget vs. Actual - Accrual Basis
Parks & Grounds Fund
For the One Month and Seven Months Ended July 31, 2022

	Month of Jul 2022	YTD Actual	Adopted 2022 Budget	Variance Over (Under) Budget	% of Budget (58.3% YTD)
REVENUES					
Parks & Grounds Fees	\$91,748	\$621,670	\$1,065,143	(\$443,473)	58.4%
Street Lighting Fees	17,562	119,071	206,662	(87,591)	57.6%
Billing Fees	2,326	19,165	16,000	3,165	119.8%
Grant Revenue	-	28,514	55,000	(26,486)	51.8%
Interest Income	79	208	-	208	-
TOTAL REVENUES	111,715	788,627	1,342,805	(554,178)	58.7%
EXPENSES					
General & Admin. Expense					
Accounting	-	-	1,000	(1,000)	-
Customer Billing Services	1,945	13,329	24,000	(10,671)	55.5%
Engineering/Consulting	426	3,901	7,000	(3,099)	55.7%
Legal	-	168	2,500	(2,332)	6.7%
Personnel Expenses	22,574	103,622	240,650	(137,028)	43.1%
General Operations - Admin	1,308	6,494	16,900	(10,406)	38.4%
TOTAL General & Admin. Expense	26,253	127,514	292,050	(164,536)	43.7%
Operating Expense					
Landscape Repair & Maint.	53,312	211,372	506,000	(294,628)	41.8%
Hardscape Repair & Maint.	238	9,086	24,500	(15,414)	37.1%
Park Maint.	713	4,047	37,500	(33,453)	10.8%
Pond Maint.	98	1,391	7,000	(5,609)	19.9%
Utilities	14,621	102,180	189,210	(87,030)	54.0%
Insurance	1,295	9,079	19,305	(10,226)	47.0%
Vehicle, Equipment & Travel	1,365	8,023	15,000	(6,977)	53.5%
TOTAL Operating Expense	71,643	345,177	798,515	(453,338)	43.2%
TOTAL EXPENSES	97,895	472,691	1,090,565	(617,874)	43.3%
EXCESS REVENUES OVER (UNDER) EXPENSES	13,820	315,936	252,240	63,696	
Other Financing Sources (Uses)					
Transfer from (to) Capital	-	(300,000)	(321,000)	21,000	93.5%
TOTAL Other Financing Sources (Uses)	-	(300,000)	(321,000)	21,000	93.5%
NET CHANGE IN FUND BALANCE	\$13,820	\$15,936	(\$68,760)	\$84,696	
BEGINNING FUND BALANCE**		522,813			
ENDING FUND BALANCE		<u><u>\$538,749</u></u>			
Operating Fund Balance		383,745			
Emergency Reserve Fund Balance 5%		145,004			
Rate Stabilization Fund Balance		10,000			
Total Fund Balance		<u><u>\$538,749</u></u>			

Meridian Service Metropolitan District
Statement of Revenues, Expenses and Change in Fund Balance
Budget vs. Actual - Accrual Basis
Recreation Fund
For the One Month and Seven Months Ended July 31, 2022

	Month of Jul 2022	YTD Actual	Adopted 2022 Budget	Variance Over (Under) Budget	% of Budget (58.3% YTD)
REVENUES					
Recreation Center Service Fees	\$175,263	\$1,187,044	\$2,076,458	(\$889,414)	57.2%
Fee Based Programming	13,668	91,488	114,000	(22,512)	80.3%
MRRC Concession Sales	207	966	2,000	(1,034)	48.3%
Falcon Freedom Days Revenue	3,900	14,800	8,750	6,050	169.1%
Billing Fees	2,326	19,165	16,000	3,165	119.8%
Advertising Fees	336	2,422	5,340	(2,918)	45.4%
Grant Revenue	-	148	-	148	-
TOTAL REVENUES	195,701	1,316,033	2,222,548	(906,515)	59.2%
EXPENSES					
General & Admin. Expense					
Accounting	-	-	1,000	(1,000)	-
Customer Billing Services	3,397	23,279	42,000	(18,721)	55.4%
Engineering/Consulting	749	5,597	10,000	(4,403)	56.0%
Legal	-	-	1,000	(1,000)	-
Personnel Expenses	141,941	627,861	1,200,967	(573,106)	52.3%
General Operations - Admin	3,039	28,150	58,850	(30,700)	47.8%
TOTAL General & Admin. Expense	149,126	684,886	1,313,817	(628,931)	52.1%
Operating Expense					
Programming Supplies	7,035	55,779	62,000	(6,221)	90.0%
Building Maint.	12,862	85,308	144,720	(59,412)	58.9%
Grounds Maint.	-	-	1,000	(1,000)	-
Pool Maint.	5,441	36,840	157,000	(120,160)	23.5%
MRRC Security	-	1,900	4,000	(2,100)	47.5%
Exercise Equip. & Furn.-Replace	210	57,647	75,000	(17,353)	76.9%
MR Community Events	249	1,493	15,000	(13,507)	10.0%
Falcon Freedom Days Expenses	33,132	34,064	50,000	(15,936)	68.1%
Utilities	18,256	121,286	186,375	(65,089)	65.1%
Insurance	2,275	15,931	32,315	(16,384)	49.3%
Vehicle, Equipment & Travel	560	1,521	2,500	(979)	60.8%
TOTAL Operating Expense	80,020	411,770	729,910	(318,140)	56.4%
TOTAL EXPENSES	229,145	1,096,656	2,043,727	(947,071)	53.7%
EXCESS REVENUES OVER (UNDER) EXPENSES	(33,445)	219,377	178,821	40,556	
Other Financing Sources (Uses)					
Transfer from (to) Capital	(22,330)	(156,350)	(268,000)	111,650	58.3%
TOTAL Other Financing Sources (Uses)	(22,330)	(156,350)	(268,000)	111,650	58.3%
NET CHANGE IN FUND BALANCE	(\$55,775)	\$63,027	(\$89,179)	\$152,206	
BEGINNING FUND BALANCE**		541,431			
ENDING FUND BALANCE		\$604,458			
Operating Fund Balance		434,879			
Emergency Reserve Fund Balance 5%		159,579			
Rate Stabilization Fund Balance		10,000			
Total Fund Balance		\$604,458			

Meridian Service Metropolitan District
Statement of Revenues, Expenses and Change in Fund Balance
Budget vs. Actual - Accrual Basis
Capital Fund
For the One Month and Seven Months Ended July 31, 2022

	Month of Jul 2022	YTD Actual	Adopted 2022 Budget	Variance Over (Under) Budget	% of Budget (58.3% YTD)
REVENUES					
Clean Water Surcharge	\$37,272	\$251,332	\$425,760	(\$174,428)	59.0%
Grant Revenue	-	25,000	-	25,000	-
Interest Income	9,007	27,455	-	27,455	-
TOTAL REVENUES	46,280	303,787	425,760	(121,973)	71.4%
EXPENSES					
Capital Expense - Other					
Build-Out CIP & Funding Plan	-	39,660	60,000	(20,340)	66.1%
TOTAL Capital Expense - Other	-	39,660	60,000	(20,340)	66.1%
Capital Expense P&G Fund 15					
3rd Const & Acq-Winding Walk	-	300,000	300,000	-	100.0%
Vehicle & Equipment - Fund 15	-	-	21,000	(21,000)	-
TOTAL Capital Expense P&G Fund 15	-	300,000	321,000	(21,000)	100.0%
Capital Expense MRRC Fund 16					
MRRC Expansion	-	-	50,000	(50,000)	-
Lobby Remodel	-	124,983	118,000	6,983	105.9%
Locker Replacement	-	-	100,000	(100,000)	-
Pool Improvements 2022	17,046	200,326	-	200,326	-
TOTAL Capital Expense MRRC Fund 16	17,046	325,308	268,000	57,308	121.4%
Capital Expense Water Fund 40					
Expand Filter Plant & Bldg	257,111	344,821	2,000,000	(1,655,179)	17.2%
Purchase WHMD 2.0 MG Water Tank	-	-	750,000	(750,000)	-
Water Rights	26,766	171,772	750,000	(578,228)	22.9%
Wells at Guthrie Ranch Site 4	-	-	30,000	(30,000)	-
Well at Latigo Trails	-	-	1,500,000	(1,500,000)	-
Transmission Line FP to Tanks	3,904	493,637	1,200,000	(706,363)	41.1%
Latigo Transmission Line	-	-	50,000	(50,000)	-
Tamlin Road Water Pipeline	900,000	900,000	-	900,000	-
Vehicle & Equipment - Fund 40	21,651	21,651	32,000	(10,349)	67.7%
TOTAL Capital Expense Water Fund 40	1,209,433	1,931,881	6,312,000	(4,380,119)	30.6%
Capital Expense Sewer Fund 50					
WH Sewer Bypass Phase 2 & 3	-	-	75,000	(75,000)	-
Mid-Point Injection Station	-	-	20,000	(20,000)	-
2022 Lift Station Improvements	-	-	55,000	(55,000)	-
Loan Cost of issuance	-	(5,594)	-	(5,594)	-
Vehicle & Equipment - Fund 50	21,651	21,651	32,000	(10,349)	67.7%
TOTAL Capital Expense Sewer Fund 50	21,651	16,057	182,000	(165,943)	8.8%
Capital Interest Expense	-	47,754	703,240	(655,486)	6.8%
TOTAL EXPENSES	1,248,130	2,660,660	7,846,240	(5,185,580)	33.9%
EXCESS REVENUES OVER (UNDER) EXPENSES	(1,201,850)	(2,356,873)	(7,420,480)	5,063,607	31.8%
Other Financing Sources (Uses)					
Contributions to Other Gov'ts	-	(354,996)	-	(354,996)	-
Transfer from (to) General Fund	191,665	1,341,675	2,300,000	(958,325)	58.3%
Transfer from (to) P&G Fund	-	300,000	321,000	(21,000)	93.5%
Transfer from (to) Rec Fund	22,330	156,350	268,000	(111,650)	58.3%
Transfer from (to) Water Fund	192,481	1,217,501	2,082,000	(864,499)	58.5%
Transfer from (to) Sewer Fund	26,051	52,497	82,846	(30,349)	63.4%
TOTAL Other Financing Sources (Uses)	432,527	2,713,028	5,053,846	(2,340,818)	53.7%
NET CHANGE IN FUND BALANCE	(769,323)	356,155	(2,366,634)	2,722,789	
BEGINNING FUND BALANCE**		6,382,002			
ENDING FUND BALANCE		<u>6,738,157</u>			
Capital Other - Fund 10		1,237,775			
Capital Parks & Ground Fund 15		131,175			
Capital Recreation Center Fund 16		192,255			
Capital Water Fund 40		3,568,769			
Capital Sewer Fund 50		1,128,083			
Capital TDS - Clean Water		480,100			
Capital Total Fund Balance		<u>6,738,157</u>			

	Month of Jul 2022	YTD Actual	Adopted 2022 Budget	Variance Over (Under) Budget	% of Budget (58.3% YTD)
REVENUES					
Water Service Fees - Res.	\$305,853	\$1,630,821	\$2,714,980	(\$1,084,159)	60.1%
Water Service Fees - Comm.	13,505	75,672	145,165	(\$69,493)	52.1%
Meter Set Fees	7,595	148,975	162,500	(\$13,525)	90.9%
Irrigation	37,978	164,627	256,190	(\$91,563)	64.3%
UB - Water Adjustments	(1,888)	(1,888)	-	(\$1,888)	-
IGA Shared Water Cost Reimb.	2,875	4,481	40,000	(\$35,519)	11.2%
Billing Fees	2,326	19,165	16,000	\$3,165	119.8%
Development Inspection Fees	-	34,438	-	\$34,438	-
Interest Income	-	2	-	\$2	-
TOTAL REVENUES	368,245	2,076,294	3,334,835	(1,258,541)	62.3%
EXPENSES					
General & Admin. Expense					
Accounting	-	-	1,000	(1,000)	-
Customer Billing Services	4,616	31,633	52,800	(21,167)	59.9%
Engineering/Consulting	4,588	23,612	100,000	(76,388)	23.6%
Legal	-	3,542	20,000	(16,458)	17.7%
Personnel Expenses	55,289	225,715	524,311	(298,596)	43.0%
Tracking should net \$0	(0)	(0)	-	(0)	-
General Operations - Admin	1,980	18,312	66,575	(48,263)	29.7%
TOTAL General & Admin. Expense	66,473	302,814	764,686	(461,872)	39.9%
Operating Expense					
Water Operations General	31,476	69,431	86,000	(16,569)	80.7%
Raw Water Operations	8,701	22,143	375,000	(352,857)	5.9%
Water Treatment Operations	4,506	37,998	473,000	(435,002)	8.0%
Water Distribution Operations	209	134,255	184,000	(49,745)	73.0%
Non-Potable Water Operations	394	4,886	21,500	(16,614)	22.7%
Utilities	53,893	273,986	539,685	(265,699)	50.8%
Insurance	3,085	26,117	49,447	(23,330)	52.8%
Vehicle, Equipment & Travel	762	8,165	15,500	(7,335)	52.7%
TOTAL Operating Expense	103,024	576,982	1,744,132	(1,167,150)	33.1%
Capital Outlay - Vehicle	(21,651)	-	-	-	-
TOTAL EXPENSES	147,846	879,796	2,508,818	(1,629,022)	35.1%
EXCESS REVENUES OVER (UNDER) EXPENSES	220,399	1,196,497	826,017	370,480	
Other Financing Sources (Uses)					
Tap Fees Received	71,000	2,090,000	2,375,000	(285,000)	88.0%
Tap Fees Transferred to MRMD	(72,500)	(2,091,000)	(2,375,000)	284,000	88.0%
Transfer from (to) Capital	(192,481)	(1,217,501)	(2,082,000)	864,499	58.5%
TOTAL Other Financing Sources (Uses)	(193,981)	(1,218,501)	(2,082,000)	863,499	58.5%
NET CHANGE IN FUND BALANCE	\$26,418	(\$22,004)	(\$1,255,983)	\$1,233,979	
BEGINNING FUND BALANCE**		2,359,813			
ENDING FUND BALANCE		\$2,337,809			
Operating Fund Balance		1,032,055			
Emergency Reserve Fund Balance 5%		1,005,754			
Rate Stabilization Fund Balance		300,000			
Total Fund Balance		\$2,337,809			

Meridian Service Metropolitan District
Statement of Revenues, Expenses and Change in Fund Balance
Budget vs. Actual - Accrual Basis
Sewer Fund
For the One Month and Seven Months Ended July 31, 2022

	Month of Jul 2022	YTD Actual	Adopted 2022 Budget	Variance Over (Under) Budget	% of Budget (58.3% YTD)
REVENUES					
Sewer Fees - Res.	\$157,100	\$1,064,108	\$1,848,242	(\$784,134)	57.6%
Sewer Fees - Comm.	2,424	13,022	36,750	(23,728)	35.4%
Sterling Ranch Revenue	-	100,986	1,341,468	(1,240,482)	7.5%
IGA Shared Sewer Cost Reimb.	5,562	40,809	55,000	(14,192)	74.2%
Billing Fees	2,326	19,165	16,000	3,165	119.8%
Development Inspection Fees	-	34,438	-	34,438	-
Interest Income	14,743	56,565	-	56,565	-
TOTAL REVENUES	182,155	1,329,093	3,297,460	(1,968,367)	40.3%
EXPENSES					
General & Admin. Expense					
Accounting	-	-	1,000	(1,000)	-
Customer Billing Services	3,740	25,626	42,000	(16,374)	61.0%
Engineering/Consulting	1,476	8,113	35,000	(26,887)	23.2%
Legal	-	7,154	20,000	(12,846)	35.8%
Personnel Expenses	46,045	250,588	546,175	(295,587)	45.9%
General Operations - Admin	1,434	13,774	49,050	(35,276)	31.3%
TOTAL General & Admin. Expense	52,695	305,254	693,225	(387,971)	44.4%
Operating Expense					
Sewer Operations	35,645	263,761	489,500	(225,739)	53.9%
Lift Station Operations	-	75,357	244,200	(168,843)	30.9%
Lift Station Operations-Shared	12,503	69,726	110,100	(40,374)	63.3%
Utilities	1,400	9,781	4,515	5,266	216.6%
Insurance	2,504	17,696	31,367	(13,671)	56.4%
Vehicle, Equipment & Travel	2,280	14,913	26,500	(11,587)	56.3%
TOTAL Operating Expense	54,332	451,234	906,182	(454,948)	49.8%
Capital Outlay - Vehicle	(21,651)	-	-	-	-
TOTAL EXPENSES	85,376	756,489	1,599,407	(842,918)	47.5%
EXCESS REVENUES OVER (UNDER) EXPENSES	96,780	572,604	1,698,053	(1,125,449)	
Other Financing Sources (Uses)					
Tap & Transfers from (to) Other Funds					
Tap Fees Received	71,000	2,090,000	2,375,000	(285,000)	88.0%
Tap Fees Transferred to MRMD	(72,500)	(2,091,000)	(2,375,000)	284,000	88.0%
Transfer from (to) Capital	(217,716)	(1,394,172)	(2,384,846)	990,674	58.5%
Transfer from (to) Emer Reserve	(16,665)	(116,675)	(200,000)	83,325	58.3%
Transfer from (to) Emer. (\$2)	(6,658)	(45,138)	(78,000)	32,862	57.9%
TOTAL Tap & Transfers from (to) Other Fund	(242,539)	(1,556,985)	(2,662,846)	1,105,861	58.5%
Emergency Reserves					
Emergency Reserve (5%)	16,665	116,675	200,000	(83,325)	58.3%
Emergency Reserve (\$2) - Sewer	6,658	45,138	78,000	(32,862)	57.9%
TOTAL Emergency Reserves	23,323	161,813	278,000	(116,187)	58.2%
TOTAL Other Financing Sources (Uses)	(219,216)	(1,395,172)	(2,384,846)	989,674	58.5%
NET CHANGE IN FUND BALANCE	(\$122,437)	(\$822,568)	(\$686,793)	(\$135,775)	
BEGINNING FUND BALANCE**		3,445,678			
ENDING FUND BALANCE		<u><u>\$2,623,110</u></u>			
Operating Fund Balance		954,869			
Emergency Reserve Fund Balance 5%		903,479			
Sewer Reserve Fund Balance \$2		449,762			
Rate Stabilization Fund Balance		315,000			
Total Fund Balance		<u><u>\$2,623,110</u></u>			

Meridian Service Metropolitan District
Balance Sheet Summary - Unaudited
As of July 31, 2022

	Jul 31, 22
ASSETS	
Current Assets	
Checking/Savings	11,776,726.13
Accounts Receivable	2,529,653.85
Other Current Assets	55,075.00
	14,361,454.98
Total Current Assets	14,361,454.98
Fixed Assets	48,076,975.64
Other Assets	302,664.21
	62,741,094.83
TOTAL ASSETS	62,741,094.83
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	399,673.36
Credit Cards	961.76
Other Current Liabilities	14,406,347.93
	14,806,983.05
Total Current Liabilities	14,806,983.05
Long Term Liabilities	30,934,689.73
	45,741,672.78
Total Liabilities	45,741,672.78
Equity	16,999,422.05
	62,741,094.83
TOTAL LIABILITIES & EQUITY	62,741,094.83

Meridian Service Metropolitan District
Balance Sheet - Unaudited
As of July 31, 2022

09/09/22

Accrual Basis

	Jul 31, 22
ASSETS	
Current Assets	
Checking/Savings	
1000000 · Operating Funds	
1000100 · Wells Fargo - Operating	1,676,341.87
1000300 · Petty Cash	386.16
Total 1000000 · Operating Funds	1,676,728.03
110000 · Non-Operating Funds	
1100100 · ColoTrust - CTF from MRMD 8001	28,580.96
1100101 · ColoTrust - CTF from MRMD E001	38,115.34
1100200 · ColoTrust - Reserve 8002	100,236.52
1100201 · ColoTrust - Reserve E002	2,094,719.91
1100400 · ColoTrust - Sewer Reserve 8004	56,091.04
1100401 · ColoTrust - Sewer Reserve E003	385,693.08
1100500 · ColoTrust - Cap Projects 8005	2,209,069.54
1100501 · ColoTrust - Cap Projects E004	4,214,636.03
1100601 · ColoTrust - Rate Stabiliz E005	650,040.74
1100901 · Bank of the San Juans -Reserves	125,027.04
1100904 · Zions Bank Loan Payment Fund	197,787.90
Total 110000 · Non-Operating Funds	10,099,998.10
Total Checking/Savings	11,776,726.13
Accounts Receivable	
1400000 · Accounts Receivable	
1400100 · UB Accounts Receivable	1,096,695.42
1400200 · Accounts Receivable - Non UB	1,432,958.43
Total 1400000 · Accounts Receivable	2,529,653.85
Total Accounts Receivable	2,529,653.85
Other Current Assets	
1500000 · Prepaid Expenses	55,075.00
Total Other Current Assets	55,075.00
Total Current Assets	14,361,454.98
Fixed Assets	
2100000 · Fixed Assets	
2110000 · Non-Depreciable Assets	
2110100 · Water Rights	257,084.50
Total 2110000 · Non-Depreciable Assets	257,084.50
2120000 · Depreciable Assets	
2120100 · Water System	38,293,567.39
2120200 · Wastewater System	19,204,787.07
2120400 · Systems - Acc. Dep.	-21,915,512.79
Total 2120000 · Depreciable Assets	35,582,841.67
2130000 · Recreation Assets	11,887,621.65
2140000 · Vehicles & Equipment	349,427.82
Total 2100000 · Fixed Assets	48,076,975.64
Total Fixed Assets	48,076,975.64

Meridian Service Metropolitan District

Balance Sheet - Unaudited

As of July 31, 2022

09/09/22

Accrual Basis

	Jul 31, 22
Other Assets	
1600000 · Other Assets	
1600100 · Security Deposit	15,080.00
Total 1600000 · Other Assets	15,080.00
2000000 · Construction in Progress	287,584.21
Total Other Assets	302,664.21
TOTAL ASSETS	62,741,094.83
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	399,673.36
Credit Cards	961.76
Other Current Liabilities	
3100000 · Other Current Liabilities	
3110000 · Payroll Liabilities	1,446.97
3120000 · Retainage Payable	176,982.49
3140000 · Accr Int Payable - Developer	13,591,477.00
3160000 · Deposits Held	8,000.00
3180100 · GTL Loan (Current)	300,000.00
3180300 · Bank of San Juan Loan-Current	328,441.47
Total 3100000 · Other Current Liabilities	14,406,347.93
Total Other Current Liabilities	14,406,347.93
Total Current Liabilities	14,806,983.05
Long Term Liabilities	
3500000 · Long Term Liabilities	
3500100 · Notes Payable	9,315,476.39
3500200 · Cherokee - New WWTP (LT Liab)	
3500210 · Cherokee - New WWTP (LT Contra)	-189,052.99
3500200 · Cherokee - New WWTP (LT Liab) - Other	16,861,266.33
Total 3500200 · Cherokee - New WWTP (LT Liab)	16,672,213.34
3500300 · Bank of San Juan TDS Loan	4,347,000.00
3500400 · GTL Loan (LT Liab)	600,000.00
Total 3500000 · Long Term Liabilities	30,934,689.73
Total Long Term Liabilities	30,934,689.73
Total Liabilities	45,741,672.78
Equity	
4000000 · Retained Earnings	23,465,658.36
4000100 · Comprehensive Income	-42,390.55
Net Income	-6,423,845.76
Total Equity	16,999,422.05
TOTAL LIABILITIES & EQUITY	62,741,094.83

Meridian Service Metropolitan District
Statement of Cash Flows - Unaudited
July 2022

	Jul 22
OPERATING ACTIVITIES	
Net Income	-1,323,051.01
Adjustments to reconcile Net Income to net cash provided by operations:	
1400110 · Accounts Receivable	-38,254.71
1400200 · Accounts Receivable - Non UB	-22,346.35
1500100 · Prepaid Insurance	11,015.00
3000000 · Accounts Payable	-449,375.20
3070100 · Chase Credit Card	9,874.28
3070400 · Conoco Credit Card	758.50
3110100 · Payroll Taxes Payable	702.93
3110300 · Employee Paid Ins Contrib.	-0.12
3160000 · Deposits Held	3,000.00
3180100 · GTL Loan (Current)	300,000.00
	-1,507,676.68
Net cash provided by Operating Activities	-1,507,676.68
FINANCING ACTIVITIES	
3500200 · Cherokee - New WWTP (LT Liab)	521,194.38
3500400 · GTL Loan (LT Liab)	600,000.00
4000100 · Comprehensive Income	7,419.53
	1,128,613.91
Net cash provided by Financing Activities	1,128,613.91
Net cash increase for period	-379,062.77
Cash at beginning of period	12,155,788.90
Cash at end of period	11,776,726.13

Meridian Service Metropolitan District
2022 Tap Report

Counts	Date	Tap Receipt No.	Service Address	Filing #	Lot #	Builder	Tap Amt Paid	Meter Amt Paid	Check No.	Monthly Totals
214	8/4/2022	3709	10932 Rolling Mesa Dr	Rolling Hills Ranch 1	190	ZRH Construction	\$ 19,000.00	\$ 655.00	Epymnt/P22080302 - 2603739	
215	8/10/2022	3710	12700 Enclave Scenic Dr	Stonebridge 4	61	Covington Homes	\$ 19,000.00	\$ 655.00	Wire/220810087768	
216	8/18/2022	3711	11031 Rolling Mesa Dr	Rolling Hills Ranch 1	200	Covington Homes	\$ 19,000.00	\$ 655.00	Wire/220818132632	
217	8/18/2022	3712	11114 Rolling Mesa Dr	Rolling Hills Ranch 1	146	Covington Homes	\$ 19,000.00	\$ 655.00	Wire/220818132632	4

Meridian Service Metropolitan District
2022 Tap and Meter Set Additional Fees Collected

(Initial) Tap Purchase Date	Tap Receipt No.	Service Address	Builder	Meter Set		Additional Tap Fees Due (Per Current Fee Schedule)	Additional Meter Set Fee Due (Per Current Fee Schedule)	Date Paid	Total Additional Amount Collected Prior to Meter Set		
				Tap Fee Paid At Time of Purchase	Fee Paid At Time of Purchase						
8/30/2018	2579	12963 Stone Valley Dr	Campbell Homes	\$ 15,000.00	\$ 540.00	\$ 4,000.00	\$ 115.00	1/13/2022	\$ 4,115.00		
6/12/2020	3076	9793 Fairway Glen Dr	Campbell Homes	\$ 17,000.00	\$ 600.00	\$ 2,000.00	\$ 55.00	1/20/2022	\$ 2,055.00		
12/18/2020	3233	12658 Windingwalk Dr	Campbell Homes	\$ 17,000.00	\$ 600.00	\$ 2,000.00	\$ 55.00	1/20/2022	\$ 2,055.00		
11/24/2020	3208	12571 Granite Springs Pl	Century Comm	\$ 17,000.00	\$ 600.00	\$ 2,000.00	\$ 55.00	1/21/2022	\$ 2,055.00	\$ 10,280.00	Jan-22
11/27/2019	2889	13075 Stone Valley Dr	Campbell Homes	\$ 16,000.00	\$ 575.00	\$ 3,000.00	\$ 80.00	2/9/2022	\$ 3,080.00		
2/28/2020	2963	13028 Stone Valley Dr	Campbell Homes	\$ 17,000.00	\$ 600.00	\$ 2,000.00	\$ 55.00	2/9/2022	\$ 2,055.00		
11/24/2020	3205	12571 Stone Valley Dr	Century Comm	\$ 17,000.00	\$ 600.00	\$ 2,000.00	\$ 55.00	2/17/2022	\$ 2,055.00		
11/24/2020	3209	12565 Granite Springs Pl	Century Comm	\$ 17,000.00	\$ 600.00	\$ 2,000.00	\$ 55.00	2/17/2022	\$ 2,055.00		
11/24/2020	3206	12563 Stone Valley Dr	Century Comm	\$ 17,000.00	\$ 600.00	\$ 2,000.00	\$ 55.00	2/24/2022	\$ 2,055.00		
11/24/2020	3210	12559 Granite Springs Pl	Century Comm	\$ 17,000.00	\$ 600.00	\$ 2,000.00	\$ 55.00	2/24/2022	\$ 2,055.00		
11/24/2020	3211	12553 Granite Springs Pl	Century Comm	\$ 17,000.00	\$ 600.00	\$ 2,000.00	\$ 55.00	2/24/2022	\$ 2,055.00		
11/24/2020	3212	12547 Granite Springs Pls	Century Comm	\$ 17,000.00	\$ 600.00	\$ 2,000.00	\$ 55.00	2/24/2022	\$ 2,055.00		
11/29/2018	2669	12956 Stone Valley Dr	Campbell Homes	\$ 15,000.00	\$ 540.00	\$ 4,000.00	\$ 115.00	2/24/2022	\$ 4,115.00		
11/29/2018	2670	12964 Stone Valley Dr	Campbell Homes	\$ 15,000.00	\$ 540.00	\$ 4,000.00	\$ 115.00	2/24/2022	\$ 4,115.00		
5/30/2019	2767	13011 Stone Valley Dr	Campbell Homes	\$ 16,000.00	\$ 575.00	\$ 3,000.00	\$ 80.00	2/24/2022	\$ 3,080.00		
2/18/2021	3273	12818 Windingwalk Dr	Reunion Homes	\$ 18,000.00	\$ 625.00	\$ 1,000.00	\$ 30.00	2/28/2022	\$ 1,030.00		
2/18/2021	3280	12887 Morning Creek Ln	Reunion Homes	\$ 18,000.00	\$ 625.00	\$ 1,000.00	\$ 30.00	2/28/2022	\$ 1,030.00	\$ 30,835.00	Feb-22
12/3/2020	3223	9877 Meridian Hills Tr	Covington Homes	\$ 17,000.00	\$ 600.00	\$ 2,000.00	\$ 55.00	3/8/2022	\$ 2,055.00		
12/3/2020	3224	9885 Meridian Hills Tr	Covington Homes	\$ 17,000.00	\$ 600.00	\$ 2,000.00	\$ 55.00	3/10/2022	\$ 2,055.00		
9/15/2020	3174	12618 Windingwalk Dr	Campbell Homes	\$ 17,000.00	\$ 600.00	\$ 2,000.00	\$ 55.00	3/11/2022	\$ 2,055.00		
2/18/2021	3272	12814 Windingwalk Dr	Reunion Homes	\$ 18,000.00	\$ 625.00	\$ 1,000.00	\$ 30.00	3/15/2022	\$ 1,030.00		
2/18/2021	3279	12895 Morning Creek Ln	Reunion Homes	\$ 18,000.00	\$ 625.00	\$ 1,000.00	\$ 30.00	3/22/2022	\$ 1,030.00		
2/18/2021	3276	9741 Winding Bend Ln	Reunion Homes	\$ 18,000.00	\$ 625.00	\$ 1,000.00	\$ 30.00	3/29/2022	\$ 1,030.00		
2/18/2022	3281	12879 Morning Creek Ln	Reunion Homes	\$ 18,000.00	\$ 625.00	\$ 1,000.00	\$ 30.00	3/29/2022	\$ 1,030.00		
3/13/2020	2984	12638 Windingwalk Dr	Campbell Homes	\$ 17,000.00	\$ 600.00	\$ 2,000.00	\$ 55.00	3/31/2022	\$ 2,055.00		
12/18/2020	3235	12670 Windingwalk Dr	Campbell Homes	\$ 17,000.00	\$ 600.00	\$ 2,000.00	\$ 55.00	3/31/2022	\$ 2,055.00		
6/26/2020	3084	10151 Boulder Creek Wy	Covington Homes	\$ 17,000.00	\$ 600.00	\$ 2,000.00	\$ 55.00	3/31/2022	\$ 2,055.00	\$ 16,450.00	Mar-22
11/29/2018	2674	10170 Boulder Ridge Dr	Campbell Homes	\$ 15,000.00	\$ 540.00	\$ 4,000.00	\$ 115.00	4/5/2022	\$ 4,115.00		
12/18/2020	3234	12662 Windingwalk Dr	Campbell Homes	\$ 17,000.00	\$ 600.00	\$ 2,000.00	\$ 55.00	4/6/2022	\$ 2,055.00		
12/13/2020	3225	9893 Meridian Hills Tr	Covington Homes	\$ 17,000.00	\$ 600.00	\$ 2,000.00	\$ 55.00	4/13/2022	\$ 2,055.00		
3/26/2021	3301	9863 Marble Canyon Way	Covington Homes	\$ 18,000.00	\$ 625.00	\$ 1,000.00	\$ 30.00	4/13/2022	\$ 1,030.00		
4/9/2021	3311	12780 Enclave Scenic Dr	Covington Homes	\$ 18,000.00	\$ 625.00	\$ 1,000.00	\$ 30.00	4/13/2022	\$ 1,030.00		
4/9/2021	3309	12847 Morning Creek Ln	Reunion Homes	\$ 18,000.00	\$ 625.00	\$ 1,000.00	\$ 30.00	4/21/2022	\$ 1,030.00		
2/10/2021	3268	12863 Morning Creek Ln	Reunion Homes	\$ 17,000.00	\$ 600.00	\$ 2,000.00	\$ 55.00	4/25/2022	\$ 2,055.00		
4/1/2021	3306	9522 Fairway Glen Dr	Reunion Homes	\$ 18,000.00	\$ 625.00	\$ 1,000.00	\$ 30.00	4/25/2022	\$ 1,030.00	\$ 14,400.00	thru April 28
4/14/2021	3313	9853 Marble Canyon Way	Covington Homes	\$ 18,000.00	\$ 625.00	\$ 1,000.00	\$ 30.00	4/29/2022	\$ 1,030.00		
3/13/2020	2983	12634 Windingwalk Dr	Campbell Homes	\$ 17,000.00	\$ 600.00	\$ 2,000.00	\$ 55.00	5/3/2022	\$ 2,055.00		
8/30/2018	2581	12947 Stone Valley Dr	Campbell Homes	\$ 15,000.00	\$ 540.00	\$ 4,000.00	\$ 115.00	5/5/2022	\$ 4,115.00		
3/10/2021	3295	12682 Windingwalk Dr	Campbell Homes	\$ 17,000.00	\$ 600.00	\$ 2,000.00	\$ 55.00	5/26/2022	\$ 2,055.00	\$ 9,255.00	May-22
3/13/2020	2981	12626 Windingwalk Dr	Campbell Homes	\$ 16,000.00	\$ 575.00	\$ 3,000.00	\$ 80.00	6/1/2022	\$ 3,080.00		
9/15/2020	3175	12622 Windingwalk Dr	Campbell Homes	\$ 17,000.00	\$ 600.00	\$ 2,000.00	\$ 55.00	6/3/2022	\$ 2,055.00		
10/14/2020	3188	9804 Meridian Hills Tr	Campbell Homes	\$ 17,000.00	\$ 600.00	\$ 2,000.00	\$ 55.00	6/6/2022	\$ 2,055.00		
4/6/2021	3307	12772 Enclave Scenic Dr	Covington Homes	\$ 18,000.00	\$ 625.00	\$ 1,000.00	\$ 30.00	6/8/2022	\$ 1,030.00		
6/1/2021	3319	12764 Enclave Scenic Dr	Covington Homes	\$ 18,000.00	\$ 625.00	\$ 1,000.00	\$ 30.00	6/8/2022	\$ 1,030.00		
5/19/2021	3316	12740 Enclave Scenic Dr	Covington Homes	\$ 18,000.00	\$ 625.00	\$ 1,000.00	\$ 30.00	6/8/2022	\$ 1,030.00		
12/18/2020	3232	12654 Windingwalk Dr	Campbell Homes	\$ 17,000.00	\$ 600.00	\$ 2,000.00	\$ 55.00	6/16/2022	\$ 2,055.00		
11/29/2018	2671	12972 Stone Valley Dr	Campbell Homes	\$ 15,000.00	\$ 540.00	\$ 4,000.00	\$ 115.00	6/23/2022	\$ 4,115.00		
11/29/2018	2672	12980 Stone Valley Dr	Campbell Homes	\$ 15,000.00	\$ 540.00	\$ 4,000.00	\$ 115.00	6/23/2022	\$ 4,115.00		
5/30/2019	2769	12987 Stone Valley Dr	Campbell Homes	\$ 16,000.00	\$ 575.00	\$ 3,000.00	\$ 80.00	6/23/2022	\$ 3,080.00		
3/13/2020	2982	12630 Windingwalk Dr	Campbell Homes	\$ 16,000.00	\$ 600.00	\$ 3,000.00	\$ 55.00	6/24/2022	\$ 3,055.00	\$ 23,645.00	Jun-22
10/14/2020	3189	9812 Meridian Hills Tr	Campbell Homes	\$ 17,000.00	\$ 600.00	\$ 2,000.00	\$ 55.00	7/12/2022	\$ 2,055.00		
12/18/2020	3236	12674 Windingwalk Dr	Campbell Homes	\$ 17,000.00	\$ 600.00	\$ 2,000.00	\$ 55.00	7/13/2022	\$ 2,055.00		
3/26/2021	3302	9843 Marble Canyon Wy	Covington Homes	\$ 18,000.00	\$ 625.00	\$ 1,000.00	\$ 30.00	7/20/2022	\$ 1,030.00		
6/18/2021	3323	9812 Marble Canyon Wy	Covington Homes	\$ 18,000.00	\$ 625.00	\$ 1,000.00	\$ 30.00	7/20/2022	\$ 1,030.00		
6/22/2021	3325	9822 Marble Canyon Wy	Covington Homes	\$ 18,000.00	\$ 625.00	\$ 1,000.00	\$ 30.00	7/20/2022	\$ 1,030.00		
7/26/2021	3339	9948 Meridian Hills Tr	Covington Homes	\$ 18,000.00	\$ 625.00	\$ 1,000.00	\$ 30.00	7/29/2022	\$ 1,030.00		
7/26/2022	3338	9940 Meridian Hills Tr	Covington Homes	\$ 18,000.00	\$ 625.00	\$ 1,000.00	\$ 30.00	7/29/2022	\$ 1,030.00	\$ 9,260.00	Jul-22
8/6/2021	3343	12716 Enclave Scenic Dr	Covington Homes	\$ 18,000.00	\$ 625.00	\$ 1,000.00	\$ 30.00	8/9/2022	\$ 1,030.00		
7/27/2022	3340	9956 Meridian Hills Tr	Covington Homes	\$ 18,000.00	\$ 625.00	\$ 1,000.00	\$ 30.00	8/26/2022	\$ 1,030.00	\$ 2,060.00	Aug-22

2022 Total \$ 119,240.00

Meridian Service Metropolitan District
Vendor Payment Register Report - Summary
Finance Committee - Payments to Ratify
August 26, 2022

<u>Date</u>	<u>Payment Type</u>	<u>Vendor</u>	<u>Amount</u>
8/26/22	Check	Affordable Flags & Fireworks	\$ 223.60
8/26/22	Check	Amazon Capital Services	\$ 1,043.27
8/26/22	Check	Aqueous Solution Inc.	\$ 4,381.50
8/26/22	ePayment	Axis Business Technologies	\$ 509.24
8/26/22	Check	Badger Meter	\$ 999.28
8/26/22	ePayment	Beers Construction LLC	\$ 222,109.32
8/26/22	ePayment	BiggsKofford	\$ 20,000.00
8/26/22	ePayment	Braun Concrete	\$ 7,547.50
8/26/22	ePayment	Browns Hill Engineering & Controls, LLC	\$ 4,193.60
8/26/22	Vendor Direct	CenturyLink - FP	\$ 200.76
8/26/22	Vendor Direct	CenturyLink - LS	\$ 251.87
8/26/22	ePayment	Cherokee MD	\$ 26,351.58
8/26/22	Check	CIT-First Citizens Bank & Trust CO	\$ 177.92
8/26/22	ePayment	Club Automation, LLC	\$ 1,859.76
8/26/22	Vendor Direct	Comcast - MRRC	\$ 405.54
8/26/22	Vendor Direct	Comcast - Office	\$ 327.19
8/26/22	Check	CPS Distributors, Inc	\$ 1,498.43
8/26/22	ePayment	CSI Group International, Inc	\$ 592.82
8/26/22	ePayment	DBC Irrigation Supply	\$ 1,020.75
8/26/22	Check	El Paso County Public Health Laboratory	\$ 252.00
8/26/22	Check	Faris Machinery	\$ 212.23
8/26/22	Check	Frazee Construction Co.	\$ 18,060.00
8/26/22	Check	Front Range Kubota, Inc	\$ 318.13
8/26/22	Check	Front Range Winwater	\$ 5,503.44
8/26/22	Check	Grainger	\$ 4,786.14
8/26/22	Check	GTL Development Inc.	\$ 1,440.40
8/26/22	Check	Home Depot Credit Services	\$ 666.31
8/26/22	ePayment	Jan-Pro of Southern Colorado	\$ 2,735.25
8/26/22	Vendor Direct	Johnson Controls Security Solutions	\$ 950.00
8/26/22	ePayment	Landmark Plumbing	\$ 4,490.58
8/26/22	Check	Mountain Man Welding and Fabrication	\$ 481.45
8/26/22	Vendor Direct	Mug-A-Bug Pest Control	\$ 554.00
8/26/22	Check	Municipal Sewer Tools	\$ 3,186.37
8/26/22	ePayment	Municipal Treatment Equipment Inc.	\$ 2,865.41
8/26/22	Check	MVEA	\$ 70,362.79
8/26/22	Vendor Direct	Northern Tool & Equipment	\$ 607.29
8/26/22	Check	Pioneer	\$ 1,982.25
8/26/22	Check	Progressive Services	\$ 716.00
8/26/22	Check	Rachel Blamey	\$ 83.52
8/26/22	ePayment	Rich Bowman	\$ 199.95
8/26/22	Check	Ross Electric-Enterprise, Inc.	\$ 24,057.00
8/26/22	Check	Shops at Meridian Ranch, LLC	\$ 4,107.93
8/26/22	ePayment	Star Playgrounds	\$ 17,045.50
8/26/22	ePayment	Starfish Aquatics Institute	\$ 129.00
8/26/22	Check	Tech Builders Inc	\$ 5,593.55
8/26/22	Check	Thatcher Company, Inc	\$ 12,570.79
8/26/22	Vendor Direct	The Lifeguard Store, Inc	\$ 343.50
8/26/22	Check	Utility Notification Center of Colorado	\$ 1,020.50
8/26/22	Check	VertiCloud Networks LLC	\$ 3,311.50
8/26/22	Vendor Direct	Waste Management of Colorado Springs	\$ 795.81
8/26/22	Check	WHMD Woodmen Hills Metropolitan District	\$ 6,775.00
8/26/22	Check	Zima Corporation	\$ 7,646.90
		BDC Total	\$ 497,544.42
8/22/22	Check #13310	Jennifer and John Miller	\$ 2,108.98
8/22/22	Check #13311	Jackelin Aguilera	\$ 1,000.00
8/22/22	Check #13312	Tyler B Koets	\$ 1,000.00
Total Payments	55	Total Payment	\$ 501,653.40

Meridian Service Metropolitan District
Vendor Payment Register Report - Summary
Finance Committee - Payments to Approve
September 14, 2022

<u>Date</u>	<u>Payment Type</u>	<u>Vendor</u>	<u>Amount</u>
09/14/22	Check	Amazon Capital Services	\$ 341.83
09/14/22	Check	Antler Creek Golf Course	\$ 400.00
09/14/22	ePayment	Applied Ingenuity, LLC	\$ 225,074.00
09/14/22	Check	Aqueous Solution Inc.	\$ 4,129.60
09/14/22	ePayment	Axis Business Technologies	\$ 512.08
09/14/22	Check	Badger Meter	\$ 7,944.50
09/14/22	Check	Black Hills Energy	\$ 6,750.76
09/14/22	Vendor Direct	BrightView Landscape Services Inc.	\$ 49,255.21
09/14/22	ePayment	Browns Hill Engineering & Controls, LLC	\$ 325.50
09/14/22	ePayment	Carlson, Hammond & Paddock, LLC	\$ 5,328.90
09/14/22	Check	CEBT Payments	\$ 16,130.98
09/14/22	ePayment	Cherokee MD	\$ 37,018.35
09/14/22	Check	Colorado Springs Winwater	\$ 8,713.08
09/14/22	ePayment	Core & Main LP	\$ 1,832.16
09/14/22	Check	CPS Distributors, Inc	\$ 1,081.38
09/14/22	ePayment	CRS Community Resource Services	\$ 14,378.16
09/14/22	ePayment	CSU Colorado Springs Utilities	\$ 38.05
09/14/22	ePayment	Divvy Pay LLC	\$ 8,434.74
09/14/22	Check	Falcon Environmental Corporation	\$ 538.23
09/14/22	Check	Grainger	\$ 3,305.08
09/14/22	Check	HelloSpoke	\$ 804.97
09/14/22	Check	Hydro Resources Rocky Mtn. Inc.	\$ 160,715.66
09/14/22	ePayment	Jan-Pro of Southern Colorado	\$ 2,735.25
09/14/22	ePayment	JDS-Hydro Consultants, Inc.	\$ 5,199.38
09/14/22	Check	John Deere Financial	\$ 730.47
09/14/22	Check	Lytle Water Solutions, LLC	\$ 18,331.75
09/14/22	Vendor Direct	Mug-A-Bug Pest Control	\$ 246.00
09/14/22	Vendor Direct	O'Reilly Automotive	\$ 88.93
09/14/22	Check	Progressive Services, Inc.	\$ 1,547.50
09/14/22	ePayment	Rob's Septic Service & Porta-Pot Rental	\$ 600.00
09/14/22	Vendor Direct	Safeway	\$ 47.72
09/14/22	Check	Shops at Meridian Ranch, LLC	\$ 305.88
09/14/22	Vendor Direct	Spencer Fane LLP	\$ 10,543.00
09/14/22	Check	VertiCloud Networks LLC	\$ 3,208.40
09/14/22	Check	Viking Industrial Painting, LLC	\$ 2,300.00
09/14/22	Check	WHMD Woodmen Hills Metropolitan District	\$ 11,108.29
		BDC Total	\$ 610,045.79

09/14/22	Check #13313	Hepperle Event & Paty Services	\$ 750.00
09/14/22	Check #13314	Patriot High School	\$ 681.25
09/14/22	Check #13315	El Paso County Facilities Management	\$ 28,326.04
09/14/22	Check #13316	Timberline Landscaping	\$ 1,000.00
09/14/22	Check #13317	Susan Gilbert	\$ 1,000.00
08/31/22	ACH	Conoco Fleet Services	\$ 3,229.77
09/02/22	ACH	Club Automation, LLC	\$ 564.61

Total Payments	43	Total Payments	\$ 645,597.46
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Payroll Transactions 08/1-08/31/2022

BOD Payroll:	\$ 430.60
Bi-weekly Payroll:	\$ 175,557.07
Payroll & HR Services:	\$ 403.84
Total:	\$176,391.51



MERIDIAN SERVICE METROPOLITAN DISTRICT
Water, Wastewater, Parks and Recreation
11886 Stapleton Dr, Falcon, CO 80831
719-495-6567, Fax 719-495-3349

DATE: August 26, 2022
TO: MSMD Board of Directors
RE: Finance Committee Report

On August 26, 2022 the Board's Finance Committee, Directors Gabrielski and Sauer met with Jim Nikkel, General Manager and Carrie Billingsly, Supervising Accounting Technician. The following is a summary of the meeting:

- The Finance Committee approved interim MSMD payments in the amount of \$497,544.42 and directed staff to add this to the Board's September 2022 agenda for ratification.

Submitted by:

A handwritten signature in black ink, which appears to read "Milton B. Gabrielski". The signature is written in a cursive style.

Milton B. Gabrielski, Finance Committee Chair

MSMD Operations Report for August 2022

August water operations completed the monthly Bac-T sampling with no issues. Disinfection bi-product samples were collected the first week in August per CDPHE monitoring requirements along with third quarter samples. Monthly water meter reading and water usage performed on 8-25-22. LFH-4 and A-4 have been feeding the system and running with no problems. LFH-4 production has been steady at 88 gpm and A-4 around 65 gpm. Work on the new 16-inch treated waterline installation is very near substantial completion. Items for tank and filter plant expansion bypass tie in have been received, pending install. Guthrie booster station VFD #3 replacement still pending delivery. The filter plant booster high demand pump has been replaced with new VFD installed. Staff performed 26 new water and sewer inspections during August.

Parks and drainage personnel have been busy the last couple weeks of August repairing damage sustained during the heavy rainstorm near the beginning of the month. Repairs were made to Eagle Pond intake and trees were removed from the rock overflow. Winding Walk detention pond intake repair consisting of inlet rock replacement and effluent clearing are under way. The drainage channel near Lambert and Londonderry is next for repair/rock replacement. Staff also finished removing dead trees along Meridian Ranch Blvd and sections of Londonderry. Trails and open spaces will be the next area of focus.

Staff performed weekly infiltration gallery inspections and recorded water level logging data. Monthly flow measurement and calculations taken on 8-23-22. Two additional infiltration pits off Crooked Hill and north of the High School are in service and being monitored by staff.

The irrigation pond level is slowly being lowered for winter maintenance. Algae and water dye are being added as needed. The transfer flow meter tracking from the large pond to the small pond will need to be replaced, pending availability and scheduling.

Wastewater operations staff completed weekly composite sampling and drop off to Cherokee. Weekly Hydrogen Sulfide (H₂S) and Total Dissolved Solids (TDS) samples were collected during weekly sewer flow meter inspections. Crews worked on gravity sewer line cleaning. The filter plant manhole was also cleaned at the beginning and end of August.

Upcoming or continued water tasks:

- Monthly meter reading (completed ~~1-27-22, 2-28, 3-25, 4-25, 5-25, 6-25, 7-25, 8-25,~~ 9-25, 10-25, 11-28, 12-27)
Monthly Bac-T sampling (~~Jan, Feb, Mar, Apr, May, Jun, Jul, Aug, Sept, Oct, Nov, Dec~~)
- ~~1st Quarter monitoring and sampling~~
- ~~2nd Quarter monitoring and sampling~~
- ~~3rd Quarter monitoring and sampling~~
- 4th Quarter monitoring and sampling
- ~~Well step testing (mid February 2-8, 2-10, 2-18, 2-25-22)~~
- Lead and Copper Sampling (bi-yearly) **Half completed**
- ~~Flow control valve replacement (completed 5-23-22)~~
- ~~Reclamation tank pipe expansion (completed 5-20-22)~~

Upcoming or continued parks and drainage:

- Continue irrigation repairs/testing (in progress)
- ~~2022 annual backflow testing (completed)~~
- ~~Irrigation spring start up~~
- Irrigation winterization
- Continue fence repairs (in progress)
- Mulch/rock replacement in planter beds (in progress)
- Dead tree removal (in progress)

Upcoming or continued wastewater tasks:

- Sewer force main air vac maintenance/vault inspections (**in progress**)
- Sewer force main flow meter replacement/relocate
- Infiltration pit maintenance (**in progress**)
- ~~Infiltration pit logger installs (2) (pending weather, in progress)~~
- Sewer line maintenance (**underway**)

September 14th, 2022 Recreation Board Report

Usage Numbers August 1-31, 2022

Total Attendance – 14346

Group Ex – 890 participants. Of those we received \$484 from non-members

Childcare attendance – 431

Parents Night Out – 33 children. \$570

Parties – 4 pool parties, 1 room rental

Revenue collected - **\$16,547.17**

Pulse Check:

August remained steady as District 49 went back to school. We saw an increase in group exercise and childcare attendance. The pools slowed down as many of the children were back in school.

Sports continues to grow, and we have just begun youth flag football. We are currently registering for an adult basketball league that will begin shortly. Flag football is being played at both Fairway Heights Park, and Windingwalk Park. We have a BJJ agreement on the agenda today and are looking to begin classes in October. The interest is very high for this program that will run on half of the basketball court.

Our Daddy Daughter Dance is on September 24th and we are fully prepared. The district has sponsored the Military Appreciation golf course and we will be handing out water and snacks the day of the tournament. After our Daddy Daughter Dance, the next major event will be the Trunk or Treat on October 29th, and we are looking to expand the event from what has been done in the past. The Festival of Trees and Cookies with Santa will be occurring in late November/early December.

Maintenance has been routine in August. The broken upstairs water fountain was replaced and plumbed in correctly. Winterization of the outdoor pool is planned, and we have also received materials to patch the pool cover. Annual maintenance on the pump room LED's will be occurring in the Fall. We should have the permit in hand any day from regional for our garage. Once the permit is in hand, the concrete vendor will begin digging and pouring the foundation, and then the garage will be constructed.

We were able to manage staffing changes in August with school starting rather smoothly. We have a few more holes to fill but are optimistic with applications we have received.



September 2, 2022

Meridian Metropolitan Service District
11886 Stapleton Dr.
Peyton, CO 80831

Attn: Mr. Jim Nikkel, P.E.
District Manager

Subject: Proposal to Provide Well Design, Construction Observation, and Well Testing Services Related to the Drilling, Completion, Development, and Testing of Two Laramie-Fox Hills Wells in Latigo Trails.

Proposal No. 1577-22

Dear Jim:

Lytle Water Solutions, LLC ("LWS") has prepared this proposal to assist Meridian Metropolitan Service District ("MSMD") with the design, construction observation, development, and well testing of two Laramie-Fox Hills aquifer wells, i.e., LFH-2P and LFH-3. It is our understanding that you propose to construct these wells on the eastern boundary of the Latigo Trails neighborhood.

Based on our understanding of the plans for LFH-2P and LFH-3, we envision that our scope of work will include the following tasks:

- (1) **Prepare the well designs and associated Contract Documents and Technical Specifications for the wells.** LWS maintains standard Contract Documents and Technical Specifications that are adequate for submitting to competent drilling contractors for competitive bids on this project. It is our current understanding that the Contract Documents and Technical Specifications will be prepared to obtain a quote for the drilling, completion, development, and testing of two Laramie-Fox Hills aquifer wells.

The specific well designs for the wells will be incorporated into the standard documents and provided to you in draft form for review and comment prior to sending the documents out for competitive bid.

- (2) **Prepare and submit the well permit application.** LWS will complete and submit the well permit applications to the Colorado Division of Water Resources (“CDWR”). The permit fee is \$100 per well and the CDWR has up to 45 days to issue a permit. However, we expect the permit can be issued more quickly based on recent filings.
- (3) **Advertise the well bid.** LWS will submit an advertisement to the local newspaper consistent with the statutory requirements.
- (4) **Provide technical assistance related to the bid and conduct a pre-bid site visit.** LWS will answer any contractor questions during the bidding period related to the well designs, well completions, well development, and/or well testing procedures. LWS will also accompany the prospective contractors on a pre-bid site visit. The site visit is necessary for the drilling contractors to satisfy themselves of the conditions under which they will be conducting the work so they can properly define its mobilization/demobilization charges.
- (5) **Evaluate the bids received and provide recommendations to MSMD on proceeding with the bids as received.** LWS will review the bids received, compare them to our engineering estimate, and provide a recommendation to MSMD as to the contractor that LWS recommends for this project. Our standard Contract Documents are structured such that the contractor will then contract directly with MSMD. As part of this contractual process, LWS will also obtain the necessary bonds that are required from the contractor for this project.

Once the contract has been signed, LWS will provide construction observation services related to the drilling, completion, development, and testing of the wells. The tasks related to these services are described below:

- (6) **Observe the well drilling operations on a part-time basis.** During well drilling operations, LWS will be on-site on a part-time basis to log drill cuttings as they return from the borehole, to track drilling progress, and identify any issues with the drilling and/or the geology of the Laramie-Fox Hills, or overlying, formations.
- (7) **Observe the geophysical logging.** Once the drilling is complete in the boreholes and the holes have been conditioned, LWS will observe the geophysical logging, as this procedure provides the data necessary to define both the top and the base of the Laramie-Fox Hills aquifer, and also provides us with the information needed to design the well screen, casing, gravel pack, and grout intervals for each well.
- (8) **Design the Laramie Fox-Hills aquifer wells.** Utilizing information from the geophysical log suite, LWS will prepare the well designs for submittal to the contractor. LWS will provide a written design for the wells, including the casing and

screen schedules, the gravel pack intervals, and the grout intervals. In addition, LWS will also interface with the CDWR to get approval for the production intervals of each well so there is no issue related to the well production completion intervals.

- (9) **Observe the well construction.** LWS personnel will be onsite on a full-time basis to observe the well construction activities to make sure that the contractor follows the LWS well designs by (a) placing the well screen in the correct intervals in the casing schedule, (b) setting the gravel pack in a continuous manner so there is no bridging and that it fully covers the screened interval but does not rise into the overlying aquifer, and (c) placing the grout seal in a continuous manner such that it isolates the well production zone to the Laramie-Fox Hills aquifer.
- (10) **Observe the well development.** LWS personnel will initially discuss with the contractor the proposed well development methods so that efficient means are used to develop the wells, i.e., the procedure to remove the drilling mud from the wells and to clean the aquifer face, gravel pack, and the well itself, so it is producing aquifer water and not remnants from the drilling operations. Thereafter, LWS personnel will be onsite on a part-time basis to observe well development activities to ensure development is adequate so that the wells are producing essentially sand-free water at the completion of well development. Near the completion of the development, if development is finished with the test pump, a short step test will be conducted to evaluate the pumping rate for the constant-rate test (Task (11)).
- (11) **Observe the constant-rate pump test.** Once the wells have been fully developed, it is necessary to conduct a minimum 24-hour (“hr”) constant-rate pump test of the wells to determine aquifer hydraulic characteristics to facilitate the design setting depth, average flow rate, and maximum flow rate for the permanent submersible pump to be set in the wells. This test will also provide information regarding the expected short-term and long-term yield of the well.

LWS will be onsite on a part-time basis at the beginning of the pump tests to initiate the tests, and also at the end of the pump tests to evaluate the data and collect the necessary water quality samples, as defined by MSMD, (Task (12)), but the contractor shall be responsible for conducting the 24-hr test.

- (12) **Collect and deliver water quality samples to an EPA-approved laboratory for analysis of Safe Drinking Water parameters.** LWS will collect water quality samples for analysis near the completion of the pump tests. The water quality samples will be submitted to an EPA-approved laboratory for analysis of Safe Drinking Water parameters. Based on your requirements as a public water supply entity we will have the samples tested for inorganic and organic parameters as necessary. We have assumed that MSMD will contract directly with the laboratory for these analyses.

- (13) **Video survey of the well and conduct alignment survey.** Once all the work has been completed on the wells, they will be video surveyed to demonstrate if the wells have been adequately cleaned and are clear of any debris in the sump. The video surveys can serve as the baseline conditions in the wells so the need for any rehabilitation work in the future can be assessed against these baseline conditions.

The contractor will also be required to conduct an alignment survey in the wells to demonstrate the straightness of the casing and screen assembly so there will not be issues with placement of the permanent pumps.

- (14) **Analyze pump test data.** The pump test data from the wells will be analyzed to provide recommendations for each well regarding (a) the permanent pump setting depth (b) pump sizing, (c) average flow rate, (d) maximum flow rate, including the length of time the maximum flow rate can be maintained, and (e) the estimated sustainability of the well at the proposed design pump rates.

- (15) **Provide a final report for the wells.** LWS will prepare a final report at the completion of the Laramie-Fox Hills aquifer wells that will detail all of the drilling, geologic, well construction, well development, and pump test results associated with the installation of the wells, as well as an analysis of the water quality data. The final report will also provide recommendations regarding pump sizing and setting depth for each well, in addition to the expected short-term and long-term pumping rates that can be sustained in each well.

LWS can then assist MSMD with contracting with a pump installation contractor for the second phase of this work, i.e., the procurement of the permanent pump and ancillary equipment. However, these costs are not included in this proposal, as the scope of such services is not known at this time.

Based on the above-described scope of services we estimate that LWS' cost for this project will be \$79,265. We estimate that the Laramie-Fox Hills aquifer well drilling, construction, development, and testing, as described in this scope of work for both wells, will likely cost in the range of \$2,000,000 to \$2,200,000.

We propose to provide our services on a time-and-materials basis according to the unit rates shown in the attached Fee Schedule. If this scope of services and associated costs are acceptable, please sign this proposal and return one copy to us. Our invoices will be submitted monthly and are payable net 30 days.

We look forward to working with you on this project. If you desire any additional information, please do not hesitate to give us a call.

Yours truly,



Bruce A. Lytle, P.E.
President

Agreed to (date) _____

Meridian Service Metropolitan District

By _____

Title _____

LYTLE WATER SOLUTIONS, LLC



FEE SCHEDULE

Technician.....	\$80.00/hr
Technical Editor / Publishing.....	\$90.00/hr
Senior Technician / Field Engineer.....	\$95.00/hr
Staff Engineer / Hydrogeologist.....	\$133.00/hr
Senior Engineer / Hydrogeologist.....	\$139.00/hr
Project Engineer / Hydrogeologist.....	\$146.00/hr
Senior Project Engineer / Hydrogeologist.....	\$154.00/hr
Project Manager.....	\$172.00/hr
Senior Project Manager.....	\$185.00/hr
Principal.....	\$205.00/hr

Expenses

Reimbursable project expenses (in-house expenses, out of town expenses, rental equipment/vendor invoices, computer/GIS expense, etc.).....	at cost
Subcontracts.....	at cost
Permit/Filing Fees.....	at cost + 10%

Unit Rates

The unit rates shown in this fee schedule are fixed for calendar year 2022 but are subject to change on an annual basis. However, for fixed-fee projects, the estimated total cost of the project won't be exceeded unless written approval of a modification is obtained from the Client. Unit rates for deposition and Court testimony will be billed at 2.0 times the above-described unit rates.

Company Protection

It is intended by the parties to this Agreement that the Consultant's services in connection with the Project shall not subject the Consultant's individual employees, officers, or directors to any personal legal exposure for the risks associated with this Project. Therefore, and notwithstanding anything to the contrary contained herein, the Client agrees that as the Client's sole and exclusive remedy, any claim, demand, or suit shall be directed and/or asserted only against the Consultant, a Colorado Limited Liability Company, and not against any of the Consultant's individual employees, officers, or directors.

Limits of Liability

In recognition of the relative risks and benefits of the Project to both the Client and the Consultant, the risks have been allocated such that the Client agrees, to the fullest extent permitted by law, to limit the liability of the Consultant to the Client for any and all claims, losses, costs, damages of any nature whatsoever or claims expenses from any cause or causes, including attorneys' fees and costs and expert-witness fees and costs, so that the total aggregate liability of the Consultant to the Client shall not exceed \$500,000, or the Consultant's total fee for services rendered on this Project, whichever is greater. It is intended that this limitation applies to any and all liability or cause of action however alleged or arising, unless otherwise prohibited by law.

Comments

Invoices are due at Net 30 days. Payments received after due date are subject to late charges. A finance charge for late payment at the rate of 1-½% per month, or to the extent allowed by law, will be applied to principal balance not paid within 30 days of receipt of invoice.

The acceptance of this proposal and rates set forth herein is not intended to create a multi-year fiscal obligation of the District, and as such, any financial of the District that extends beyond the current budget year is subject to appropriations by the District in ensuing years.

**AGREEMENT
FOR
PROFESSIONAL SERVICES**

This Agreement entered into this 14th day of September 2022 by and between the MERIDIAN SERVICE METROPOLITAN DISTRICT, a quasi-municipal corporation of the State of Colorado (the "District") and Morgan Black, (the "Consultant").

RECITALS

WHEREAS, the District operates the Meridian Ranch Recreation Center (the "Rec Center") located at 10301 Angeles Road, Peyton, CO 80831.

WHEREAS, the District desires to offer Brazilian Jiu Jitsu at the Rec Center; and

WHEREAS, Consultant provides Brazilian Jiu Jitsu by Morgan Black and desires to offer and provide such classes at the Rec Center; and

WHEREAS, Consultant's managing member, Morgan Black, is not resident of Meridian Ranch and does not have resident membership privileges at the Rec Center; and

WHEREAS, the District desires to engage Consultant to render the professional services as defined herein under the terms and conditions set forth herein;

NOW THEREFORE, in consideration of the mutual covenants and stipulations hereinafter set forth, the parties agree as follows:

1. **SERVICES:** Consultant shall offer and provide Brazilian Jiu Jitsu classes for individuals and for groups of up to 20 participants per class at the Rec Center. Participation in the classes will be fee-based, with consultant setting fees which are currently anticipated to be \$50 per month, which will include 4 classes. The Meridian Service Metropolitan District will be collecting fees from participants and paying Morgan Black monthly.

2. **FEE FOR USE OF DISTRICT FACILITIES:** The recreation center will register and collect fees from the participants and provide registration reports monthly. Consultant will retain 50% commission of the registration fees collected.

3. **MARKETING:** Consultant will provide at its own cost, fliers for display and distribution at the Rec Center. To the extent Consultant wishes to display any other advertising at the Rec Center (e.g. brochures, flyers, etc.), Consultant must obtain advanced approval from the District Recreation Manager. Consultant shall be solely responsible for the costs associated with any advertising material. Consultant may also participate in District community events as a form of marketing/advertising, with specific participation plans approved in advance by the District Recreation Manager.

4. **AUTHORIZED REPRESENTATIVES:** The officer assigned to administer the Services by Consultant is the only authorized representative to make decisions or commitments on behalf of Consultant. The only authorized representatives to make decisions or commitments

on behalf of the District are Milton B. Gabrielski, District Board President; Jim Nikkel, District Manager; Ryan Kozlowski, District Recreation Manager; or an alternate designated in writing by one of the above.

5. TERM/COMMENCEMENT/USE OF SUBCONTRACTORS:

A. The Services called for hereunder shall commence only upon the full execution of this Agreement. This Agreement shall have a term of one (1) year and shall renew automatically on the anniversary date of its signing for successive one (1) year terms absent either party giving notice of termination as set forth in Section 11 below.

B. The Consultant shall perform the Services consistent with sound professional practices and with the care and skill ordinarily exercised by members of the same profession practicing under similar circumstances and shall comply with and endeavor to incorporate all laws, regulations, codes, and standards applicable at the time the Services are performed.

C. It is not anticipated that the Consultant will require the subcontracted services of subcontractors in performing the Services under this Agreement. If, however it ends up that such subcontracted services are deemed necessary, then prior written approval from the District will be required if the Consultant desires to retain such subcontractors, and any agreement between the Consultant and any subcontractor shall state that the subcontractor is, at a minimum, subject to and bound by the terms and conditions set forth herein. The Consultant shall supervise any and all subcontractors in order to ensure that the subcontractors perform the Services consistent with sound professional practices and with the care and skill ordinarily exercised by members of the same profession practicing under similar circumstances, and shall provide additional oversight of the activities of the subcontractors in order to ensure that the subcontractors comply with and endeavor to incorporate all laws, regulations, codes, and standards applicable at the time the Services are performed.

6. INDEPENDENT CONTRACTOR: Consultant is an independent contractor as provided in Colorado Revised Statutes § 8-40-202(2)(b)(I)-(IV), as amended and nothing herein contained shall constitute or designate Consultant or any of its employees or agents as employees or agents of the District. The work performed by Consultant shall be at its sole cost, risk and expense, and no part of the cost thereof shall be charged to the District. The District shall not be responsible for Consultant's means, methods, techniques, sequences or procedures of work or for safety precautions incident thereto. Consultant shall at its sole cost and expense, and without increase in the contract price, comply with all laws, rules, ordinances and regulations of all governing bodies having jurisdiction over the work; pay all taxes, sales taxes, use taxes and all federal and state taxes, insurance contributions for social security and unemployment which are measured by wages, salaries or other remunerations paid to Consultant's employees. Consultant is free to perform fitness training services for other customers at other facilities during the term of this Agreement, and the District is likewise free to engage other fitness trainers offering the same or similar services as Consultant during the term of this Agreement.

7. DISCLOSURE: During the performance of this Agreement and for all time subsequent to completion of the Services, the Consultant agrees not to use or disclose to anyone, except as required in the performance of this Agreement or by law, or as otherwise authorized in

writing by the District, any and all information given to the Consultant by the District, or by the Consultant to the District, or which is developed by the Consultant as a result of the performance of this Agreement.

8. **ASSIGNMENT:** The Consultant shall not have the right or power to assign this Agreement or parts thereof, or its respective duties, without the express written consent of the District. Any attempt to assign this Agreement or parts hereof in the absence of such written consent shall be null and void *ab initio*.

9. **INSURANCE:**

A. The Consultant shall obtain and maintain, at the Consultant's expense Workmen's Compensation and Employer's Liability, Comprehensive, General Liability, Automobile Liability, and Professional Liability, including errors and omissions in amounts and with carriers satisfactory to the District. Such policies shall contain limits of \$1million per occurrence and \$3million in the aggregate. Certificates of applicable insurance shall be provided to the District and the District shall be named as an additional insured on Consultant's policies of insurance.

B. If the Consultant subcontracts any portion of the Services for any purpose, said subcontractors shall be required to furnish certificates evidencing satisfactory comparable insurance coverage(s) to the Consultant and the District.

10. **INDEMNITY AND MUTUAL PROTECTION CLAUSES:**

A. **Indemnity:** The Consultant shall defend, protect, and indemnify the District, its officers, and employees from and against any claims, demands, losses, damages, expenses, injuries, and liabilities arising from the death or injury of any person or persons, including employees of the Consultant, or from any damage to or destruction of property to the extent caused by or in connection with the performance, or any negligent act or omission of the Consultant, its employees, or its subcontractors (if any), under this Agreement.

B. **Mutual Protection Clauses:** The Consultant will require that all contractors, subcontractors, or others furnishing material, work, or other professional services in connection with this Agreement agree to defend, protect, and indemnify the District and the Consultant and their respective officers, and employees, from and against any claims, losses, damages, expenses, injuries, and liabilities arising out of or in connection with their performance in connection with the Services.

11. **TERMINATION:** Either the District or the Consultant may terminate this Agreement at any time upon the giving of written notice to the other. Upon the giving of notice of termination, Consultant shall immediately suspend the performance of Services unless the District specifically agrees otherwise. Consultant shall pay to District any and all amounts owing hereunder immediately upon termination.

12. **NOTICES:** Any notices or other communications required or permitted by this Agreement or by law to be served on, given to, or delivered to either party hereto, by the other party shall be in writing and shall be deemed duly served, given, or delivered when personally

delivered to the party to whom it is addressed or in lieu of such personal service, when deposited in the United States mail, first-class postage prepaid, addressed to the District at:

To the District:

Meridian Service Metropolitan District
11886 Stapleton Drive
Falcon, CO 80831
Attn: David A. Pelser, General Manager

with a copy to:

Ronald Fano
Spencer Fane LLP.
1700 Lincoln Street, Suite 2000
Denver, Colorado 80203

To the Consultant:
Morgan Black
Colorado Springs, CO

Either party may change its address for the purpose of this Section by giving written notice of such change to the other party in the manner provided in this Section.

13. IMMIGRATION LAWS: The Consultant shall comply with any and all federal, state and local laws, rules and regulations regarding the hiring of employees and retention of subcontractors, including without limitation Section 8-17.5-101 et seq., C.R.S. The Consultant shall not knowingly employ or contract with an illegal alien to perform work under this Agreement or contract with a sub-contractor who (a) knowingly employs or contracts with an illegal alien to perform work under this Agreement, or (b) fails to certify to the Consultant that the subcontractor will not knowingly employ or contract with an illegal alien to perform work under this Agreement.

The Consultant hereby certifies that it does not knowingly employ or contract with an illegal alien. The Consultant shall participate in either the E-Verify Employment Verification Program administered by the United States Department of Homeland Security (“E-Verify Program”) or the State’s Department Program established pursuant to C.R.S. 8-17.5-102(5)(c) to confirm the employment eligibility of all employees who are newly hired for employment to perform work under the Agreement. The Consultant shall not utilize the E-Verify Program or the Department Program procedures to independently undertake pre-employment screening of job applicants.

The Consultant shall require each subcontractor to certify that subcontractor will not knowingly employ or contract with an illegal alien to perform work under the Agreement. If Consultant obtains actual knowledge that a subcontractor performing work under the Agreement knowingly employs or contracts with an illegal alien, Consultant shall be required to: (a) notify the subcontractor and the District within three (3) days that Consultant has actual knowledge that the subcontractor is employing or contracting with an illegal alien; and (b) terminate the subcontract with the subcontractor if within three (3) days of receiving notice from Consultant, the

subcontractor does not stop employing or contracting with the illegal alien; except that Consultant shall not terminate the contract with the subcontractor if during such three (3) days the subcontractor provides information to establish that the subcontractor has not knowingly employed or contracted with an illegal alien. Consultant shall comply with any reasonable request by the Colorado Department of Labor and Employment ("Department") made in the course of an investigation by the Department pursuant to Section 8-17.5-102(5), C.R.S.

In addition to any other legal or equitable remedy the District may be entitled to for a breach of this Agreement, if the District terminates this Agreement, in whole or in part, due to the Consultant's breach of any of this Section of the Agreement, the Consultant shall be liable for actual and consequential damages of the District resulting from such termination, and the District shall report such violation by the Consultant to the Colorado Secretary of State as required by law.

14. LAW/VENUE: The terms of this Agreement shall be governed by the laws of the State of Colorado. In the event of any dispute between the parties to this Agreement, the venue for the dispute resolution shall be the District Court for and in the county in which the District is located.

15. INTEGRATED WRITING AND ENFORCEABILITY: This Agreement constitutes the final and complete repository of the agreements between the District and the Consultant relating to the Services and supersedes all prior or contemporaneous communications, representations, or agreements, whether oral or written. Modifications of this Agreement shall not be binding unless made in writing and signed by an Authorized Representative of each party. The provisions of this Agreement shall be enforced to the fullest extent permitted by law. If any provision of this Agreement is found to be invalid or unenforceable, the provision shall be construed and applied in a way that comes as close as possible to expressing the intention of the parties with regard to the provisions and that saves the validity and enforceability of the provision. In the event of a legal action for invoice amounts not paid, or to otherwise enforce the terms and conditions of this Agreement, the prevailing party shall be entitled to recover from the other party its reasonable attorneys' fees, court costs, and other expenses related to the preparation for and conduct of the legal action.

16. NO THIRD PARTY RIGHTS: This Agreement shall not create any rights or benefits to parties other than the District and the Consultant. No third party shall have the right to rely on the Consultant's opinions rendered in connection with the Services without the written consent of the Consultant and the third party's agreement to be bound to the same conditions and limitations as the District.

17. BINDING AGREEMENT: This Agreement shall inure to and be binding on the heirs, executors, administrators, successors, and permitted assigns of the parties hereto.

18. NO WAIVER: No waiver of any of the provisions of this Agreement shall be deemed to constitute a waiver of any other of the provisions of this Agreement, nor shall such waiver constitute a continuing waiver unless otherwise expressly provided herein, nor shall the waiver of any default hereunder be deemed a waiver of any subsequent default hereunder.

19. **APPROPRIATIONS**: The Consultant acknowledges and agrees that the District is a political subdivision of the State of Colorado and, as such, (1) any and all financial obligations of the District, hereunder are subject to annual budget and appropriations requirements, and (2) neither the Consultant nor any of the Consultant's subcontractors shall have lien rights against the District, nor against any property lying within the boundaries of the District, in the event of nonpayment of any amount due under this Agreement.

20. **FORCE MAJEURE**: An event of "force majeure" occurs when an event beyond the control of the party claiming force majeure prevents such party from fulfilling its obligations. An event of force majeure includes, without limitation, acts of God (including floods, hurricanes and other adverse weather), war, riot, civil disorder, acts of terrorism, disease, epidemic, strikes and labor disputes, actions or inactions of government or other authorities, law enforcement actions, curfews, closure of transportation systems or other unusual travel difficulties, or inability to provide a safe working environment for employees. In the event of force majeure, the obligations of the Consultant to perform the Services shall be suspended for the duration of the event of force majeure.

21. **NO WAIVER OF GOVERNMENTAL IMMUNITY**: The District, its directors, officials, officers, agents and employees are relying upon and do not waive or abrogate, or intend to waive or abrogate by any provision of this Agreement the monetary limitations or any other rights immunities or protections afforded by the Colorado Governmental Immunity Act, Section 24-10-101 *et seq.*, C.R.S., as the same may be amended from time to time.

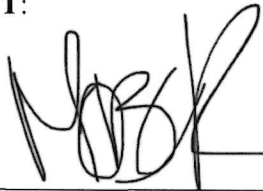
22. **NO PERSONAL LIABILITY**: No elected official, director, officer, agent or employee of the District shall be charged personally or held contractually liable by or to the Consultant under any term or provision of this Agreement, or because of any breach thereof or because of its or their execution, approval or attempted execution of this Agreement.

DISTRICT:

MERIDIAN SERVICE METROPOLITAN DISTRICT
a quasi-municipal corporation and
political subdivision of the State of Colorado

By: _____
President

CONSULTANT:
Morgan Black

By:  _____

Developer Advances Repayment 2013-2021

Date	Description	P or I	Amount
4/3/2013	Developer Reimbursement	Principal	\$ 808,759.19
4/4/2013	Developer Reimbursement	Principal	\$ 550,000.00
4/5/2013	Developer Reimbursement	Principal	\$ 4,300,000.00
2013 Total			\$ 5,658,759.19
11/18/2014	Developer Reimbursement	Principal	\$ 3,350,000.00
2014 Total			\$ 3,350,000.00
1/12/2017	Developer Reimbursement	Principal	\$ 1,872,299.42
8/2/2017	Developer Reimbursement	Principal	\$ 800,000.00
8/21/2017	Developer Reimbursement	Principal	\$ 2,100,000.00
2017 Total			\$ 4,772,299.42
2/16/2018	Developer Reimbursement	Principal	\$ 1,510,463.08
4/17/2018	Developer Reimbursement	Principal	\$ 4,777,079.00
4/17/2018	Developer Reimbursement	Interest	\$ 5,569,519.00
4/17/2018	Developer Reimbursement	Principal	\$ 9,653,402.00
9/18/2018	Developer Reimbursement	Principal	\$ 218,993.06
9/18/2018	Developer Reimbursement	Principal	\$ 1,454,057.61
2018 Total			\$ 23,183,513.75
Grand Total 2013-2021			\$ 36,964,572.36

**GTL, INC. dba
GTL DEVELOPMENT, INC.**

Fax No. (619) 223-2865
Telephone No. (619) 223-1663

3575 Kenyon Street, Suite 200
San Diego, CA. 92110

Mailing Address
P. O. Box 80036
San Diego, CA 92138

VIA EMAIL
ATTACHMENTS

September 9, 2022

Meridian Service Metropolitan District Board
Meridian Ranch Metropolitan District Board
11886 Stapleton Drive
Falcon, CO 80831

RE: REQUEST FOR APPROVAL AND RELEASE OF AVAILABLE EXCESS FUNDS FROM TAP FEE REVENUE FOR PAYMENT OF GTL, INC. DEVELOPER ADVANCES

Dear MSMD and MRMD Board Members,

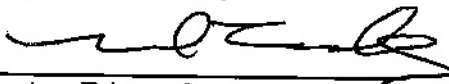
GTL Inc. is respectfully requesting the approval and release of the available Releasable Excess Funds from Tap Fee Revenue towards payment of the GTL Inc. bonds/notes. Attached please find the MSMD letter dated April 7, 2022 marked Exhibit A confirming the principle and interest audited balances of the GTL Inc. bonds/note(s) as of December 31, 2022. Also enclosed for your use is the summary of past payments from MSMD/MRMD to GTL Inc. from Releasable Excess Funds marked Exhibit B.

Katya Arcia from CRS of Colorado updated the Releasable Excess Funds spreadsheet as of September 8, 2022. Please see the attached PNC Bank Releasable Proceeds spreadsheet marked Exhibit C showing an Available Now – Excess Funds amount of \$5,061,135.19. This amount will be subject to final review and approval by all appropriate entities including PNC Bank and MSMD.

GTL Inc. would like to request that the final approved Released Excess Funds go towards paying down the unpaid principal balance of the GTL Inc bonds/note(s). To help support the District, GTL Inc. is proposing to also reduce the unpaid interest balance of the GTL Inc bonds/note(s) by the same final Released Excess Funds amount. We appreciate your support and look forward to continuing to work with the Boards and everyone at MSMD and MRMD. If you have any questions or need additional information please let us know.

Very truly yours,

GTL, INC. dba
GTL DEVELOPMENT, INC.


Theodore Tchang, President

Cc: Ron Fano
Jim Nikkel, Jennette Coe
Katya Arcia

RG:nl

EXHIBIT A



MERIDIAN SERVICE METROPOLITAN DISTRICT
Water, Wastewater, Parks and Recreation
11886 Stapleton Dr, Falcon, CO 80831
719-495-6567, Fax 719-495-3349

April 7, 2022

GTL
3575 Kenyon St., Suite 200
San Diego, CA 92110

Our auditors, BiggsKofford, P.C., are conducting an audit of our financial statements. Please confirm directly to them the following information relating to our bonds/note(s) payable to you as of December 31, 2021:

Date of issuance:	N/A
Original amount:	\$ _____
Unpaid principal balance:	\$ <u>9,315,476</u>
Maturity date:	_____
Interest rate:	Currently 5% on Principal & 0% on interest until 12.31.2025
Date through which interest has been paid:	_____
Unpaid interest as of December 31, 2021:	\$ <u>13,591,477</u>
Description of collateral or personal guarantees (If none, please so indicate):	_____

After signing and dating your reply, please return it directly to:

BiggsKofford, P.C.
Attention: Patricia Spencer
630 Southpointe Court, Suite 200
Colorado Springs, Colorado 80906
Confirmations@biggskofford.com
Fax: 719-576-0126

	<u>Dist. Mgr.</u>	<u>4/7/2022</u>
District Authorized Signature	Title	Date

To BiggsKofford, P.C.:

The balances due from Meridian Service Metropolitan District shown above as of December 31, 2021 are correct with the following exceptions (if any): NONE

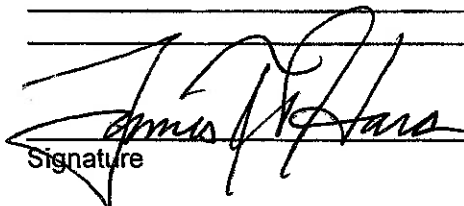
	<u>CFO</u>	<u>5/10/22</u>
Signature	Title	Date

EXHIBIT B

GTL Inc., General Ledger

RE: MSMD/MRMD Reimbursement Payments To GTL Inc. From Available Excess Funds From Tap Fees For Bonds/Note(s)

Period = Jan 2014 - Sep 2022

Report Date = 9/7/2022

Date Funds Received	Period	Credit	Remarks
1/12/2017	Jan-17	\$ 1,872,299.42	GTL/MSMD-REIMBURSEMENT
8/3/2017	Aug-17	\$ 800,000.00	GTL/MSMD-REIMBURSEMENT
8/21/2017	Aug-17	\$ 2,100,000.00	GTL/MSMD-REIMBURSEMENT
2/16/2018	Feb-18	\$ 1,510,463.08	GTL/MSMD-REIMBURSEMENT
9/18/2018	Sep-18	\$ 1,673,050.67	GTL/MSMD-REIMBURSEMENT
Total Reimbursements =		\$ 7,955,813.17	

Unpaid Principle Balance As of 12/31/2021 = \$ 9,315,476.00
 Unpaid Interest As Of 12/31/2021 = \$ 13,591,477.00

**Meridian Ranch
PNC Bank Releasable Proceeds**

EXHIBIT C

	<u>2022</u>	<u>2023</u>	
2022 Final AV	\$ 97,902,950.00	\$ 97,902,950.00	2023 amount to be updated when available
2022 Net Debt Service	\$ 3,609,560.00	\$ 6,444,446.00	
Reserve Fund as of 8/31/22	\$ 1,414,653.48	-	
Estimated Debt service	\$ 3,609,560.00	\$ 6,444,446.00	
21.998 Mills for Property Taxes, net	1.91% \$ 2,121,364.00	\$ 2,121,364.00	
Specific Ownership Tax (CO licenses, ets)	41.70% 185,510.00	194,785.50	
TOTAL	\$ 2,306,874.00	\$ 2,316,149.50	
Funds Needed Year End for 2022 D/S	\$ 1,302,686.00	\$ 4,128,296.50	
Current BBVA Balance - Acct #6708905745 as of 8/31/22	\$ 11,737,719.14	\$ -	
2022 Net Debt Service:			
2013 Series Loan Interest - Loan #18	\$ 807,036.00	\$ 1,203,434.00	
2014 Series Loan Interest - Loan #26	92,243.00	28,435.00	
2018 Series Loan Interest - Loan #34	840,281.00	827,577.00	
2013 Series Loan Principal - Loan #18	1,060,000.00	730,000.00	
2014 Series Loan Principal - Loan #26	110,000.00	2,760,000.00	Balloon payment due in 2023 - 3/28/2023
2018 Series Loan Principal - Loan #34	350,000.00	545,000.00	Balloon payment due in 2030 of \$18,200,000 - 12/1/2030
2008 Bond interest	350,000.00	350,000.00	
Reserve Fund	-	-	
Total 2022 Debt Service	\$ 3,609,560.00	\$ 6,444,446.00	
June 2022 Payments			
2021 Interest - Loan #18	\$ 402,412.61	\$ -	
2021 Interest - Loan #26	45,994.94	-	
2021 Interest - Loan #34	418,989.28	-	
2021 Bond Interest	-	-	
2021 Principal - Loan #18	-	-	
2021 Principal - Loan #26	-	-	
2021 Principal - Loan #34	-	-	
Total June 2021 payments	\$ 867,396.83	\$ -	
Overage/deficit	\$ 8,995,555.97	\$ (4,128,296.50)	
Property taxes to be collected/transferred in	\$ 40,518.05		
Specific Ownership Tax to be collected/transferred in	77,357.67		
Tap fee sales transferred in Sept 2022	\$ -	\$ -	
Remaining budgeted 2022 Tap fee sales	\$ 76,000.00		
Available Now - Excess funds	\$ 9,189,431.69	\$ 5,061,135.19	
Releasable amount requested	\$ -	\$ -	

AGREEMENT AND BILL OF SALE FOR PORTION OF SEWER LINE

THIS AGREEMENT AND BILL OF SALE FOR PORTION OF SEWER LINE (“Agreement”) is made and entered into this ___ day of _____, 2022, by and between Meridian Service Metropolitan District, a quasi-municipal corporation and political subdivision of the State of Colorado (“MSMD”) and the Falcon Area Water and Wastewater Authority, a quasi-municipal corporation and political subdivision of the State of Colorado (“FAWWA”).

RECITALS

A. MSMD and Sterling Ranch Metropolitan District No. 1 (“SRMD 1”) are parties to a Sanitary Sewer Intergovernmental Agreement dated September 11, 2014, which was subsequently amended on February 20, 2020 and again amended on November 9, 2021, and which was assigned from SRMD 1 to FAWWA pursuant to an Assignment, Assumption and Amendment Agreement dated May 21, 2022 (the “Assignment”) (collectively the “IGA”) pursuant to which SRMD 1, and now FAWWA is to connect its sanitary sewer system to the MSMD sanitary sewer system at a location or locations mutually acceptable to the Parties.

B. MSMD is the owner of a sanitary sewer line located within Meridian Road, El Paso County Colorado, and as specifically shown on **Exhibit A** hereto (the “Meridian Sewer Line”).

C. Pursuant to the February 20, 2020 amendment to the IGA the Parties agreed to the terms and conditions for a sale of a portion of the Sewer Line to SRMD 1 as shown and described on **Exhibit B** hereto (the “Meridian Road Line”), with such portion intended to be used by SRMD 1 to connect its sanitary sewer system to MSMD’s sanitary sewer system as set forth in the IGA.

D. Under the terms of the Assignment SRMD 1’s rights and obligations under the IGA were fully assigned and transferred to FAWWA, including the right to purchase the Meridian Road Line.

E. Pursuant to the Parties’ February 20, 2020 amendment to the IGA and the Assignment, and in recognition of the meeting of all terms and conditions for the purchase, MSMD wishes to sell and FAWWA wishes to purchase the Meridian Road Line.

NOW THEREFORE, for good and valuable consideration as set forth below, the receipt and sufficiency of which is hereby acknowledged, MSMD and FAWWA agree as follows:

1. MSMD hereby conveys to FAWWA all of MSMD’s right, title and interest in and to the Meridian Road Line, including but not limited to all rights in and to use said line as set forth in the IGA.

2. From the date of this Agreement, FAWWA shall assume and be responsible for all obligations of ownership as set forth in the IGA and as otherwise provided by law, including, but not limited to all maintenance, repair and replacement obligations, as well as any and all obligations related to federal, state and local government and agency approvals.

3. In consideration for the conveyance from MSMD of the Meridian Road Line, FAWWA hereby agrees to and has already paid to MSMD the total amount of \$330,000.00, the receipt and sufficiency of which is hereby acknowledged by MSMD.

4. MSMD warrants and represents that it has not made any prior conveyance, transfer or assignment of the Meridian Road Line. The Meridian Road Line is being sold to FAWWA in an "AS IS, WHERE IS" condition and MSMD makes no representation or warranty whatsoever, express or implied, with respect to the condition or any other aspect of the Meridian Road Line. FAWWA shall have no recourse against MSMD whatsoever regarding the condition or any other aspect of the Meridian Road Line.

5. This Agreement shall not be modified except by a written addendum or amendment agreed to and signed by both parties.

6. The terms of the IGA are incorporated herein by reference, and nothing herein shall be deemed to change the terms, rights or obligations of the Parties as set forth in the IGA.

7. This Agreement may be executed in one or more counterparts.

8. This Agreement shall be governed by and construed under the laws of the State of Colorado.

IN WITNESS WHEREOF, the parties have executed this Agreement to be effective on the day and year first written above.

MERIDIAN SERVICE METROPOLITAN
DISTRICT

Milton Gabrielski, Board President

FALCON AREA WATER AND
WASTEWATER AUTHORITY

_____, Board President